

***When the Safety Net Fails:***  
**An Analysis of Alternative**  
**Long-Term Care Services in Kentucky**

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# Executive Summary

## The Problem

In early 2003, the Kentucky Cabinet for Health Services, faced with a \$450 million Medicaid shortfall, implemented several cost-cutting measures to the Medicaid program. The most visible measure included new stricter medical eligibility requirements for long-term care programs. As a result of these new requirements, approximately 2,813 elderly and disabled Kentuckians were denied services in Kentucky's Aged/Disabled Home and Community-Based Waiver Program, a Medicaid program that provides long-term care services in people's homes and in community-settings. The Cabinet for Health Services claimed that those who lost home and community-based Medicaid services could receive care through alternative state programs.

## Methodology

The main purpose of this study to determine the adequacy of the alternative long-term care services when the Medicaid safety net failed for the 2,813 people denied Medicaid Home and Community-Based Waiver services. The objectives of the study are to describe the types of alternative home and community-based long-term care services that are offered in Kentucky and to understand the extent of service coverage and availability. Furthermore, this study will attempt to understand how the demand for these services changed after the Medicaid regulation changes took effect, and to determine if these agencies were prepared to provide services to the population that lost HCB Waiver services.

Surveys were sent to the fifteen Area Agencies on Aging around the state. The surveys asked coverage and availability questions about three of their long-term care programs: the Homecare Program, the Adult Day/Alzheimer's Respite Program, and Title III Supportive Services. Fourteen of the fifteen agencies responded to the survey. This study uses geographical information systems methods, descriptive statistics, and budgetary analyses to answer its research questions.

## Findings

This study found that alternative services were inadequate to provide immediately available services to those persons who lost Medicaid services. In addition, this study has the following findings:

- Overall, agencies rely heavily on federal and state funding to run their programs rather than local sources of funds. In addition, variations in agencies' funding structures lead to funding inequities throughout the state.
- Service coverage is comprehensive in the Homecare Program, but is less so in the Adult Day Care and Title III Programs.
- Overall, service availability in state-funded programs is limited due to high demand and is highly variable both across types of services and across programs.
- On average, clients wait longer to receive services through the Homecare Program than through the Adult Day Care and Title III Programs.
- Agencies that serve urban areas display higher availability on average than agencies serving predominantly rural areas.

- Almost all program administrators received requests for some type of service for recipients who were recently denied Medicaid Home and Community-Based Waiver Services. Homemaker services were the most requested service among this population.
- Most administrators stated that their agency was very unprepared to serve the HCB Waiver population in the area of funding, but felt more prepared to serve this population in the areas of program staffing and provider cooperation.

## **Recommendations**

Policymakers should analyze alternative care arrangements and their availability before making cuts to the Medicaid program. Such an analysis would have provided policymakers with better information to make hard decisions. While Medicaid is attractive for Kentucky due to the leveraging of federal funds, policymakers should consider moving away from their heavy reliance on Medicaid alone to fund long-term care. Other options for funding long-term care may include encouraging Kentuckians to purchase private long-term care insurance and making structural changes to the long-term care delivery system. In addition, policymakers may want to consider a single point of entry to streamline the fragmented long-term care system. Such a mechanism would allow easier movement between long-term care programs and would enable programs to keep track of people who are denied services.

The State Office on Aging may want to sponsor a study to understand what accounts for the lower service availability in rural regions of the state. These disparities may be due to funding, agency capacity, or the characteristics of the elderly in different regions of the state. In addition, the State Office on Aging should find ways to assist Area Agencies on Aging to aggressively seek out local sources of funding for their programs in order to increase service availability.

## **Statement of the Problem**

The supply of long-term care services for elderly individuals is a critical health and fiscal issue facing Kentucky. The elderly population is increasing in numbers and people are living longer, thereby placing a high demand on long-term care financing and delivery systems (National Conference of State Legislatures, 1997). Medicaid, a health insurance program for low income people that is jointly-funded by the federal and state governments, is the primary public source of financial assistance for long-term care nationwide and in Kentucky. The current fiscal crisis facing the Medicaid program raises immediate questions about the ability of Kentucky's long-term care funding streams and delivery system to provide a safety net for older residents in need of publicly-funded long-term care services (Blumenthal, Moon, Warshawsky, & Boccuti, 2003).

In early 2003, the Kentucky Cabinet for Health Services, faced with a \$450 million Medicaid shortfall, implemented several cost-cutting measures to the Medicaid program. The most visible measure involved the tightening of medical eligibility requirements to receive long-term care services through the Aged/Disabled Home and Community-Based Waiver Program (HCB Waiver). This program provides medical and social services to aged and disabled individuals who are at risk of being placed in a nursing home. Essentially, the regulation change allowed only the most vulnerable and sick to continue receiving HCB Waiver services. Since the regulation took effect in April 2003, approximately 2,813 elderly and disabled Kentuckians were denied services in this program. The Cabinet for Health Services claimed that those who lost home and community-based Medicaid services could, in fact, receive alternative services through other state programs. Among these programs were the state Homecare program, the Adult Day Care/Alzheimers' Respite Program, and Title III in-home services provided through the Older

Americans Act. These programs are run locally and funded through federal, state and local revenues.

In January 2004, Kentucky Governor Ernie Fletcher announced that his administration would make corrective changes to Medicaid rules that would restore services to many of the population who were denied services in 2003. While this problem has been abated temporarily, the Medicaid program is faced with projected shortfalls of over \$450 million in FY2005 and \$850 million in FY2006. Those persons receiving long-term care services through Medicaid are the most vulnerable to losing benefits again due to the fact that long-term care expenditures make up a substantial portion of the Medicaid budget.

The aging population in Kentucky will also pose challenges for the future of long-term care systems in Kentucky. According to the U.S. Census Bureau (2000), Kentucky was ranked 28th in 1995 among the 50 states and the District of Columbia in terms of its population 65 and older. By 2025, however, Kentucky is expected to rank 14<sup>th</sup>. Kentucky's 65 and older population is projected to increase from its current 12.6 percent of Kentucky's total population to 21.3 percent in 2025. Nationally, elderly people will comprise 18.3% of the U.S. population in 2025. Therefore, it is important to determine the adequacy of alternative long-term care services in Kentucky by examining the extent of their coverage, their availability, and the preparedness of program administrators to handle the changing demand in services due to Medicaid changes.

## **Background Information**

### **Definition of Long-Term Care**

Long-term care is defined as “an array of health care, personal care, and social services generally provided over a sustained period of time to persons with chronic conditions and with functional limitations” (Wunderlich & Kohler, 2001). Long-term care is distinguished from acute

and primary care, both in its duration and its emphasis on personal care and social services. The Agency for Healthcare Research and Quality defines a long-term care user as a person who reports receiving human assistance (hands on, supervision, or standby help) with activities of daily living (ADLs) or instrumental activities of daily living (IADLs) because of a health problem. Activities of Daily Living, or ADLs, are activities necessary to carry out basic human functions, such as bathing, dressing, eating, getting around inside the home, toileting, and transferring from a bed to a chair. Instrumental Activities of Daily Living, or IADLs, are tasks necessary for independent community living, including shopping, light housework, telephoning, money management, and meal preparation (Spillman, Spector, Fleishman & Pezzin, 2000).

Long-term care services can be formal or informal. Formal long-term care refers to services that are professionally directed and publicly or privately financed, while family and friends provide informal care on an unpaid basis (Yankauer, 1987). Even though much of long-term care is provided informally, most public policy debates center on formal care. This type of care can be provided in a number of settings, including institutional settings, residential facilities, community centers and in people's homes (Wunderlich & Kohler, 2001). Many of those receiving long-term care are elderly individuals, but chronic diseases and functional limitations can affect all age groups. This report focuses, however, on Kentucky's elderly citizens in need of publicly funded long-term care services.

### **Public Funding for Home and Community-Based Long-Term Care in Kentucky**

Medicaid is the dominant source of public financing for long-term care for the elderly, both nationally and in Kentucky. (Weiner, Stevenson, & Kasten, 2000). Though many older adults mistakenly think that Medicare will cover the costs of this type of care, Medicare mainly covers acute and rehabilitative care (Ross & Wright, 1998). Therefore, Medicaid, along with

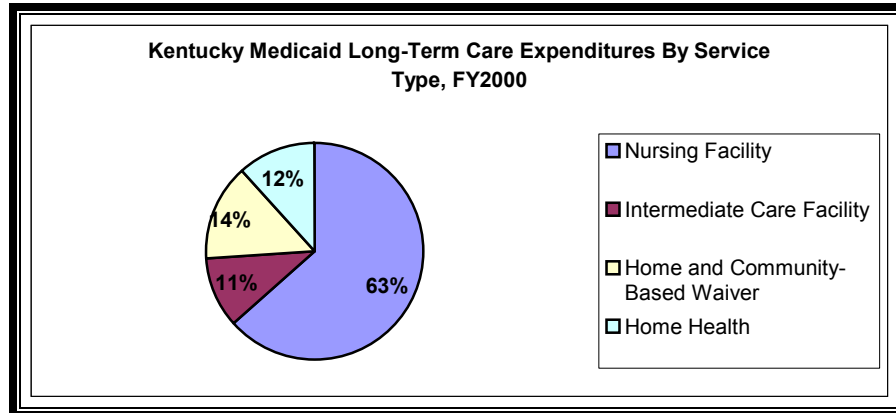
such funding streams as Supplemental Security Income, the Older Americans Act, and state-funded programs make up most of the public funding for long-term care services.

