

AGING STRATEGIC ALIGNMENT PROJECT

State Profile for

KENTUCKY

Home- and Community-based Services for Older Adults and Adults with Physical Disabilities

Background

- Kentucky's 60+ population was 791,961 in 2008 (18.6% of the state's total population), with 13.2% below the federal poverty level.¹
- The 60+ population is projected to be 1,115,386 in 2025 (24.8% of the state's total population).²
- About 23.1% of all households in 2007 had one or more persons age 65 years and older, and 48.9% had a disability.³
- Of the 847,943 Medicaid beneficiaries in the state in 2003, 6.9% were aged, 24.3% were blind and disabled, 18.3% were Dual Eligible, and 2.1% were HCBS waiver beneficiaries.⁴
- Medicaid expenditures for institutional long-term care were 69.8% of the total long-term-care expenditures, compared to 30.2% for HCBS in fiscal year 2007.⁵

Abbreviations

AAA	Area Agency on Aging
ADL	Activities of Daily Living
AoA	Administration on Aging
CMS	Centers for Medicare and Medicaid Services
HCBS	Home- and Community-based Services
IADL	Instrumental Activities of Daily Living
MRDD	Mental Retardation and Developmental Disabilities
OAA	Older Americans Act
PACE	Program of All-inclusive Care for the Elderly
SUA	State Unit on Aging

¹ Department of Health and Human Services, Administration on Aging. (2009). *AGing Integrated Database (AGID): American Community Survey (ACS) demographic data 2004-2007 and state-level population estimates data 2000-2008* [Data files]. Available from <http://198.136.163.234/default.asp>

² Department of Health and Human Services, Administration on Aging. (2009). *AGing statistics: Projected future growth of the Older population; By state: 2005-2030; Aged 60 and above* [Data files]. Available from http://www.aoa.gov/AoARoot/Aging_Statistics/future_growth/future_growth.aspx.

³ Reimbursement and Research Department, American Health Care Association. (2006, August 29). *The state long-term health care sector 2005: Characteristics, utilization, and government funding*. Washington, DC: Author.

⁴ U.S. Census Bureau, 2007 American Community Survey, United States and States. *Percent of households with one or more people 65 years and over* (R1104) and *Percent of people 65 years and over with a disability* (R1803).

⁵ Burwell, B., Sredl, K., & Eiken. S. (2008, September 26). *Medicaid long term care expenditures FY 2007*. Eagan, MN: Thomson Reuters.

Government Structure to Manage HCBS

- **SUA:** Department for Aging and Independent Living (DAIL).
www.chfs.ky.gov/dail/Programs.htm
- **Medicaid Agency:** Department for Medicaid Services (DMS).
www.chfs.ky.gov/dms/
- The SUA and the DMS commissioners report directly to the Secretary of the Cabinet for Health and Family Services.
- Managing HCBS is shared between the SUA and DMS. The SUA supervises the provision of OAA and state-funded home care services. DMS manages other HCBS.
- Kentucky has 15 regional Area Agencies on Aging, with some regions serving multiple counties. The AAAs provide case management and manage consumer-directed options for participants in Medicaid HCBS programs.

Single Point of Entry (SPE)/Aging and Disability Resource Center (ADRC)

- Kentucky has an ADRC, called the Aging and Disability Market, which is statewide.
- The ADRCs have a physical (bricks and mortar) infrastructure. Kentucky is working on a virtual model – a website that will contain information and resources from across the state.
- In addition to serving older adults, Kentucky's ADRC serves those with MRDD, the physically disabled, cognitively impaired adults with Alzheimer's disease and related dementias, families, and children. It also serves some individuals without disabilities.
- In fiscal years 2008 and 2009, the AAAs received state funds to implement the information and assistance function of the ADRC across the state. Thus, they represent the physical presence of the ADRCs.

- Staff at the ADRC/AAA provide information and assistance to applicants rather than contract this function out to another entity. The state is also working on streamlining methods to screen and refer applicants. A generic screening tool is being piloted that will be applicable to Medicaid participants.

Assessment Process

Medicaid

- For Medicaid applicants, in determining functional eligibility for nursing home pre-admission, Kentucky requires an in-person assessment by someone other than nursing home staff. The assessment is conducted by home health agencies and/or adult day health providers. The functional assessment is conducted using the Preadmission Screening and Resident Review (PASRR). Financial assessment is conducted by the local offices of the Department of Community Based Services.
- The AAAs have also become involved in conducting functional assessments for applicants using consumer-directed options or for participants seeking to change to consumer-directed options.

Non-Medicaid

- For non-Medicaid applicants in Kentucky, nursing home pre-admission is not required by someone other than nursing home staff. However, individuals with MRDD or mental illnesses are assessed using the PASRR.

State Medicaid Plan

- Kentucky provides HCBS through the state Medicaid plan.
- Refer to Table 1 for specific services provided.
- **Home Health:** This program provides in-home services on a short-term basis to consumers referred by physicians. If applicants need services on a more long-term basis, they are referred to one of the Medicaid waiver programs.

