

2014-16 Executive Progress Report

Commonwealth of Virginia
Secretary of Health and Human Resources
Department for Aging and Rehabilitative Services

At A Glance

The Virginia Department for Aging and Rehabilitative Services, in collaboration with community partners, provides and advocates for resources and services to improve the employment, quality of life, security, and independence of older Virginians, Virginians with disabilities, and their families.

Staffing 883 Salaried Employees, 54 Contracted Employees, 1013 Authorized, and 101 Wage Employees.

Financials Budget FY 2015, \$223.08 million, 23.07% from the General Fund.

| | | | |
|---------------|---|-----------------------|---|
| Trends | ↑ Need for VR Services | Key Perf Areas | ↑ VR Competitive Employment |
| | ↑ Population Age 60 and Older | | ↑ No Wrong Door |
| | ↑ Social Security Disability Determinations | Productivity | ↑ VR Employment Rate |
| Legend | ↑ Increase, ↓ Decrease, → Steady | Legend | ↑ Improving, ↓ Worsening, → Maintaining |

For more information on administrative key, and productivity measures, go to www.vaperforms.virginia.gov

Background and History

Agency Background Statement

The Department for Aging and Rehabilitative Services (DARS) was created by legislation in 2012 to take the programmatic units of the Department of Rehabilitative Services and the Department for the Aging and create a new entity with a wider menu of service options. In 2013, the Adult Services and Adult Protective Services units from the Department of Social Services became a part of DARS.

DARS' vocational rehabilitation, community rehabilitation and Social Security Disability Determination Services programs support Virginians with disabilities to maximize their employment, independence and full inclusion into society. Virginia is also committed to having livable communities for aging Virginians and Virginians disabilities who are transitioning from institutions to community settings and individuals who wish to live and work with the assistance of long-term supports and services. DARS is there to support them in their new choices.

The DARS Division for the Aging is designated by the federal government to oversee all state programs using funds from the federal Older Americans Act and the Virginia General Assembly. The Division contracts with the 25 Area Agencies on Aging (AAA) and other community partners to provide services for older Virginians and their families in communities throughout Virginia.

The DARS Adult Protective Services Division administers the state Adult Protective Services, Adult Services and Auxiliary Grant programs formerly under the Department of Social Services. Direct services are provided by 120 local departments of social services (LDSS).

Major Products and Services

Vocational Rehabilitation: Provides services to eligible persons with disabilities to help them remove barriers to employment and reach an employment goal. Long-term services needed by consumers for successful job placement include supported employment and extended employment services.

Disability Determination: Provides accurate, timely, efficient and cost-effective evaluations of medical evidence related to claims filed by citizens for benefits under the Social Security Act; and to process claims filed for Medicaid based on disability.

Community Rehabilitation: Improves the employability and independence of the most severely disabled citizens through independent living, personal assistance services, long-term case management, brain injury programs, and local assessment and systems change.

Aging Services: Helps citizens find information and services needed to lead healthy and independent lives as they grow older. The Area Agencies on Aging (AAA) administer aging services at the community level. Common AAA services include adult day care, homemaker, communication referral and information, transportation, congregate (group) and home delivered meals, disease prevention and medication management education, legal assistance, elder abuse prevention, Ombudsman and Virginia's Insurance Counseling and Assistance Program to Medicare beneficiaries. The Public Guardian and Conservator Program serves adults age 18 and older who cannot pay for guardian services, and have no one else to provide this service. The Division of Aging has 15 local public guardianship programs funded with \$997,750 in General Funds and \$995,600 through the Department of Behavioral Health and Developmental Services.

Adult Protective Services: Develops, maintains, monitors and supervises the implementation of legislation, regulations and policy for the Adult Protective Services, Adult Services and Auxiliary Grant programs and provides technical assistance and training to Local Departments of Social Services that provide the services. Local services provided to eligible individuals include the receipt, investigation of reports of abuse, neglect and exploitation of vulnerable adults and provision of protective services; home-based companion, chore and homemaker services; assessments and screenings for long-term care placements; and eligibility determination for Auxiliary Grants to low-income residents of assisted living facilities or adult foster care homes.

Customers

Customer Summary

The vocational rehabilitation program remains in Order of Selection, which is required by federal law when the program has insufficient funds to serve all eligible consumers. Order of Selection creates categories of consumers to be served based on the significance of disability. Wait lists are created for consumers whose category is not open for services. DARS has been in Order of Selection since July 1, 2004. With additional funds received during the 2013 General Assembly, DARS offered services beginning in March, 2013 to 3,704 most significantly disabled consumers who were on the wait list. 3,174 of these consumers came in for services. Effective November 1, 2014, however, DARS again needed to wait list all new applicants creating a growing waiting list. The demand for services continues, but with all categories closed the number served decreases, while the wait list grows. Over 50% of VR consumers are youth at transition age (14-24). This population generally makes lower wages and stay longer in the VR program which affects our performance outcome measures.