### ***Kentucky's Medicaid Program***

The Kentucky Medicaid program provides health insurance coverage to the low-income and disabled population. The attraction of Medicaid is that it “provides states with Federal dollars, reducing net state costs, but at the price of requiring conformity with Federal rules and regulations” (Weiner & Stevenson, 1997). Because of the high cost of long-term care and the public’s lack of private insurance coverage for these services, Medicaid coverage provides a safety net for the middle class as well as the poor.

The Medicaid Program in Kentucky provides long-term care services for the elderly and disabled through several means, including skilled nursing facilities, intermediate-care facilities, home health agencies, and adult day centers. States are required to provide long-term care services to people requiring nursing facility level of care and may at their option provide it to other groups as well (Weiner & Stevenson, 1997). Recipients must also meet income and asset requirements to receive services. As the following Figure shows, the majority of Kentucky’s long-term care expenditures go to recipients residing in institutional settings (nursing homes and intermediate care facilities), while 26% funds services in people’s homes and communities (Burwell, 2004).

**Figure 1**



Kentucky has expanded coverage for home and community-based services in recent years in response to advocates' pressure to provide alternatives to institutionalization and as a result of efforts to cope with increasing nursing home costs (Wiener et al, 2001). The two major Medicaid programs offering home and community-based services include the Medicaid Home Health Benefit and the Aged/Disabled Home and Community-Based Waiver Program. Under the mandatory Home Health Benefit, covered services include part-time nursing services, physical therapy, speech therapy, occupational therapy, medical social services, disposable medical supplies, and home health aide services. This program served over 18,000 recipients in FY2000 at a cost of \$56.6 million (Tilly, 2001).

The Aged/Disabled Waiver was established statewide in 1987. Kentucky uses Medicaid waivers to provide a more flexible array of services than those available under the regular Medicaid program. This flexibility also allows program administrators to control expenditures by limiting enrollment and services. States with waivers are allowed to have waiting lists for services, but the Kentucky Aged/Disabled Waiver has not limited services in this way. The program served 15,496 persons in FY2000 at a cost of \$52.2 million (Tilly, 2001). The types of

services provided by this Waiver are those that are necessary to keep people out of nursing homes. Appendix A describes the basic services offered through the HCB Waiver.

### ***State-Funded Long-Term Care Programs***

Kentucky also funds long-term care programs for the elderly through Older American Act (OAA) programs and general state and local revenues. The Older Americans Act was passed in 1965, and in addition to creating the Administration on Aging, it authorized grants to states for community planning and services programs, as well as for research, demonstration and training projects in the field of aging (U.S. Administration on Aging, 2003). Long-term care programs that do not rely on Medicaid funding can be quite attractive because the design of the programs is not constrained by federal rules and regulations (Summer, 2001). The programs can also serve people who are not eligible for Medicaid.

States administer their long-term care programs through the “Aging Network,” which is made up of the U.S. Administration on Aging, State Offices on Aging, and Area Agencies on Aging. The three main programs related to long-term care in Kentucky are the Homecare Program, Adult Day/Alzheimer’s Respite Program, and Title III Supportive Services (The Personal Care Attendant Program also has long-term care components, but it was not part of this study since it targets younger people with disabilities). The Kentucky State Office on Aging contracts with 15 Area Agencies on Aging who may provide services directly or subcontract for any or all of the services (Kentucky Office of Aging Services, 1999).

The Homecare Program, established by the Kentucky General Assembly in 1982, is a state-funded program of in-home services for individuals aged 60 and over who have functional disabilities and are at risk of long-term care institutionalization. Services provided through this program include personal care, home management, home health aide, home delivered meals,

home repair, chore, respite, escort, assessment and case management (Kentucky Cabinet for Health Services, 1999). The program imposes an income-related cost-sharing schedule on recipients. Single persons, with a countable annual income of \$16,500 a year or more, must pay 100 percent of costs. However, the majority of state program beneficiaries has incomes below \$8,000 a year and do not have any cost-sharing responsibility (Tilly, 2001). In FY 2001, the Homecare Program served over 12,000 people statewide.

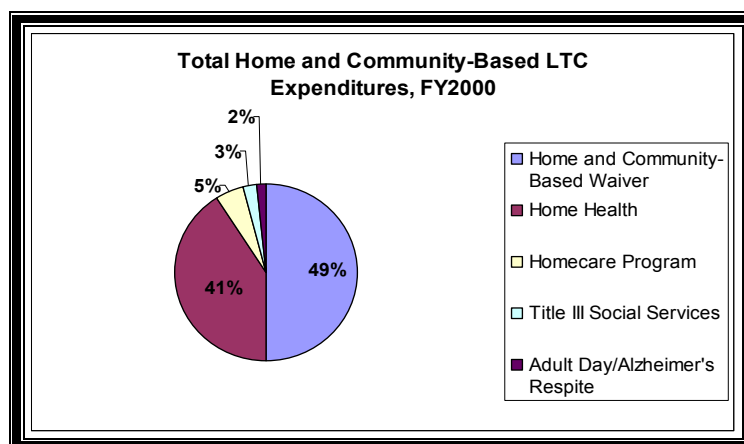
The Adult Day/Alzheimer's Disease Respite Program is a "program of adult-day center services for aged 60 and over physically disabled or frail persons who are in need of supervision for part of a day, and center or in-home services for persons of any age with Alzheimer's Disease or other dementia" (Kentucky Cabinet for Health Services, 1999). All Adult Day Care programs offer recipients help with self-administration of medications, personal care services, self-care training, social activities, and recreation. Alzheimer's Respite Programs offer supervision and care provided to a person with Alzheimer's disease or a related dementia to give the caregiver temporary relief from care-giving duties (Kentucky Cabinet for Health Services, 2003). Alzheimer's Respite Services can be provided in Adult Day Centers or in people's homes. However, this study is concerned with services provided only through Adult Day Centers because these types of services are comparable with services provided through Medicaid. In FY 2001, this program served approximately 1,400 people statewide (Tilly, 2001).

Title III in-home services are quite different from the other two programs that this study addresses because they are federally mandated through the Older Americans Act (OAA). Title III of the OAA requires State and Area Agencies on Aging to provide specific in-home services, including homemaker, home health aide, chore and supportive services (U.S. Administration on Aging, 2003). These services are just a few of the 25 supportive services, which Area Agencies

on Aging may provide through the Older Americans Act. The majority of Title III funding goes to funding congregate meals and in-home meals rather than long-term care services. In FY 2001, approximately 7,000 received long-term care services through Title III (this number excludes persons receiving congregate and home delivered meals and transportation services).

Of these three programs, the Homecare Program is the largest, with expenditures totaling over \$12 million in FY2000. The Adult Day/Alzheimer's Respite Program spent about \$4 million while Title III supportive services totaled \$6.7 million on long-term care services for older Kentuckians in this same year. While these programs serve a substantial number of people, they represent a small fraction of the funding and services provided by the Medicaid program. The following Figure reveals that compared to Medicaid spending on home and community-based long-term care services, state-funded programs make up only about 10% of total home and community-based expenditures for the elderly. When institutional expenditures are added to this total, state-funded home and community-based programs make up **only about 2%** of total funding for long-term care services statewide.

**Figure 2**



## **The Effect of Medicaid's Budget Crisis**

In the past twenty years, Medicaid expenditures have skyrocketed due to inflationary health costs and growing enrollment. As of 2003, the Medicaid program made up 22% of the Kentucky state budget (Morgan, 2003). In Kentucky, long-term care expenditures make up approximately 27% of Medicaid's budget (Gregory & Gibson, 2002). Recipients have increased 12% since June 2000, and Kentucky's Medicaid program is projected to grow 8% per year through 2008 (Robinson, 2003). Kentucky is not alone in its Medicaid funding problems. A report by the Kaiser Foundation found that the high cost of long-term care was one of the four major reasons that state Medicaid spending has increased in the past few years (Smith, Ramesh, Gifford, Ellis, Wachino & O'Malley, 2004). According to the National Association of State Budget Officers (2003), 17 states other than Kentucky have implemented cost-containment initiatives related to long-term care.