Medicaid Waivers

- Kentucky has two waivers that provide HCBS to older adults and/or adults with physical disabilities. These are: Home and Community Based Waiver and Model II Waiver.
- **Home and Community Based Waiver:** This waiver is not limited to a specific age or diagnostic group. The SUA provides oversight for the consumer directed option, which allows eligible Medicaid waiver members to choose their own providers for non-medical services.
- **Model II Waiver:** Services under this waiver are provided to an individual who is dependent on a ventilator at least 12 hours per day and would otherwise require nursing facility level of care in a hospital-based nursing facility. Skilled nursing and respiratory therapy combined cannot exceed 16 hours per day per recipient. This usually requires the services of two nurses working two shifts, with the family assuming the care of the recipient for the remaining eight hours daily. A physician requests that a home health agency conduct an assessment of the person's condition to determine appropriateness for services. The agency in turn provides the information to the Quality Improvement Organization. If the latter gives approval, the agency completes a comprehensive assessment and advises the patient or caregiver to apply for Medicaid. Re-evaluation under this waiver is required every 60 days. People served under this waiver are deemed categorically needy, and eligible under a special income level group as specified in 42 Code of Federal Regulation (CFR) 435.217.
- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.

CMS-funded Programs and Grants

- Kentucky has one CMS-funded grant that provides HCBS to older adults and/or adults with physical disabilities. This is the Money Follows the Person grant.
- **Money Follows the Person:** This is a nursing home transition grant that helps residents who have been in a nursing home transition back into the community.

- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.

State-funded HCBS Programs

- Kentucky has three state funded HCBS programs for the elderly and physically disabled adults. These are: Homecare, Personal Care Attendant, and Alzheimer's Day Care and In-Home Respite.
- **Homecare:** This program, which has been in existence since 1982, is a statewide program designed to help adults who are at risk of institutionalization to remain in their own homes by providing supports and HCBS. In addition to nursing home diversion, the program also offers transition services to eligible nursing home residents to return to the community. Both nursing home diversion and transition are accomplished by coordinating the help provided by caregivers and provider agencies. Eligible participants must be 60 years of age or older and unable to perform two ADLs or three IADLs. Although there are no income or asset limits for this program, an optional, income-based sliding fee scale is used, as determined by case managers at the AAAs. With funding from a Nursing Home Diversion grant, the Homecare program is testing consumer-directed options in two eastern parts of the state in which there is a provider shortage. Consumers in the pilot must have the capacity to be able to hire, train, and fire staff.
- **Personal Care Attendant:** This program is designed to help physically disabled adults remain in the community with HCBS services. Participants must be severely physically disabled, with temporary, recurring or permanent functional loss of two or more limbs; need at least 14 hours but no more than 40 hours of attendant care per week; and be mentally capable of hiring, training, instructing, supervising and firing attendants, including preparing payroll and required employer tax statements. Similar to Homecare, participants do not handle cash but use a fiscal intermediary. While there is no income limit for an individual or couple, there is an income-based sliding scale of partial payment for services.

- **Alzheimer’s Day Care and In-Home Respite:** This program is primarily targeted toward helping individuals with Alzheimer’s disease and related dementias attend certified day care centers so they can remain in the mainstream of community life. Care can be provided during any part of the day but must be less than 24-hour care. Only one region of the state provides in-home respite in addition to care provided in adult day care centers. The Alzheimer’s Association helps by publicizing the program, as do local communities and current participants. While the program does not have any income or asset limits, there is an income-based sliding scale partial payment for services.
- Refer to Table 2 for an overview of selected HCBS programs. Table 1 shows the types of services offered.
- **Nursing Home Diversion:** This grant is intended to enable adults at risk of nursing home placement to remain in the community with HCBS. This grant is testing consumer-directed options under the existing state-funded Homecare program in two regions of eastern Kentucky that have difficulty finding providers.
- **Alzheimer’s Disease Demonstration:** This demonstration targets older adults with Alzheimer’s disease and their caregivers. This program also provides consumer-directed options.
- Refer to Table 2 for an overview of selected HCBS programs.

Locally Funded Programs

- Kentucky uses local funds for HCBS for older adults and/or adults with physical disabilities.
- The state uses local funds to expand the number of HCBS participants who can be served in state-funded and Title III programs.
- Senior centers and other programs (such as Senior Games, Elder Abuse Councils, and other community service network projects) generally receive most of the local funds because they have local visibility and popularity.

OAA-funded Programs

- Refer to Table 1 for services provided through Title III of the OAA.
- Funds are used to supplement services that are not available through other programs (for example, meals) and to increase the number of participants served. There are long waiting lists for these services.
- The AAAs are responsible for administering Title III funds. AAAs often utilize local funds as a part of the state match required for Title III services.
- Kentucky has two OAA-funded programs and grants that provide HCBS to older adults and adults with physical disabilities.

