

Center for Disability Rights, Inc.

Disability Advocates' Proposal to Restore \$30M 2010-2011 Cut to Personal Care

January 28, 2010

The following figures are more conservative than the original proposal submitted to the Executive, Legislature, and NYS Department of Health on November 13, 2009¹. The recommendations to establish an expedited enrollment process for the Nursing Home Transition and Diversion Waiver; amend the NYS regulations to be consistent with federal regulations regarding who can receive payment for personal care services; facilitate transitions to less costly models of care; and use assistive technologies to reduce personal care hours, all serve to reduce the State's Medicaid expenditures while promoting the independence and integration of people with disabilities. The calculations are amortized over one year to allow the State to restore the proposed \$30M cut to personal care achieved by capping average hours during and authorization period at twelve; ranging in \$30M -\$95M in annual savings.

Assumptions	
Total NYS Skilled Nursing Facility Population (CMS MDS 3Q)	107,800
Medicaid Percentage (CMS MDS 3Q)	61%
Medicaid Population (Based on percentage)	65,758
CMS MDS 3Q: Q1A – yes (Rounded down)	22,000
SNF residents over 85	46%
SNF residents 75 - 84	32%
SNF residents 65 - 74	12%
SNF residents < 64	10%
Average daily cost of SNF in NYS (U.S. Department of HHS, 2008)	\$319.00
Average daily savings of TBI waiver (DOH report to CMS, Form 372, FY07)	\$56.00
CHHA Average Hourly Rate* (DOH 2008 Recorded Rates)	\$29.25
PCA Average Hourly Rate* (DOH 2008 Recorded Rates)	\$21.19
CDPAP Average Hourly Rate* (DOH 2008 Recorded Rates)	\$19.73
<u>Admissions - 2009 CMS Q3 Data</u>	
Total Admission Assessments	39,015
Percentage Non-Medicare	33.80%
No. of potential MA-eligible admissions	13,187
1. Savings from Transitions on the NHTD Waiver	
Q1A Positive Responders (Rounded down)	22,000
Medicaid Percentage (CMS MDS 3Q)	61%
MA Q1A Positive Responders	13,420
Option A:	
Percentage Transitioned	10%
No. Transitioned (per year)	1342
No. Transitioned (per month)	112
Daily Savings (85% of calculated number)	\$50.00
Annualized Savings (Total)	\$13,084,500
Option A: Annualized Savings (non-federal)	\$6,542,250

¹ Proposals that Reduce NYS Spending and Promote the Independence and Integration of Seniors and People with Disabilities. November 13, 2009. Prepared by the New York Association on Independent Living, the Center for Disability Rights, and the Consumer Directed Personal Assistance Association of New York State.

Option B:	
Percentage Transitioned	25%
No. Transitioned (per year)	3355
No. Transitioned (per month)	280
Daily Savings (85% of calculated number)	\$50.00
Annualized Savings (Total)	\$32,711,250
Option B: Annualized Savings (non-federal)	\$16,355,625
2. Savings from Diversions on the NHTD Waiver	
No. of MA-eligible admissions	13,187
Option A:	
Percentage Diverted	10%
No. of Diverted MA admissions	1319
No. of Diverted MA admissions (per month)	110
Daily Savings (85% of calculated number)	\$50.00
Annualized Savings (Total)	\$12,857,393
Option A: Annualized Savings (non-federal)	\$6,428,697
Option B:	
Percentage Diverted	25%
No. of Diverted MA admissions	3297
No. of Diverted MA admissions (per month)	275
Daily Savings (85% of calculated number)	\$50.00
Annualized Savings (Total)	\$32,143,483
Option B: Annualized Savings (non-federal)	\$16,071,742
Savings from Shifting to Less Costly Models of Community-Based Care	
3. CHHA to CDPAP	
CHHA Average Hourly Rate*	\$29.25
CDPAP Average Hourly Rate*	\$19.73
Option A:	
No. of people Shifting (per year)	1000
No. of people Shifting (per month)	83
Average No. of Hours (per day)	5
CHHA Cost	\$28,518,750
CDPAP Cost	19,236,750
Annualized Savings (Total)	\$9,282,000
Option A: Annualized Savings (non-federal)	\$4,641,000
Option B:	
No. of people Shifting (per year)	5000
No. of people Shifting (per month)	417
Average No. of Hours (per day)	5
CHHA Cost	\$142,593,750
CDPAP Cost	96,183,750
Annualized Savings (Total)	\$46,410,000
Option B: Annualized Savings (non-federal)	\$ 23,205,000
4. PCA to CDPAP	
PCA Average Hourly Rate*	\$21.19
CDPAP Average Hourly Rate*	\$19.73
Option A:	
No. of People Shifting (per year)	2000
No. of People shifting (per month)	167