For these reasons, the Kentucky Cabinet for Health Services announced in January of 2003 that they were implementing regulatory changes to the program that would limit eligibility for the HCB Waiver program and other institutional forms of long-term care. As a result of these changes, 2,813 HCB Waiver recipients were denied services through the Medicaid program. However, this whole population did not lose services right away. Approximately 2,464 of those who were denied appealed the decision through the administrative court system and continued to receive services while their decision was in appeal. By January 31, 2004, 650 cases had been through the appeals process, and of these, only 90 were reversed. In total, about 900 people actually lost services through the HCB Waiver program. This population included the elderly and the disabled of all ages.

The Cabinet recorded little information about this population, and therefore, no data were available about their ages and where they were located. The service denials, however, appeared to

be statewide as advocates from throughout the state came together to address this issue. As a result of their efforts, the new administration announced on January 31, 2004 that they would reverse the regulatory changes made in January 2003.

## **Methodology**

### **Objective**

The main research question of this study is to determine the adequacy of the alternative long-term care services when the Medicaid safety net failed for the 2,813 people who were denied Medicaid Home and Community-Based Waiver services.

### **Research Questions**

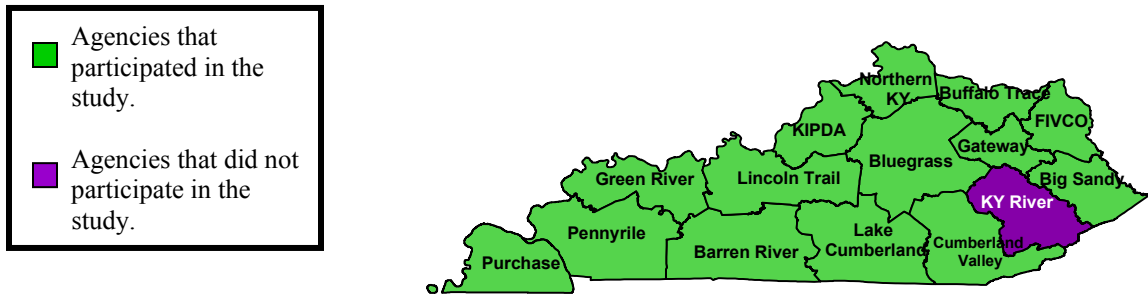
In addition, this study has the following objectives:

1. To describe the types of alternative home and community-based long-term care services that are offered in Kentucky and to determine the extent of service coverage and availability.
2. To understand how the demand for these home and community-based long-term care services changed after the Medicaid regulation changes took effect.
3. To understand if agencies were prepared to provide services to the population that lost HCB Waiver services.

### **Unit of Analysis**

The unit of analysis for this study is the fifteen Area Agencies on Aging in Kentucky. These agencies serve populations in the fifteen Area Development Districts throughout the state. Of the fifteen agencies who were invited to participate in the study, fourteen chose to take part (93% response rate). These fourteen agencies serve 112 of Kentucky's 120 counties. The following map reveals the regions of the state covered by this study.

**Figure 3**  
**Survey Response by Area Development District**



**Data Collection and Analysis**

This study uses survey research methodology to fulfill its objectives. Surveys were developed with the assistance of program directors from the Bluegrass Area Agency on Aging (See Appendix B for survey). In addition, the Kentucky Home Health Association provided materials for the distribution of the surveys. The surveys, which were sent by mail, included questions about the coverage and availability of specific long-term care services provided through the three programs that are available to older people who are not eligible for Medicaid: the Homecare Program, the Adult Day Care/Alzheimer’s Respite Program, and Title III in-home services. The survey also asked administrators about changes in demand after the Medicaid regulation changes and about the preparedness of agencies to handle the HCB Waiver population that lost services.

The researcher conducted follow-up procedures with agencies to insure a high survey response rate. These procedures included a reminder post-card a week after the survey was mailed and a telephone call two weeks later. Other data for this study were provided by the Kentucky State Office on Aging, including program waiting lists, program budgets, and annual reports. Data from the surveys and other data sources were analyzed using geographic information systems methods, descriptive statistics, and budgetary analyses. Follow-up interviews about programmatic

details were also conducted with certain program directors who had completed the survey in order to make recommendations to policymakers.

## Findings

***Finding #1: On average, Area Agencies on Aging rely heavily on federal and state funding for their programs rather than relying on local sources and fees/donations. In addition, variations in the funding structures of agencies lead to funding inequities throughout the state.***

Data were available for the FY2000 budgets for the Homecare Program, the Adult Day Care/Alzheimer's Respite Program, and the Title III Program. On average, the Area Agencies on Aging (AAAs) rely on the State Office of Aging for 92% of their funding for the Homecare Program. Funding is allocated to the AAAs based on a program funding formula that consists of a \$20,000 base with the remaining amount of funds distributed in proportion to the district's elderly (sixty (60) plus) population in the state (910 KAR 1:180). These agencies also rely on funding through local governments, non-profit agencies, and community grants. Administrative regulations set a sliding fee scale for applicants, with those applicants making below \$8,860 annually are not required to pay for services.

As Table 1 below shows, agencies rely more on state funding than other sources of funding for the state Homecare Program. Agency reliance on state funding ranges from 83.55% for the Bluegrass AAA to 98.18% for the Pennyryle AAA (See Table 1 below).

**Table 1**

<b>Kentucky Homecare Program Funding, FY2000</b>					
<b>ADD Name</b>	<b>% State Funds</b>	<b>% Fees and Donations</b>	<b>% Other Cash</b>	<b>% Local Match</b>	<b>Total %</b>
Bluegrass	83.55	3.32	0.68	12.45	100%
Northern KY	85.53	0.51	12.03	1.93	100%
Green River	89.00	1.72	9.28	0.00	100%
Fivco	90.68	0.00	5.97	3.35	100%
Lincoln Trail	91.63	0.25	8.12	0.00	100%
Cumberland Valley	91.82	1.54	0.15	6.50	100%
Big Sandy	92.02	1.02	0.99	5.98	100%
Buffalo Trace	92.12	1.05	0.00	6.83	100%
Purchase	92.64	0.76	0.14	6.46	100%
KIPDA	92.74	1.45	5.66	0.16	100%
Gateway	93.47	0.88	0.00	5.64	100%
Lake Cumberland	93.50	0.72	0.00	5.78	100%
Barren River	94.70	0.85	4.44	0.00	100%
Pennyrile	98.18	0.17	0.44	1.21	100%
<b>Statewide %</b>	<b>91.54</b>	<b>1.02</b>	<b>3.42</b>	<b>4.02</b>	<b>100%</b>

(Note: "Other Cash" is defined as cash from local sources; "Local Match" is defined as in-kind funding from local sources, which would include rental facilities and volunteers)

While the Adult Day Care Program is much smaller than the Homecare Program, some agencies have expanded their programs and moved away from reliance on state funding. Funding for this program is also allocated based on a percentage of the area's elderly population. The following table reveals that while Adult Day Care funding is still heavily based on grants from the state, some agencies are moving away from this funding structure. Agency reliance on state funds for this program ranges from 20.86% for the Bluegrass AAA to 100% for the Barren River AAA.

**Table 2**

<b>Kentucky Adult Day Care/Alzheimer's Respite Program Funding, FY2000</b>					
<b>ADD Name</b>	<b>% State Funds</b>	<b>% Fees and Donations</b>	<b>% Other Cash</b>	<b>% Local Match</b>	<b>Total %</b>
Bluegrass	20.86	33.86	0.00	45.27	100%
Northern KY	73.76	0.48	25.58	0.19	100%
Green River	80.74	12.39	6.87	0.00	100%
KIPDA	81.84	16.76	1.40	0.00	100%
Purchase	82.37	17.19	0.43	0.00	100%
Pennyrile	86.47	0.00	13.53	0.00	100%
Lake Cumberland	88.67	2.30	9.03	0.00	100%
Fivco	94.03	0.00	5.97	0.00	100%
Big Sandy	96.48	3.52	0.00	0.00	100%
Lincoln Trail	98.03	1.97	0.00	0.00	100%
Buffalo Trace	98.10	0.00	1.90	0.00	100%
Gateway	98.61	0.00	1.39	0.00	100%
Cumberland Valley	99.25	0.75	0.00	0.00	100%
Barren River	100.00	0.00	0.00	0.00	100%
<b>Statewide %</b>	<b>61.73</b>	<b>17.26</b>	<b>3.51</b>	<b>17.50</b>	<b>100%</b>

(Note: "Other Cash" is defined as cash from local sources; "Local Match" is defined as in-kind funding from local sources, which would include rental facilities and volunteers)

For Title III in-home services, funding is allocated based on a formula that accounts for the proportion of persons age sixty (60) and over in greatest economic or social need with particular attention to low-income minority individuals (910 KAR 1:220). Every Area Agency on Aging is required to provide at least a 15% match to the federal funding for this program. State funds can be a part of this 15% match, but agencies are encouraged to expand local funding since state funds are fixed. The program accepts voluntary donations from recipients rather than charging fees for services. As the following Table shows, agencies rely mostly on federal funding to run their Title III programs, followed by local sources of funding.