The Social Security Administration (SSA) projects that between 2015 and 2020, more than 10 million Baby Boomers will enter their most prone disability years and, along with the increase in the retirement age, disability workloads will remain high nationally and in Virginia for several years. However, the biggest workload challenge facing the Virginia Disability Determination Services beginning in 2015 is the expected increase in the Continuing Disability Review (CDR) claims, which are periodic reevaluations to determine whether beneficiaries are still disabled. SSA estimates about \$9 to \$10 in lifetime program savings per dollar spent on CDR reviews, including Medicare and Medicaid program savings. The projected Virginia CDR workload in 2015 is 21,752 compared to the 2014 workload of just 9,958. SSA projects high CDR workloads through 2017. The Virginia budgeted workload for 2014 is 84,150, with a projected workload target around 90,150 in 2015.

The customer base for the Personal Assistance Services and Long Term Case Management programs should remain stable unless there are budget changes in these programs.

The staff size of DARS will remain stable.

The number of Virginians age 60 or older are expected to increase from the current 63,303 served by the AAAs. Every 25 years, the number of individuals age 65 and older doubles, while the rest of the population grows by only a third. By 2030, Virginians that reach age 65 will be a larger proportion of Virginia's population than Florida claims as "senior citizens" today.

Customer Table

| Predefined Group | User Defined Group | Number Served Annually | Potential Number of Annual Customers | Projected Customer Trend |
|------------------|---|------------------------|--------------------------------------|--------------------------|
| Consumer | Vocational Rehabilitation Consumer | 19,570 | 16,800 | Decrease |
| Consumer | Disability Determination Services | 94,217 | 101,821 | Increase |
| Consumer | Area Agencies on Aging | 25 | 25 | Stable |
| Consumer | Individuals Receiving Assistance through No Wrong Door | 31,493 | 34,721 | Increase |
| Consumer | Personal Assistance Services and Community Rehabilitation Case Management | 405 | 380 | Stable |
| Employee | Employees of DARS | 1,038 | 1,038 | Stable |
| Consumer | Persons Filing Complaints with State Long-Term Care Ombudsman | 2,302 | 2,500 | Increase |

Finance and Performance Management

Finance

Financial Summary

The appropriation for DARS is comprised of approximately 80% Federal and Special funding and 20% State funding. The introduction of the 2015 Budget Bill (the Governors amendments) increased the 2015 General Fund appropriation by \$276,586 and \$256,586 for fiscal year 2016. The Conference Committee amendments restored some General Funds that were removed in the Governors' Budget Bill. The restored funding for fiscal year 2015 totaled \$500,000 and restored funding for fiscal year 2016 is \$1,661,243. The Committee also increased general funds for fiscal year 2016 by \$ 2,784,500.

Fund Sources

| Fund Code | Fund Name | FY 2015 | FY 2016 |
|-----------|---|---------------|---------------|
| 0100 | General Fund | \$51,462,879 | \$54,264,412 |
| 0200 | Special | \$1,500,595 | \$1,500,595 |
| 0280 | Appropriated Indirect Cost Recoveries | \$9,725,450 | \$9,725,450 |
| 0911 | Transportation Services For The Edlderly/Disabled | \$200,000 | \$200,000 |
| 0915 | Commonwealth Neurotrauma Initiative Trust Fund | \$1,494,918 | \$1,494,918 |
| 1000 | Federal Trust | \$158,697,441 | \$158,697,441 |

Revenue Summary

The vast majority of the non-general fund revenues (91%) are federal and the second largest non-general revenue stream (6%) is indirect cost which is derived from federal sources. These indirect cost revenues are reported twice in the chart below because the funds are received as federal funds (from which they are derived) and then transferred to indirect cost revenue and a portion to general fund revenue thereby being reported twice. The other non-general revenues are derived from fees for services to other agencies and revenue from the Department of Taxation for the Commonwealth Neurotrauma Initiative (CNI) Trust fund.

Performance

Performance Highlights

DARS exceeded its target of 4,000 successfully employed VR consumers in Federal Fiscal Year (FFY) 2014 with 4,087 consumers becoming successfully employed. This was a 30% increase over FFY 2013. More than 97% of them were competitively employed (working in an integrated setting making at or above minimum wage), which is one of DARS key measures. DARS productivity measure captures the employment rate of our VR consumers. This rate compares the number of consumers who exit the VR program after receiving services successfully employed versus those who are not employed. For FFY 2014, the employment rate was 61.7%, the highest in 25 years.