Projected Average No. of Hours Per Day	10
PCA cost	\$82,641,000
CDPAP cost	\$76,947,000
Annualized Savings (Total)	\$5,694,000
Option A: Annualized Savings (non-federal)	\$2,847,000
Option B:	
No. of People Shifting (per year)	10000
No. of People shifting (per month)	833
Projected Average No. of Hours Per Day	10
PCA cost	\$413,205,000
CDPAP cost	\$384,735,000
Annualized Savings (Total)	\$28,470,000
Option B: Annualized Savings (non-federal)	\$14,235,000
5. Savings from Expanding the Pool of Direct Care Workers	
<i>Allowing family members to care for aging elder could be significant impact.</i>	
Total NYS NF Population (CMS MDS 3Q)	107,800
Percentage 65+	90%
Medicaid Percentage (CMS MDS 3Q)	61%
Option A:	
Percentage who would transition	1%
Average Cost of NF Care	\$37,323,000
<u>Average Cost of CDPAP</u>	
CDPAP Average Hourly Rate*	\$19.73
Average number of hours per day	10
CDPAP Cost	\$23,084,100
No. of Transitions (per year)	592
No. of Transitions (per month)	50
Annualized Savings (Total)	\$14,238,900
Option A: Annualized Savings (non-federal)	\$7,119,450
Option B:	
Percentage who would transition	3%
Average Cost of NF Care	\$110,442,863
<u>Average Cost of CDPAP</u>	
CDPAP Average Hourly Rate*	\$19.73
Average number of hours per day	10
CDPAP Cost	\$68,308,391
No. of Transitions (per year)	1775
No. of Transitions (per month)	148
Annualized Savings (Total)	\$42,134,471
Option B: Annualized Savings (non-federal)	\$21,067,236
6. Use of Assistive Technology to reduce cost of personal care services	
Option A:	
Number of proposed people (per year)	150
Number of proposed people (per month)	13
Annualized Savings (from reduction of 8 hours of PCA)	\$4,958,460
Option A: Annualized Savings (non-federal)	\$2,479,230
Option B:	
Number of proposed people (per year)	250
Number of proposed people (per month)	21
Annualized Savings (from reduction of 8 hours of PCA)	\$8,264,100

Option B: Annualized Savings (non-federal)	\$4,132,050
Summary of Savings – Options A	
Savings from Transitions on the NHTD Waiver	\$6,542,250
Savings from Diversions on the NHTD Waiver	\$6,428,697
Savings from Shifting to Less Costly Models of Community-Based Care:	
CHHA to CDPAP	\$4,641,000
PCA to CDPAP	\$2,847,000
Savings from Expanding the Pool of Workers	\$7,119,450
Savings from Use of Assistive Technologies to Reduce Personal Care	\$2,479,230
Total Projected Savings (non-federal) Option A	\$30,057,627
Summary of Savings – Options B	
Savings from Transitions on the NHTD Waiver	\$16,355,625
Savings from Diversions on the NHTD Waiver	\$16,071,742
Savings from Shifting to Less Costly Models of Community-Based Care:	
CHHA to CDPAP	\$ 23,205,000
PCA to CDPAP	\$14,235,000
Savings from Expanding the Pool of Workers	\$21,067,236
Savings from Use of Assistive Technologies to Reduce Personal Care	\$4,132,050
Total Projected Savings (non-federal) Option B	\$95,066,652
<i>*Excludes NYC rates because the DOH does not include them in the recorded rates</i>	