**Table 3**

<b>Title III Supportive Services Budget, FY 2000</b>						
<i>ADD</i>	<i>Federal %</i>	<i>State %</i>	<i>Program Income %</i>	<i>Local Cash %</i>	<i>In-Kind Match %</i>	<i>Total %</i>
Big Sandy	34.12	3.00	1.15	48.57	13.16	100%
Northern KY	36.74	8.36	3.43	46.17	5.30	100%
Bluegrass	44.28	5.27	6.74	43.71	0.00	100%
Fivco	54.38	11.98	7.63	1.90	24.10	100%
Green River	57.75	12.19	0.36	28.87	0.00	100%
Lincoln Trail	68.13	5.34	2.61	8.37	15.56	100%
Purchase	75.35	6.62	5.94	10.24	1.85	100%
Gateway	78.37	6.59	2.73	5.47	6.84	100%
KIPDA	80.34	6.26	1.40	9.81	2.18	100%
Lake Cumberland	83.18	4.38	1.61	0.04	10.78	100%
Cumberland Valley	84.54	3.46	4.40	0.05	7.56	100%
Pennyrile	84.86	7.01	7.08	1.06	0.00	100%
Barren River	85.00	11.49	1.76	1.53	0.23	100%
Buffalo Trace	85.00	11.53	0.97	2.50	0.00	100%
Statewide %	68.00	7.39	3.42	14.88	6.25	100%

Variation in the funding structures of these agencies raises an interesting question concerning funding equity among the various regions. Because state funds are fixed, local funds and fees/donations play an important role in expanding services in each region. Even though state funds are allocated based on a percentage of persons age 60+ in each region, the following Table reveals that agencies' total funding per older person in their region is not uniform throughout the state. For example, in the Homecare Program, the Pennyrile AAA spends \$13.65 on services per older person in their region, while Big Sandy spends \$24.88 per older person. These differences are apparent in both the Adult Day Care and Title III Programs as well.

**Table 4**

<b>Per Person Funding For Long-Term Care Programs, FY2000</b>			
<b>Area Development District</b>	<b>Homecare Program</b>	<b>Adult Day Care Program</b>	<b>Title III Program</b>
Purchase	\$17.87	\$5.14	\$7.64
Pennyrile	\$13.65	\$4.46	\$8.53
Green River	\$17.74	\$4.03	\$9.74
Barren River	\$17.49	\$4.00	\$9.17
Lincoln Trail	\$15.90	\$3.43	\$8.19
KIPDA	\$19.92	\$4.00	\$5.87
Northern KY	\$19.24	\$4.44	\$14.06
Buffalo Trace	\$23.38	\$6.09	\$10.63
Gateway	\$15.51	\$4.95	\$12.14
Fivco	\$16.00	\$4.41	\$10.87
Big Sandy	\$24.88	\$4.12	\$20.92
Cumberland Valley	\$17.85	\$3.87	\$9.19
Lake Cumberland	\$17.93	\$3.94	\$8.34
Bluegrass	\$20.15	\$14.89	\$13.32
<b>Statewide Average</b>	<b>\$18.09</b>	<b>\$5.69</b>	<b>\$9.63</b>

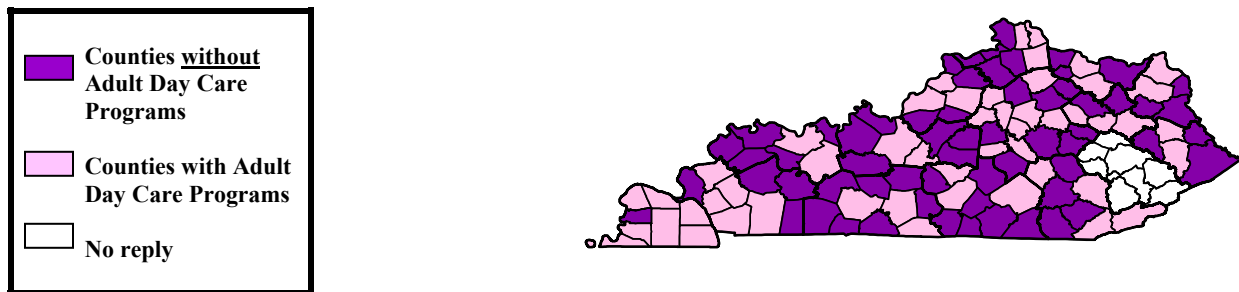
***Finding #2: Service coverage for the Homecare program is comprehensive, while the Adult Day Care Program and Title III Supportive Services are not comprehensive.***

The Homecare Program regulations require that program administrators must “assure the provision of services throughout the geographic area covered under its plan or proposal” (901 KAR 1:180 § 2(1)). Surveys sent to the fifteen directors of Area Agencies on Aging questioned the coverage of four types of services through the Homecare Program: homemaker/home management, personal care, chore, and respite. The survey results reveal that all fourteen Area Agencies on Aging that responded provide homemaker/home management services, personal care services, and respite services. Chore services are provided in eleven of the fourteen service regions surveyed (see Appendix C for map displaying where chore services are located). The results also show that program administrators have fulfilled their regulatory requirements in providing services throughout their geographic region. When administrators provide services through the Homecare Program, they do so in every county in their service area.

Every Area Agency on Aging responding to the survey also participates in the Adult Day Care/Alzheimer’s Respite Program. Since this program is newer and not as developed as the Homecare Program, administrators are not required to assure that services are provided in every

county. The Medicaid Aged/Disabled Waiver’s adult day component is also not comprehensive throughout the state as adult day centers participating in the Waiver are located in only 71 of Kentucky’s 120 counties (58%) (to see these counties geographically, see Appendix C). In comparison with the Waiver, the following map reveals that 45% of counties surveyed have adult day centers participating in the state-funded Adult Day Care/Alzheimer’s Respite Program. Therefore, the coverage of this program is lower than Medicaid Adult Day Care. Program administrators commented that while they do not have this program in every county, clients are welcome to travel to counties with adult day facilities.

**Figure 4**  
**Adult Day Care/Alzheimer’s Respite Program**

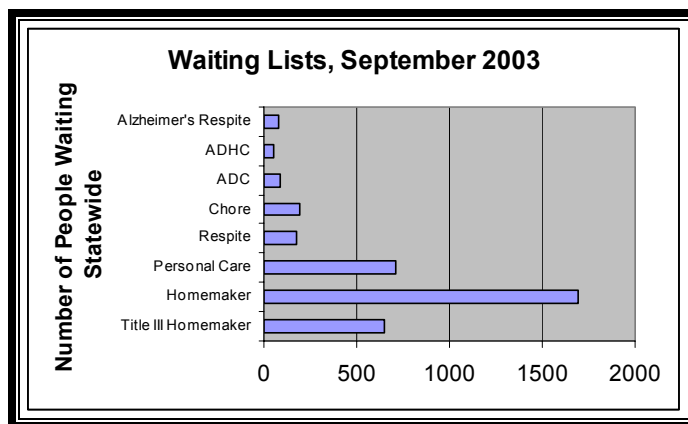


The Title III Program is the least comprehensive of the three programs in providing long-term care services. This may be due to the nature of the program, in that its focus is more on providing congregate and in-home meals to senior citizens than long-term care services. Administrators were asked about the service coverage of four Title III in-home services: homemaker/home management, personal care, chore and respite services. Coverage of homemaker services was the most comprehensive, as 85% of respondents provide these services through the Title III Program. However, only 39% provide personal care services and chore services while 46% provide respite services (to see where these services are located geographically, see Appendix C).

***Finding #3: Overall, service availability in state-funded programs is limited due to high demand.***

The availability of services can be measured several ways, one of which is to determine waiting list length. The State Office on Aging maintains quarterly waiting lists that include people who have been assessed for services, those awaiting assessment, and those who are underserved (meaning that they are not receiving the amount of services needed). Figure 5 below shows that the demand for homemaker services in September 2003 was quite high with approximately 1,700 people statewide demanding these services and remaining without services or being underserved. These data also reveal that over 600 people are on the waiting list for personal care services and Title III in-home service, while very few people were underserved when requesting chore, respite, and Adult Day/Alzheimer’s Respite Services.

