

House Aging and Older Adult Services Committee

Public Hearing regarding Adult Day Services and House Bill 269

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Chair Mundy, Chair Hennessy and honorable members of the committee, good morning. Thank you for the opportunity to speak with you today about adult day services in Pennsylvania. The quintessential result of adult day services (ADS) embodies a major objective of Governor Rendell and the Department of Aging: enabling the 86 percent of older people who would prefer to remain living in their own homes, in the company of their loved ones, to do so. Adult day services play an important role in rebalancing our long-term care system by postponing or avoiding institutional care. The consumers of ADS typically live in the homes of family or friends who serve as caregivers. Participation in adult day facilities provides socialization opportunities and peace of mind for caregivers, ensuring that their loved ones are cared for in a safe environment.

Since I joined the Department in 2007, we have focused on aiding the expansion of adult day services through the development of innovative programs, such as a recent round of grants awarded to ADS facilities. These grants will assist adult day facilities in better serving the needs of consumers by offering a broader range of services. They will provide for renovations such as showers and bathing facilities, permitting consumers' hygienic needs to be addressed by the adult day center in a manner that enhances consumers' privacy and dignity. These grants have also allowed some ADS facilities to purchase vans for transporting clients to and from the facility. The funds provided by these grants will be used by some facilities to provide respite services on weekends and to test the potential for evening programming intended for "sundowners," consumers with dementia who require more care during the evening hours. In other cases, the grants are permitting centers to finally make long-overdue capital

improvements and improve accessibility or purchase furniture and exercise equipment. The department awarded thirty-five grants in this first round with an average award of \$39,250. We plan on offering another round of grants in July for FY 2010-11, including awards specifically meant for the development of bathing facilities.

On April 1, the Department created a new Enhanced Older Adult Daily Living Center program. This program is designed to cure the most significant barriers that have historically held back development of adult day services in Pennsylvania: some of the lowest daily reimbursement rates in the country and service hours that bear no relationship to the needs of customers. The enhanced adult day initiative now provides a substantially higher daily reimbursement rate – nearly double the previous statewide average rate, but on par with national market rates for this service. The goal is to reverse the stagnation in Pennsylvania's adult day system, stimulating growth and expansion in this sector at a time when adult day services are more in demand than ever. Under this initiative, facilities that demonstrate they are open at least eleven hours a day, five days per week, employing additional staff including RNs, and capacity to address a client's personal care and hygiene needs, are eligible for the higher rate of reimbursement. This program encourages adult day facilities to develop more comprehensive services for consumers while simultaneously offsetting the additional costs to providers.

In the past few years, the Department has promoted a statewide dialogue on the need to expand and strengthen adult day services – I rarely make a speech or public appearance without mentioning the importance of adult day. I can report to you that we have made

substantial progress in this area and we are seeing the number of applications for licenses to open new adult day facilities steadily increasing each year. In 2004, only 8 applications were submitted; in 2009 that number rose to 28. The Department regularly receives inquiries about opening new day facilities. The rising interest in opening and licensing new adult day facilities signals an increased awareness among providers of the market demand for these services and among families who recognize the appeal and power of a model of care that assures safe, stimulating care for seniors while permitting families to pursue full-time employment without interruption to their careers.

The Department has also made advances in collaborating with other organizations. We continue to work with local Area Agencies on Aging (AAAs) to increase the effectiveness of the referral process to ADS facilities. Coordinating progress with the providers of these services represents an important step to improving ADS as well. The Department has developed a strong relationship with the provider association, Pennsylvania Adult Day Services Association (PADSA). My staff and I meet with ADS providers on a regular basis to discuss a wide range of topics, including operational issues. We have also spoken at the association's annual conference for the past several years and will do so again this fall.

Although progress continues to be made in expanding the availability of ADS, certain challenges still exist. The rural composition of many counties presents a challenge to expanding ADS. Attracting providers to these areas and cultivating a base of consumers represents a key objective that the Department continues to pursue. Another challenge to providing ADS is transportation – the problem of getting consumers to and from the facility – especially in these

rural areas where distances are great and public transportation is weak. Often caregivers struggle with the logistics of providing their own transportation. Similarly, the expense to a facility attempting to offer transportation can be a heavy financial burden. The Department continues to work with providers on this issue. Through collaboration with AAAs, the Department has been able to offer programs like the Shared Ride Program and other transportation options for consumers of ADS. But I am also pleased to see the development of new adult day centers strategically located in communities to accommodate the needs and schedules of their customers.

The various programs that I have discussed illustrate the progress the Department has made in the area of ADS. When the legislation that is now House Bill 269 was introduced in prior sessions, our adult day programs were experiencing a governmental attitude of benign neglect and the Department had yet to make much progress in this area. The bill, therefore, proposed the creation of a statewide adult day resource and referral system as well as a database for ADS. It also mandated that the Department arrange for the availability of adult day referral services through contracts with public or private entities in specified geographic areas. However, recently the Department has fulfilled the objective of the bill by focusing on increasing consumer access to information about adult day facilities. We have realized this goal through the development of an online repository of facility information, including a directory of facilities by county as well as licensing inspection summaries. Information on ADS can be located on the Department of Aging's website, www.aging.state.pa.us, home and community based services, older adult daily living centers. There you can find links to local AAAs, a directory of facilities, frequently asked questions about ADS, and a link to the provider

association. The Department has also worked with AAAs to increase the effectiveness of referrals to adult day facilities and will continue working to enhance the referral process.

An ongoing discussion concerns the cap in the Options program and the limiting effect this has on making adult day services available to Options recipients. The cap limits the cost of Options care plans to \$714 per month. This ceiling adversely affects adult day services more than any other program. The Department has initiated productive discussions regarding the cap with the Area Agencies on Aging and consideration is being given to repealing or revising the cap, but there is a connection between this issue and the larger discussion regarding the AAA allocation formula. In the meantime, it's important to point out that it is not a hard cap -- AAAs can request permission to exceed the cap by submitting justification to the Department for any care plan that exceeds \$714 per month -- and based on my discussions with staff, we have not denied any AAA an exception following submission of proper documentation.

The goal of improving the availability and quality of ADS continues to be a priority for the Department. Despite challenges, we have made significant progress, specifically the increased information available to consumers and the rising number of applications for facility licenses. The Department plans on providing continued support of adult day facilities through the enhanced rate program and grants to adult day providers, as well as through cultivating relationships with local AAAs and providers. Emphasis on ADS contributes significantly to the department's overall mission of empowering adults to take control over their own care decisions and providing them with the options to do so. Thank you again for the opportunity to be here today and discuss the importance of adult day services.