Social Service Block Grants (SSBG) and Community Service Block Grants (CSBG) for HCBS

- Kentucky does not use SSBG to provide HCBS for older adults and adults with physical disabilities.
- Kentucky does not use CSBG to provide HCBS for older adults and adults with physical disabilities.

Consumer Direction

- Kentucky offers consumer-directed options. The HCBS programs in the state that offer consumer direction are: Home and Community Based Waiver, Alzheimer’s Day Care and In-Home Respite, Homecare, Personal Care Attendant, Nursing Home Diversion, and Alzheimer’s Disease and Demonstration grant.
- Kentucky also had a Robert Wood Johnson Foundation Cash and Counseling grant that ended in June, 2008. This grant has helped set the parameters for consumer-directed options.
- Models of consumer direction available in the state include modified Cash and Counseling and vouchers. Parameters include a business model that involves training consumers to hire their own workers, and receive vouchers and/or submit timesheets and receipts to the fiscal intermediary, which pays the providers.

- Those permitted to provide services under consumer direction include provider agencies, adult children of consumers, other family members (excluding spouse or parent), and friends. All providers are required to go through a criminal background check.
- Kentucky uses one fiscal intermediary for consumer-directed options and it has offices (Area Development Offices) in the same 15 regional areas as the AAAs. AAAs perform support broker functions for consumer-directed options, and the Area Development Districts perform the fiscal intermediary function. (Case managers in the program are called support brokers; there is a case load limit for the support brokers.)
- The AAAs' involvement in managing Medicaid waivers for older adults and consumer-directed options is new within the last five years and is working very effectively.
- The Nursing Home Diversion and Money Follows the Person grants are expected to have the most significant effects on rebalancing the system toward HCBS.

Managed Health Care

- Kentucky does not have HCBS programs that are run by managed health care plans.

Major Accomplishments and Initiatives

- The availability of consumer-directed options is a major undertaking impacting HCBS.

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Table 1: Types of Home- and Community-based Services Provided Under Kentucky's Programs for Older Adults and Adults with Physical Disabilities

Types of Services	Program Type / Funding Source							
	Medicaid Waivers		CMS-funded Programs and Grants	State-funded Programs			State Medicaid Plan	OAA Title III
	Home and Community Based Waiver Waiver	Model Waiver II (Ventilator)		Money Follows the Person	Alzheimer's Day Care and In Home Respite	Homecare		
Adult Day Care / Adult Day Health	X			X				X
Assisted Living								
Caregiver Services / Respite / Education	X			X	X			
Case Management / Care Coordination	X				X	X		X
Chore / Homemaking	X				X	X		X
Companion Services / Socialization Activities				X				
Employment								
Equipment / Supplies / Modifications / Assistive Technology	X							
Health Promotion Activities								
Home Health / Personal Care	X			X	X	X		X
Information / Assistance / Referral				X	X	X		X
Legal Assistance / Financial Advice								X
Medical / Dental / Medication Care				X				
Mental and Behavioral Health Services								
Nursing		X						
Nutrition / Meals					X	X		X
Personal Supports for Community Living / Transitioning				X		X		
Rehabilitation / Therapy		X						
Residential Services								
Transportation				X	X	X		X
Other/Unspecified HCBS								X

Table 2: Selected HCBS programs for Older Adults and Adults with Physical Disabilities in Kentucky

Program Type / Funding Source	Program Name	Ages Served	Nursing Home Level of Care Required	Entity Responsible for Functional Assessment	Entity Responsible for Financial Assessment	Entity Responsible for Case Management	Waiting List (Number)	Consumer Direction Option
Medicaid Waivers	Home and Community Based Waiver	All age groups	Yes	Area Agency on Aging; Home health agencies; Adult day health care	State agency	Area Agency on Aging; Home health agencies; Adult day for non-state-funded programs	No	Yes
	Model Waiver II - Ventilator waiver	All age groups	Yes	Home Health agencies	State agency: Department of Community Based Services	No case management	Information Not Reported	No
CMS-funded Programs and Grants	Money Follows the Person	All age groups	Yes	State agency: Department for Medicaid Services	State agency: Department for Medicaid Services	State agency: Department for Medicaid Services	Information Not Reported	Yes
State-funded Programs	Alzheimer's Day Care and In Home Respite	Any age with a diagnosis of Alzheimer's Disease or other dementia	No	Physician	No financial assessment	Area Agency on Aging	Yes (99)	Yes
	Homecare	60+	Yes	Area Agency on Aging	Area Agency on Aging	Area Agency on Aging	Yes (5,024 for in-home services, 3,003 for meals)	No
	Personal Care Attendant Program	18+ severely physically disabled who are at risk of institutionalization	Yes	Area Agency on Aging	No financial assessment	Area Agency on Aging	Yes (514)	Yes