**Figure 5**

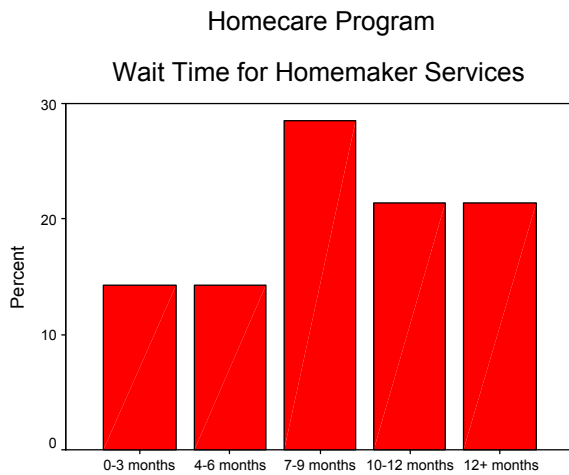


***Finding #5: Service availability in state-funded programs is highly variable both across types of services and across programs.***

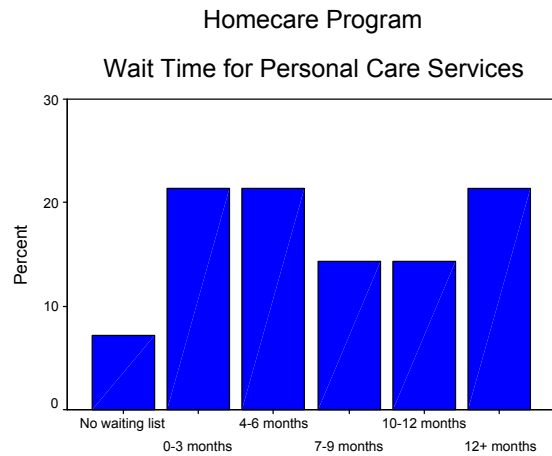
A second way to measure service availability is to determine how long clients must wait to receive services. The State Office on Aging does not collect statistics on the amount of time clients wait. Therefore, the survey sent to program administrators asked questions about the length of time clients remained without services in all three programs. Survey results highlight the fact that the

wait times for services are highly variable across the state. Figures 6 through 9 detail these wait time differences for the Homecare Program. For homemaker services through this program, 28% of respondents have a wait of 6 months or less, 50% have a wait of 7-12 months, and 21% have wait times of over one year. Figure 7 shows that wait time for personal care services are also variable. Seven percent have no waiting list for these services, 43% percent of agencies have wait times of 6 months or less, 28% have wait times of 7-12 months, and 21% have wait times of over one year. Similar variation exists for chore services and respite services, as shown in Figures 8-9.

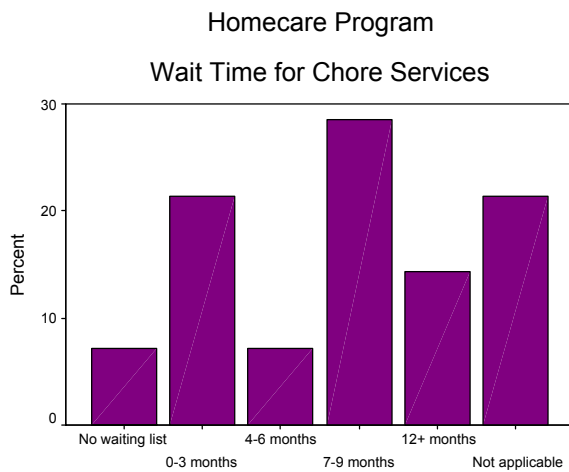
**Figure 6**



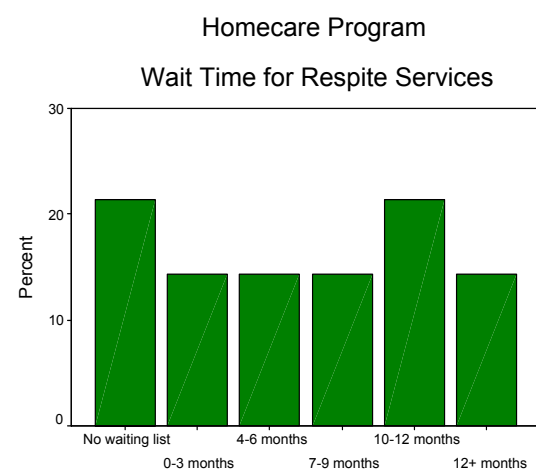
**Figure 7**



**Figure 8**

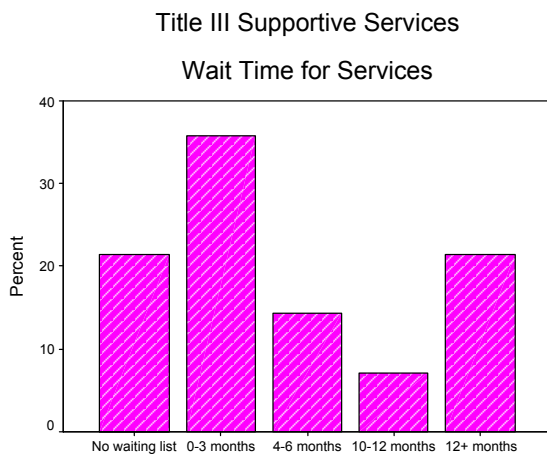


**Figure 9**

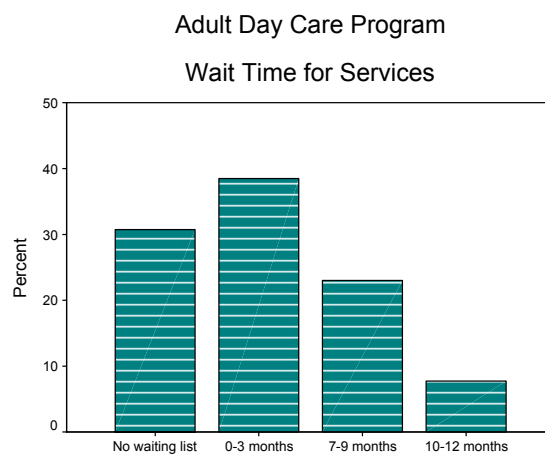


Survey results on the availability of the Title III Program and the Adult Day Care Program yield similar findings (See Figures 10-11 below). For the Title III Program, 21% of agencies have no wait for their services, 57% have a wait of 0-6 months, 28.5% have a wait of 7-12 months, and 21% have wait times of over one year. For Adult Day Care, 29% of agencies' have no wait time for Adult Day Care services, 57% have a wait of 0-6 months and 28% have a wait of 7-12 months.

**Figure 10**



**Figure 11**

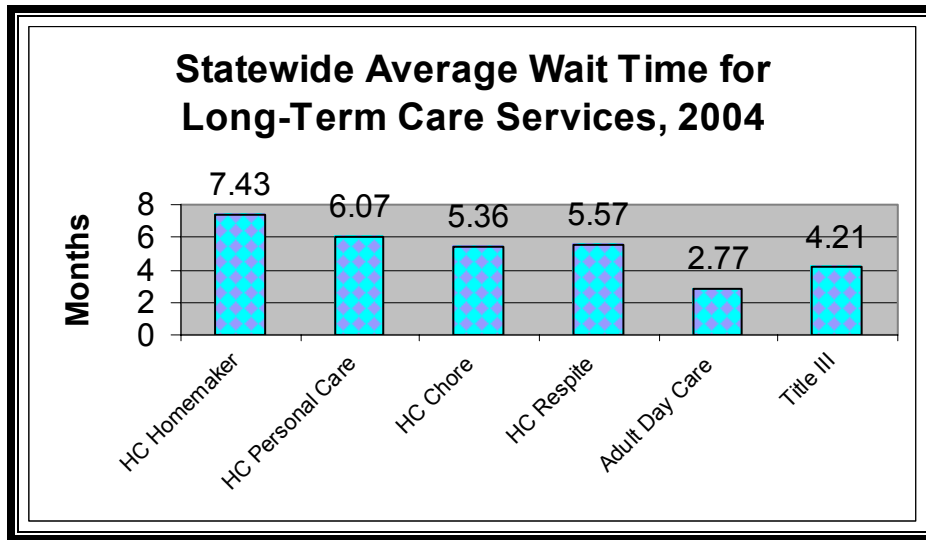


These high variations among respondents lend weight to the hypothesis that inequities may exist in service availability throughout the state.

***Finding #5: On average, clients wait longer to receive services through the Homecare Program than through the Adult Day Care and Title III Programs.***

As Figure 12 shows, on average, clients wait longer to receive services through the Homecare (HC) program than through the Adult Day Care and Title III Programs. Clients wait almost eight months to receive homemaker services, six months to receive personal care services, and approximately 5.5 months for chore and respite services through the Homecare Program. For the Adult Day Care Program, clients wait for almost three months and for Title III in-home services, clients must wait for an average of about four months.

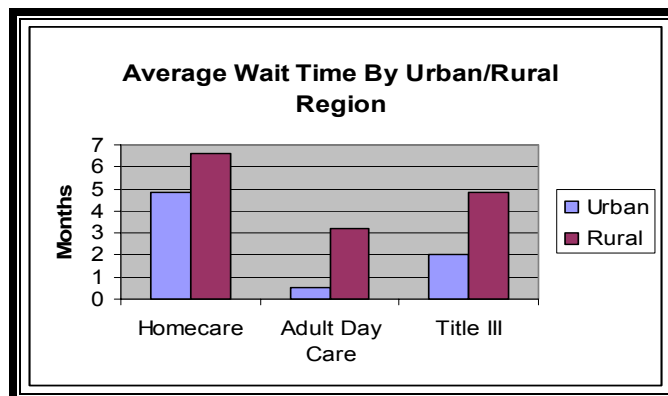
Figure 12



***Finding #6: On average, agencies that serve urban areas display higher service availability than agencies serving predominantly rural areas.***

To determine if inequities existed in service availability across the state, average wait times for services were compared to the urban/rural region in which the agency was located. Figure 13 below shows that agencies located in urban regions have better availability in all three programs than agencies serving predominantly rural areas. These differences were not statistically significant, however, which may be due to the small sample size of 14.

