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## Repeal the Rule!

## Update Rules to Streamline and Simplify Administration of Public Funding for Adult Day Services

No Home and Community Care Block Grant (HCCBG) services other than adult day care and day health have maximum rates. Maximum reimbursement rates for adult day services are set out in rule (10A NCAC 06Q .0201.), last updated in 1992. The rule was promulgated under statutory authority in NCGS 143B-181.1(c). There is no fiscal impact to the change. Rate setting for adult day services should be treated like all other HCCBG services to account for differences in different regions and variations in levels of care provided, quality, economics and daily hours of service delivery—six to ten+ hours per day.

## **Profile of NC Adult Day Centers**

- 85 certified adult day centers (excluding 12 PACE sites) among 50 counties<sup>i</sup>
- 64% of certified centers employ RN or LPN daily (combination centers)<sup>ii</sup>
- Certified daily capacity: 4,998 adults<sup>iii</sup>
- 86% are nonprofit<sup>iv</sup>
- 80% provided daily roundtrip transportation to/from center<sup>v</sup>
- 66% in operation 10+ years vi
- Average hours open per day: 10 hours vii
- Average operating cost: \$67.67 per day<sup>viii</sup>
- 52% diagnosed with Alzheimer's disease or other dementiaix
- Average length of enrollment: 24 months<sup>x</sup>

| Funding Avg Daily<br>Reimbursement Rates Per<br>Participant |            |  |
|-------------------------------------------------------------|------------|--|
| Private Pay<br>Fees                                         | \$53       |  |
| VA                                                          | negotiated |  |
| HCCBG                                                       | \$33-\$40  |  |
| SADCF                                                       | \$33-\$40  |  |
| Medicaid<br>CAP-DA                                          | \$38.53    |  |

<sup>&</sup>lt;sup>i</sup> NC Division of Aging and Adult Services

ii Ibid

iii Ibid

iv Harris-Kojetin L, Sengupta M, Park-Lee, Valverde R. Long-term care services in the United States: 2014 overview. Hyattsville, MD: National Center for Health Statistics. 2015. <a href="http://www.cdc.gov/nchs/nsltcp/nsltcp\_webtables.htm">http://www.cdc.gov/nchs/nsltcp/nsltcp\_webtables.htm</a>, retrieved 05/05/2016.

v Ibid

vi Ibid

vii NC Adult Day Services Association

viii Ibid

ix Harris et al.

x NC Adult Day Services Association

## **NCADSA Repeal Activity Timeline**

| Task                                    | Responsible | Completion                 |
|-----------------------------------------|-------------|----------------------------|
| Initiate discussion with NCADSA         | NCADSA      | October 2014               |
| members and NC ADS providers            |             |                            |
| Initiate discussion with NC Division of | NCADSA      | November 2014              |
| Aging and Adult Services (DAAS)         | NC DAAS     | March 2015                 |
| Create talking points to share with     | NCADSA      | March 2015                 |
| stakeholder discussions                 |             |                            |
| Notify NCADSA members of potential      | NCADSA      | March 2015 (email)         |
| project                                 |             | April 2015 (webinar)       |
|                                         |             | April 2015 mtg             |
| Draft Cost Analysis Spreadsheet         | NCADSA      | June 2015                  |
| Announce Project to NCADSA members      |             | Email and Webinar March    |
|                                         |             | 2015                       |
|                                         | NCADSA      | Discussed at 4/2015 Mtg    |
|                                         |             | Emailed mtg notice 06/2015 |
| Discuss potential changes with          | NCADSA      | June 2015                  |
| stakeholders: Area Agency on Aging      | NC DAAS     |                            |
| Directors                               |             |                            |
| Discuss potential changes with          | NCADSA      | April 2015                 |
| stakeholders: County Social Services    |             |                            |
| Directors                               |             |                            |
| Announce Project to All Certified Adult | NCADSA      | July/August 2015           |
| Day Centers and Adult Day Homes in NC   |             |                            |
| with invitation to participate          |             |                            |
| Seek support of stakeholders: County    | NCADSA      | December 2015              |
| lead agency representatives             |             |                            |
| Compile responses for calculation and   | NCADSA      | November 2015              |
| analysis                                |             |                            |
| Publish outcomes to NCADSA members,     | NCADSA      | December 10, 2015          |
| respondents and DAAS                    |             |                            |
| Follow up with DAAS                     | NCADSA      | February 2016              |
|                                         |             | June 2016                  |
|                                         |             | September 2016             |
| Appeal to Secretary Brajer for support  | NCADSA      | December 2016              |
| Request support of Social Services      | NCADSA      | January 2017               |
| Commission                              |             |                            |
| Follow up with DAAS                     | NCADSA      | February 2017              |
|                                         |             | July 2017                  |
| Appeal to Secretary Cohen for support   | NCADSA      | November 2017              |
|                                         |             |                            |