Ensuring a high accuracy rate of disability decisions is paramount, in order to provide an effective level of customer services to Virginians applying for disability benefits under Title II (Disability Insurance), Title XVI (Supplemental Security Income), and Title XIX (Medicaid disability) of the Social Security Act. The accuracy rate for Disability Determination Services for FFY 2014 was 98.3%.

DARS has an excellent performance management process in place to monitor the services provided by our community partners who have contractual relationships with the agency and/or receive state or federal appropriations. By monitoring and providing technical assistance, training, and guidance to these entities (Employment Service Organizations, AAAs, brain injury organizations, CILS, etc.), DARS helps ensure that their fiscal and administrative processes are in compliance with federal and state requirements and that they provide high quality services to customers.

Through our collaborative relationship with the AAAs, DARS ensures that older Virginians receive nutritional meals and transportation services to enhance their health and well being. Another key measure for DARS is the number of individuals receiving communication, information, referral and assistance (CRIA) through the No Wrong Door (NWD) system. NWD is a statewide initiative, designed to help people navigate the complex system of public and private long-term services and supports, avoid unnecessary trips to the hospital and/or nursing home, and support individual choice. In State Fiscal Year 2014, 31,493 individuals received NWD CRIA services.

Selected Measures

| Measure ID | Measure | Alternative Name | Estimated Trend |
|------------------|---|-------------------------------|-----------------|
| 26246102.001.001 | Accuracy of Disability Decisions | DDS Accuracy Rate | Improving |
| M262SA13005 | Number of Meals Served to Older Virginians in Group (Congregate) Settings | Congregate Meals Served | Improving |
| M262SA13002 | Number of One-Way Transportation Trips Provided to Older Virginians | Transportation Trips Provided | Improving |
| 26245404.001.001 | Vocational Rehabilitation Consumer Competitive Employment Rate | VR Competitive Employment | Improving |
| M262SA13007 | Number of Meals Delivered to Home-Bound Older Virginians | Home Bound Meals Delivered | Improving |
| 262.0001 | Employment Rate of Vocational Rehabilitation Consumers | VR Employment Rate | Improving |
| 262.0002 | Individuals Receiving Communication, Referral, Information and Assistance (CRIA) Through the No Wrong Door System | No Wrong Door | Improving |

Key Risk Factors

The VR program receives about 78% of its Title I funding from the Federal government, with a required state match of about 22%. For each dollar DARS spends for VR services, it receives \$3.69 in federal funding. Between 2008-2013, state general funds available for match decreased to \$5.9 million. DARS continues to seek for ways to fulfill its match requirement. The lack of sufficient funding to serve all individuals needing VR services also will lead to an increase in the waiting list.

The demand for community rehabilitation programs and living options will grow as people with significant disabilities move from institutions into the community. The Commonwealth continues its commitment to, and compliance with, the Olmstead decision through the Community Integration Advisory Commission.

The VDA distributes federal Older Americans Act and state general funds to the AAAs through an Intrastate Funding Formula. The Older Americans Act is not an entitlement program, so services may be curtailed due to lack of funding. Therefore, priority is given to serve the elderly in the greatest economic and social need.

The Public Guardian and Conservator program has the capacity to serve 601 indigent individuals who require service. A 2007 Virginia Tech study identified 1,441 adults in Virginia in need of guardianship.

For Adult Services, concerns are: (1) the continued rapid growth in the number and complexity of APS cases, especially financial exploitation; (2) significant and growing backlogs in pre-admission screenings for Medicaid nursing facility and waiver services; (3) lack of monitoring of Auxiliary Grant assisted living providers; (4) growth of the service population due to the Age Wave; the transition from institutional to community long-term care services and supports; and re-entry of aging and disabled prisoners; (5) absence of direct federal funding, technical assistance and standards for state APS programs and a 40 % reduction in state funding for home-based adult services; and (6) declining number of AG assisted living beds due to inadequate provider reimbursement.

Agency Statistics

Statistics Summary

The following statistics provide a comprehensive snapshot of the Department for Aging and Rehabilitative Services during 2014.