Figure 13



Kentucky’s elderly population in rural regions of the state is approximately 372,000 persons, or 55% of the state’s age 60+ population. Even though more of Kentucky’s older population lives in rural areas, this may not explain the inequities in wait time because state funding formulas are supposed to account for these population differences. However, when examining regional differences of agencies in their per person age 60+ program funding, the average funding for urban agencies is somewhat larger than for rural agencies (See Table 5 below). These differences may be due to greater funding opportunities for urban agencies through local governments and charitable organizations.

**Table 5**

<b>Per Person Program Funding By Urban/Rural Region, FY2000</b>			
	Urban Agencies	Rural Agencies	Difference
<b>Homecare Program</b>	\$19.77	\$18.23	<b>\$1.54</b>
<b>Adult Day Care Program</b>	\$7.78	\$4.50	<b>\$3.28</b>
<b>Title III Program</b>	\$11.08	\$10.72	<b>\$0.36</b>

The inequities between urban and rural agencies may also be due to differences in client characteristics in rural areas. Studies have shown that elderly people living in rural areas are more likely to be poor, have low health and functional status, and rely more on public funding for long-term care services than their urban counterparts (Coburn, 2002).

***Finding #7: Wait times for the Title III Program are related to an agency’s collection of fees.***

In order to better understand service availability and the factors that may account for high variation among agencies, bivariate analyses were performed. The variables included an agency’s wait time for the three programs and their relationship with such variables as the percentage of

persons age 60+ in their region, an agency's reliance on state funding, local funding and fees/donations, and per person 60+ program funding. No relationship existed between the wait times for the three programs and the percentage of persons age 60+ in the region that the agency served nor between an agency's wait time and their per person 60+ program funding. In addition, no statistical relationships existed between an agency's wait time and their reliance on state funding or between an agency's wait time and their reliance on local funding. The lack of a statistical relationship may again be due to the small sample size of 14.

The Title III Program's in-home services wait was negatively correlated with the agency's collection of fees/donations ( $R = -.591$ ;  $p = .026$ ), showing that as an agency collects more fees, their wait time for services decreases. This result is especially interesting because fees and donations through the Title III Program are voluntary, as required by federal law. Similar relationships between wait times and fees did not exist for either the Homecare Program or the Adult Day Care Program, both of which require the collection of fees according to a sliding scale.

While the amount of local funding had no statistical relationship with wait times, follow-up interviews with agencies that raised relatively high amounts of local funds indicated that an increase in local funds allows their programs to serve more than other agencies without this fundraising capacity. These agencies had raised local funding through community foundations, county taxes specifically for their programs, and through advocacy and outreach to local officials.

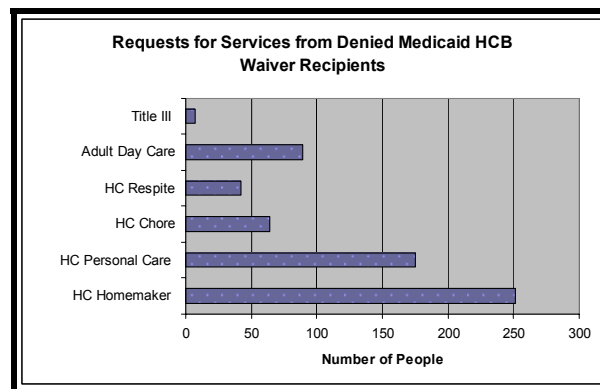
***Finding #8: Almost all program administrators received requests for some type of service for recipients who were recently denied Medicaid Home and Community-Based Waiver Services. Home management/homemaker services were the most requested among this population.***

Because Medicaid officials kept little information on those HCB Waiver recipients who lost services, the survey asked program administrators whether or not they had received any requests for services from the HCB Waiver population who were denied services and what types of services

they requested. Eighty-six percent of respondents stated that they received requests for the Homecare Program from this population, while only 36% received requests for Title III services and 43% received requests for Adult Day Care services.

Program administrators had less knowledge about the number of people requesting services. Some agencies seemed to have kept detailed information on this population, while other agencies had no specific information available to determine what services this population requested. Those agencies that kept detailed records on the HCB Waiver population revealed that most of this population requested homemaker/home management services through the Homecare Program, followed by personal care services, and services through the Adult Day Care Program (see Figure 15 below).

**Figure 15**

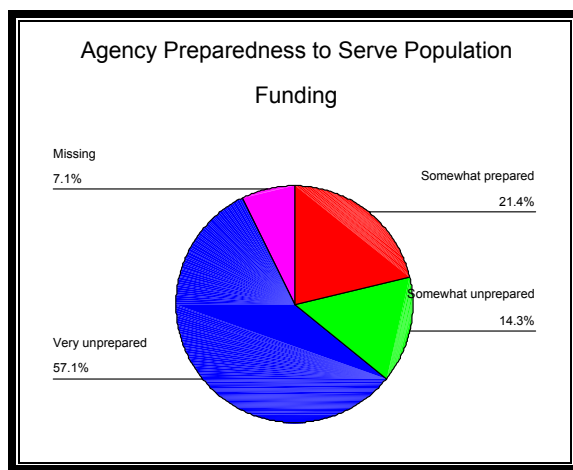


***Finding #9: Most administrators stated that their agency was very unprepared to handle the HCB Waiver population in the area of funding, but felt more prepared to serve this population in the areas of program staffing and provider cooperation.***

Surveys sent to the directors of the Area Agencies on Aging questioned their preparedness in several areas to provide services to the large population of former HCB Waiver recipients. These areas of preparedness included funding, program staffing, provider cooperation, and information and assistance from the State Office on Aging. The least surprising result from these questions was that most administrators (57.1%) felt very unprepared in the area of funding to deliver services

to this population, while another 14.3% felt somewhat unprepared (See Figure 16 below). Bivariate analyses were performed to determine what accounts for the variations in answers related to funding preparedness. No significant relationships existed between these answers and such variables as urban/rural location of the agency and an agency's reliance on different types of funding.

**Figure 16**



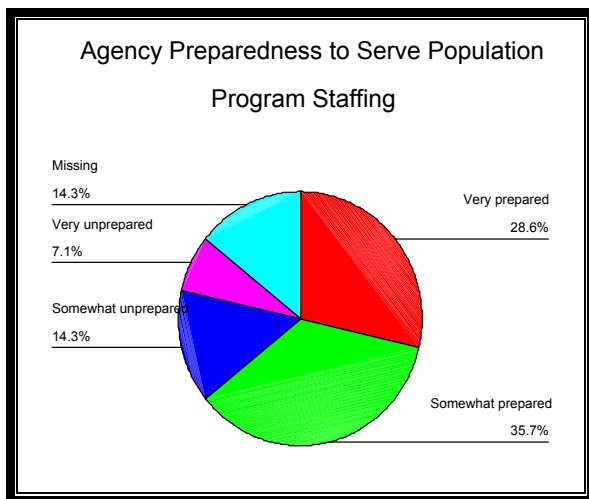
When asked what specific improvements were needed to increase their agency's preparedness, 10 of the 14 agencies (72%) made comments concerning the need for increased funding to meet demand for services. These findings are in line with the literature which states that the leading barrier for Area Agencies on Aging in service expansion is funding (National Council on Aging, 2001; Summer, 2001).

Another question on the survey related to funding preparedness concerned the Adult Day Care Program. The survey asked respondents if they were able to move any denied HCB Waiver Clients from Adult Day Health Care (provided through the Medicaid HCB Waiver) to the AAAs' Adult Day Care Program. This was asked because Medicaid officials have allowed AAAs to administer Adult Day Health Care services through the Medicaid HCB Waiver. It was expected that if a recipient were denied Adult Day Health Care Services through Medicaid, then agencies

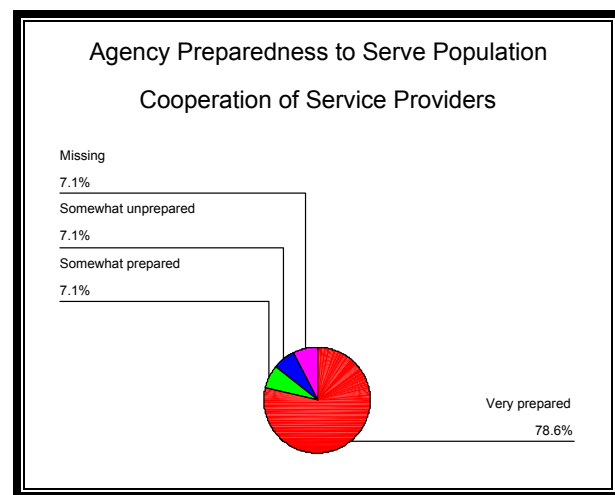
would be more aware of their need since the agencies were administering their services. Survey results reveal that 57% of respondents did indeed have funds available to move clients from Adult Day Health Care into their Adult Day Care Programs. Of those respondents who had funds available, 75% moved people into the Adult Day Care Program from the Adult Day Health Care Program. Respondents commented that they had enough funding to move about 20 of 51 people into the Adult Day Care Program, which was a 40% placement rate. It is unknown whether the remaining 31 persons found Adult Day Care services through some other means.

Program administrators stated that their agency was more prepared to handle this specific population in the areas of program staffing and in the cooperation of service providers (these are the home care and home health care companies who agencies contract with to provide services in their three programs). As Figures 17 and 18 below show, approximately 64% of respondents felt either very or somewhat prepared in their program staffing to serve this population, while an overwhelming 85% felt either very or somewhat prepared in that they had the cooperation of service providers.

**Figure 17**



**Figure 18**



The survey also asked administrators how prepared they were in receiving information and assistance from the State Office on Aging about the expected increase in demand. Several respondents did not respond to this question or commented that it was not applicable because they already knew about the expected changes in demand. Due to the unreliable nature of the question, it was deemed invalid. However, some respondents made written comments about how they had received very little information/assistance from the State Office during this time period. They also commented that the State Office should have provided advanced notice about the increased demand, but the Office failed to do so.

## **Discussion**

When the Medicaid safety net in Kentucky failed, those elderly persons at risk for institutional placement had limited options to find alternative services that were immediately available. Not only did they have limited options, but they also had inequitable options due to the high variations across the state in service availability. The failure to provide such services to chronically ill elderly people in the community who are at risk for deterioration could be quite expensive in the long run for states (O’Keefe, Long, Liu, & Kerr, 2001). Without services, these elderly people may decline further until they end up in nursing homes, which costs the state much more than home and community-based care. This is especially true for those elderly persons living in rural areas of Kentucky, as they must wait longer for long-term care services on average.

Area Agencies on Aging provide adequate coverage of most of their services and are willing to expand since most have enough staff and cooperative relationships with their subcontractors to provide services. However, due to limited funding, they have little ability to expand in order to meet the changing demand for services. Agencies’ heavy reliance on state funding and low reliance on local sources of funding for their programs may be a factor in their inability to expand,

especially in the Homecare Program. To make matters worse, these programs are preparing for a 2.5% state budget cut in the next fiscal year, which will further lower the availability of alternative long-term care services. Another matter is the recent effort by officials and advocates to address the high long-term care need by combining funding from these state programs with Medicaid in order to leverage more federal dollars (Kentucky Cabinet for Health Services, 1999). This decision must be carefully considered and weighed as it may pull away resources from older people who are not eligible for Medicaid due to tightening financial and medical eligibility requirements. Since Medicaid is currently undergoing a fiscal crisis, such a decision may not help Medicaid much and may further limit these alternative programs that can help in times of crisis.

There appear to be gaps in the picture of what happened to this population who were denied services. While most never lost services due to their judicial appeal, about 900 did experience a loss of services. Neither Medicaid officials nor many of the AAAs had detailed information on where this population ended up. These facts point to the fragmented nature of the long-term care system in Kentucky. Those Medicaid recipients who were denied services were expected to look for other services in a different organizational system. In some instances, their home health and adult day case managers may have pointed them toward other services, but it is not known if everyone had this assistance.

## **Recommendations**

***#1 Policymakers should analyze alternative care arrangements and detail their availability before making a decision to cut Medicaid services.***

Medicaid officials told policymakers that other options were available for those persons who lost Medicaid services. There appears to be little evidence to fully back these statements up. Policymakers need to make sure that this vulnerable population will indeed have other options

before making decisions to cut their services completely. In addition, if they must make decisions that will cut services they should do so at times where other agencies can make changes in their budgets to accommodate for the increased demand. Such decisions may save the state more in the long run as this population has chronic conditions that may deteriorate.

***#2 While Medicaid is attractive for Kentucky due to the leveraging of federal funds, policymakers should consider moving away from this reliance on Medicaid alone to fund long-term care.***

Many states have recognized that they rely too much on Medicaid for long-term care, which will become more challenging for states as the Baby Boomers begin to turn 65 (National Conference of State Legislatures, 1997). These states have recommended moving toward a reliance on private funding for long-term care services by a number of means including: (1) Encouraging people to purchase private long-term care insurance by offering tax deductions; (2) Launching public education campaigns about the importance of planning for future long-term care needs; and (3) Allowing families of Medicaid recipients and middle-income people to contribute toward long-term care services (National Conference of State Legislatures, 1997).

Policymakers may want to examine the other ways that states have tried to lower their Medicaid costs. States have tried to save money on long-term care by moving toward managed long-term care and by moving resources away from institutions towards home and community-based care (however, this latter option has been equivocal in its cost-effectiveness for states) (Weiner, Stevenson & Kasten, 2000).

***#3 Policymakers may want to consider a single point of entry to streamline the fragmented long-term care system.***

Many states are developing a single point of entry for people needing long-term care services throughout their states. This mechanism allows for people to have a “one-stop shop” for all of their long-term care needs and allows for cooperation between different long-term care programs

(National Conference of State Legislatures, 1997). If Kentucky had such an administrative structure, then those people who lost Medicaid services would not have had to enter another organizational system to find alternative services, and both programs could have kept better track of people losing Medicaid services since information-sharing between agencies would have been encouraged.

***#4 The State Office on Aging may want to sponsor a study to determine what accounts for the inequities in service availability and especially the disparities in rural regions of the state.***

These inequities may be caused by a number of factors including the state funding formula, an agency's reliance on local funding or fees/donations, the client characteristics of rural regions, or program priorities. Some initial bivariate analyses were performed in this study but further quantitative and qualitative analysis should be done to understand the relationships between program, budgetary, and wait list variables.

***#5 The State Office on Aging should find ways to assist Area Agencies on Aging to aggressively seek out local sources of funding for their programs in order to increase service availability.***

Interviews with selected agencies revealed that the State Office on Aging does little to assist Area Agencies on Aging in raising local funds. The State Office provides a mechanism through which ideas and techniques on raising local funds can be shared among program directors. This may be a way to decrease the inequities in service availability throughout the state.

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# Appendices

## Appendix A

### **Types of Services Provide through Kentucky's Aged/Disabled Home and Community-Based Services Waiver Program**

**Assessment services** entail a comprehensive assessment of the HCB Waiver recipient, care planning and reassessments.

**Case Management Services** provide location, coordination and monitoring of the HCB Waiver recipient's services.

**Homemaker service** is a service that consists of general household activities such as meal preparation and routine household care.

**Personal care services** are medically-oriented and are related to the HCB Waiver recipient's physical requirements.

**Respite care services** is short term care provided to an HCB Waiver recipient due to the absence or to provide relief to the primary caregiver.

**Minor home adaptations** are changes or additions made to the HCB Waiver recipient's living environment to make it possible for the individual to remain in the current living arrangement.

**Attendant care** services is a hands-on care of an HCB Waiver recipient.

**Adult Day Health Care** services are provided on a regularly-scheduled basis. These services are of a health nature and ensure optimal functioning of an HCB Waiver recipient (Kentucky Cabinet for Health Services, 2003).

## Appendix B Long-Term Care Services Survey

This survey asks questions about the Title III in-home services, the HomeCare Program and Adult Day Care Program offered through local Area Agencies on Aging. The survey is part of a study to determine the coverage and availability of home and community-based long-term care services in Kentucky. With the recent changes to Medicaid long-term care services and Medicaid's current budgetary shortfall, it is important to understand the availability of options to home and community-based services under Medicaid. Thank you for taking the time to complete this important questionnaire.

**1. Please name the Area Development District in which your Area Agency on Aging is located?**

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### HOMECARE PROGRAM

**2. Does your agency currently provide any of the following services through the state-funded Homecare Program? (Please check all that apply)**

- Homemaker/Home management services
- Personal care services
- Chore services
- Respite services
- N/A (We do not offer services through the Homecare Program) → **SKIP to #17**

**3. If you provide homemaker services, are these services provided in every county in your region?**

- Yes → **SKIP to #5**
- No

→ **4. (If No) Please list the counties in your area that do NOT receive these services.**

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**5. If you provide personal care services, are these services provided in every county in your region?**

- Yes → **SKIP to #7**
- No

→ **6. (If No) Please list the counties in your area that do NOT receive these services.**

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**7. If you provide chore services, are these services provided in every county in your region?**

- Yes → **SKIP to #9**
- No

→ **8. (If No) Please list the counties in your area that do NOT receive these services.**

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**9. If you provide respite services, are these services provided in every county in your region?**

- Yes —————> **SKIP to #11**
- No



**10. (If No) Please list the counties in your area that do NOT receive these services.**

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**11. What is the average time on the waiting list for any given client to receive homemaker services in your Homecare Program?**

- No waiting list
- 0-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- 12+ months
- N/A (We do not offer services)

**12. What is the average time on the waiting list for any given client to receive personal care services in your Homecare Program?**

- No waiting list
- 0-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- 12+ months
- N/A (We do not offer services)

**13. What is the average time on the waiting list for any given client to receive chore services in your Homecare Program:**

- No waiting list
- 0-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- 12+ months
- N/A (We do not offer services)

**14. What is the average time on the waiting list for any given client to receive respite services in your Homecare Program:**

- No waiting list
- 0-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- 12+ months
- N/A (We do not offer services)

**15.** In April 2003, the Kentucky Medicaid program denied services to elderly persons under the Home and Community-Based Waiver program. From April 2003 until February 2004, did your agency receive any applications for the Homecare Program from this population that lost HCB Waiver services?