Statistics Table

| Description | Value |
|--|-----------|
| # VR Consumers Served | 19,570 |
| Projected VR Wait List | 5,300 |
| # Consumers receiving long term employment supports | 3,181 |
| # Consumers Served by Disability Determinations | 94,217 |
| # Individuals receiving brain injury services | 3,832 |
| Current PAS and LTRCM wait list | 98 |
| # Home Delivered Meals for Older Virginians | 10,556 |
| # Congregate (Group) Meals for Older Virginians | 2,469,751 |
| # Transportation Services for Older Virginians (one way trips) | 850,000 |
| #Complaints Received by State Long-Term Care Ombudsman | 2,302 |
| Current Wait List for Public Guardian and Conservator Program | 961 |

Management Discussion

General Information About Ongoing Status of Agency

DARS' focus is on improving lives of older Virginians and Virginians with disabilities. The agency will work with its community partners to be more effective in strategic planning, budgeting, program monitoring and evaluation and training and technical support. The agency will be at the center of the Commonwealth's response to two critical emerging issues.

First, many Virginians who are often referred to as "boomers" or "seniors" are in, or are approaching, their retirement years. They rightly expect to be secure in their efforts to age in place and to have safe options for their long-term care needs. DARS will need to be there for them. Secondly, Virginia is also committed to having livable communities for those Virginians with disabilities who are transitioning from institutions to community settings or those who wish to live and work with long-term supports and services. DARS will also be there in support of their new choices.

An efficient and effective human resource and management program is critical in supporting the agency's efforts to provide quality services leading to a higher quality of life for our consumers.

Information Technology

DARS provides Information Technology services to 5 state agencies, known as the Disability Services Agencies.

Data Exchanges between agency case management and state financial systems was completed in 2014. Additional financial data exchanges for new programs will follow. Retirement of legacy hardware and software will result.

Enhanced security standards will require encryption of documents and e:mail messages containing individual information that requires protection.

DARS will use Microsoft tools to securely store documents and transmit links between state agencies and non-state agency partners.

Microsoft tools will allow the development of easy to operate dashboards that describe and compare non-state agency partner performance, quality and standards compliance. By exposing these Dashboards to public stakeholders, the agency can improve services provided to consumers.

Two new agency programs (Aging and Adult Services) and an existing program use different case management applications with substantial overlap, both in terms of target consumer populations and functions. A single Home and Community Based Services Case Management application that is a participant in the enterprise Health Information Exchange is a part of the agencies' technology vision.

Expansion of existing agency content management application will reduce paper storage and improve efficiency of retrieval. Expanded use is planned. Use of E-forms will strengthen a self service approach for consumers.

Integration of DARS IT staff with our new Aging Division and sharing of infrastructure resources will reduce VITA costs and improve services to staff.

The agency is promoting institutionalization of VITA support functions through enhanced reporting and analysis.

The agency can better manage its hardware, better detect billing issues, improve network and server performance and make better informed technology decisions to support both consumers and staff.

Workforce Development

Currently, over 14% of DARS workforce is eligible to retire with unreduced benefits. Within the next 5 years that number will increase to 25%. A majority of those eligible for retirement are in management and/or leadership positions possessing an abundance of both technical and institutional

knowledge. In addition, there are ongoing recruitment and retention challenges with vocational rehabilitation counselors within our Division of Rehabilitative Services (DRS) and Analysts working in the Disability Determination Services (DDS) division.

To address the inevitable upcoming retirements of employees in these critical positions, DARS is very active with succession planning strategies and management/supervisor training. Programs, including the DDS Leadership Program, the DRS restructuring of Lead Counselors and Unit Supervisors, and training sessions on managing people and hiring, have been implemented to prepare current staff to step into future leadership positions. DARS Human Resources also is working closely with other agencies to develop a Succession Planning Toolkit for the Health and Human Resources Secretariat.

To implement more effective recruitment and retention plans, DARS has placed a stronger emphasis on teleworking, alternate and flexible work schedules, retention and sign-on bonuses, and training opportunities, including rehiring retirees as wage employees to cover caseloads and train new staff. In addition, DARS has expanded its student internship program and enhanced the screening process for all recruitments.

DARS has and will continue to develop and implement strategic initiatives to combat these and other important issues facing its workforce.

Physical Plant

Strategically located, affordable, accessible and well-maintained facilities are critical to DARS ability to provide effective services. DARS administrative headquarter is located in an office park in Henrico County which is convenient to our consumers and fully accessible for individuals with disabilities.

All DARS offices are in leased space. DDS and the VR program have offices located throughout Virginia; the VR program has 36 offices where direct services are provided to VR consumers. Six of these offices are in One-Stop Centers with other State agency partners. Two of the DDS offices, in Norfolk and Roanoke, are co-located with Social Security Administration Offices.