- No → SKIP to #17
- Yes

→ **16.** (If YES) Please give the approximate number of the HCB Waiver population who requested the following Homecare Program services during this time period. (If you can only make rough estimates, please provide them. If you do not know, then please indicate this).

Homemaker/Home management services	# of applicants	_____
Personal care services	# of applicants	_____
Chore services	# of applicants	_____
Respite services	# of applicants	_____

### **TITLE III IN-HOME SERVICES**

**17.** Does your agency currently provide any of the following services through the Title III Older Americans Act? (Please check all that apply)

- Homemaker/Home management services
- Personal care services
- Chore services
- Respite services
- N/A (We do not offer any in-home services through Title III) → SKIP to # 29

**18.** If you provide homemaker services/home management services through Title III, are these services provided in every county in your region?

- Yes → SKIP to #20
- No

→ **19.** (If No) Please list the counties in your area that do NOT receive these services.

\_\_\_\_\_  
\_\_\_\_\_

**20.** If you provide personal care services through Title III, are these services provided in every county in your region?

- Yes → SKIP to #22
- No

→ **21.** (If No) Please list the counties in your area that do NOT receive these services.

\_\_\_\_\_  
\_\_\_\_\_

**22. If you provide chore services through Title III, are these services provided in every county in your region?**

- Yes → **SKIP to #24**
- No

→ **23. (If No) Please list the counties in your area that do NOT receive these services.**

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**24. If you provide respite services through Title III, are these services provided in every county in your region?**

- Yes → **SKIP to #26**
- No

→ **25. (If No) Please list the counties in your area that do NOT receive these services.**

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**26. What is the average time on the waiting list for any given client to receive in-home services through your Title III program?**

- No waiting list
- 0-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- 12+ months
- N/A (We do not offer services)

**27. In April 2003, the Kentucky Medicaid program denied services to elderly persons under the Home and Community-Based Waiver program. From April 2003 until February 2004, did your agency receive any applications for Title III services from this population that lost HCB Waiver services?**

- No → **SKIP to #29**
- Yes

→ **28. (If YES) Please give the approximate number of the HCB Waiver population who requested the following Title III services during this time period. (If you can only make rough estimates, please provide them. If you do not know, then please indicate this).**

Homemaker/Home management services	# of applicants _____
Personal care services	# of applicants _____
Chore services	# of applicants _____
Respite services	# of applicants _____

**ADULT DAY CARE PROGRAM**

**29. Does your agency offer an Adult Day Care/Alzheimers Respite Program?**

- No → **SKIP to #37**
- Yes

**30. Is the Adult Day Care/Alzheimers Respite Program provided in every county in your region?**

- Yes → **SKIP to #32**
- No

→ **31. (If No) Please list the counties in your area that do NOT receive services through this program?**

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**32. What is the average time on the waiting list for any given client to receive services in your Adult Day Care/Alzheimers' Respite Program?**

- No waiting list
- 0-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- 12+ months
- N/A (We do not offer services)

**33. In April 2003, the Kentucky Medicaid program denied services to elderly persons under the Home and Community-Based Waiver program. From April 2003 until February 2004, did your agency receive any applications for Adult Day Care/Alzheimers' Respite Services from this population that lost HCB Waiver services?**

- No → **SKIP to #35**
- Yes

→ **34. (If YES) Please give the approximate number of the HCB Waiver population who requested Adult Day Care/Alzheimers' Respite Services during this time period. (If you can only make rough estimates, please provide them. If you do not know, then please indicate this).**

# of applicants \_\_\_\_\_

**35.** Were there any funds available in your Adult Day social model units for those persons who were recently denied services through Medicaid's Home and Community-Based Waiver program?

- No —————> **SKIP to #37**
- Yes

└───┐  
 └───┘ **36.** (If YES) How many recipients who had lost Adult Day Health Care Medicaid coverage were able to move into these social model slots?

# moved into social model slots \_\_\_\_\_

**AGENCY CAPACITY**

**37.** When Medicaid cut Home and Community-Based Waiver services in April 2003, to what extent was your agency prepared in the following areas to provide services to this population who lost Medicaid coverage?

	Very prepared	Somewhat prepared	Somewhat unprepared	Very unprepared
<b>Funding</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Program Staffing</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Cooperation of service providers</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Information and assistance from the State Office of Aging</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If your agency was unprepared, what specific improvements were needed to increased your agency's preparedness?

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***Survey completed.  
 Thank you for completing this survey!***

*Please return this survey by **March 5, 2004** via facsimile or by using the enclosed stamped envelope to:*

Suzanne Dale  
 Martin School of Public Policy and Administration  
 University of Kentucky  
 415 Patterson Office Tower  
 Lexington, KY 40506-0027  
 Phone: 859.396.2901  
 Fax: 859.323.1937  
 Email: ssdale2@uky.edu

## Survey Cover Letter

February 19, 2004

Rhonda Davis  
Bluegrass Area Agency on Aging  
699 Perimeter Drive  
Lexington, KY 40517

Dear Ms. Davis:

You are invited to take part in a research study about home and community-based long-term care services in Kentucky. You are invited to participate in this research study because you are an administrator for long-term care programs. If you take part in this study, you will be one of about 15 people to do so.

I am from the Martin School of Public Policy and Administration at the University of Kentucky, and I am in charge of this research project. Dr. Edward Jennings, Ph.D, is guiding me in this research. This study is a graduation requirement for the Masters of Public Administration program.

The purpose of this study is to determine whether the elderly and disabled people who were recently denied services in Medicaid's Home and Community-Based Waiver Program had other available options for publicly funded long-term care. The study will analyze the capacity and preparedness of other programs to serve this population. As part of the research, the attached survey has been sent to all the directors of local Area Agencies on Aging. This survey will take about 20 minutes to complete. To the best of our knowledge, participating in this survey involves no more risk of harm than you would experience in everyday life. You will not get any personal benefit from taking part in this study, and there are no costs associated with taking part in this study. Furthermore, you will not receive any payment or reward for taking part in this study.

By completing this survey, you will be consenting to participate in this important research project. Information from your survey results will be combined with information from other people taking part in the study. I will be happy to share the results of this study with you by sending you the final report in April 2004. If you have questions about the study, you can contact me by phone at #859-396-2901. **Please return this survey either by facsimile or by mail using the enclosed envelope by Friday, March 5, 2004.** Thank you for your time and participation in this important research project.

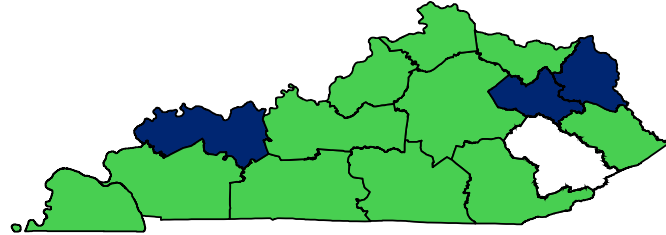
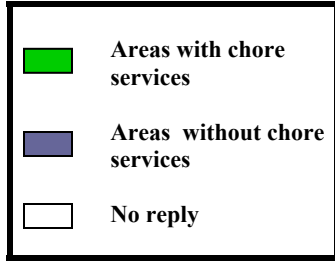
Best regards,

Suzanne Dale  
M.P.A. Candidate

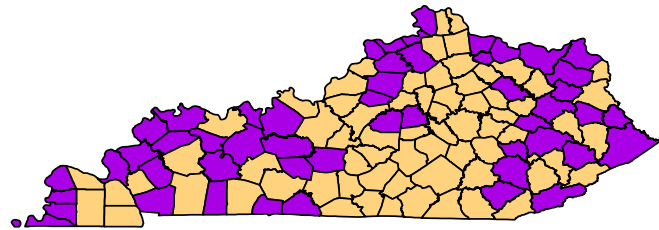
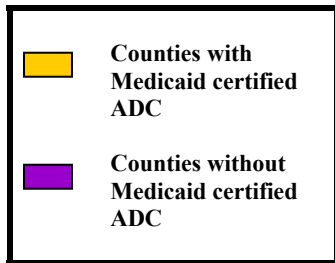
## Appendix C

### Geographical Distribution of Long-Term Care Services

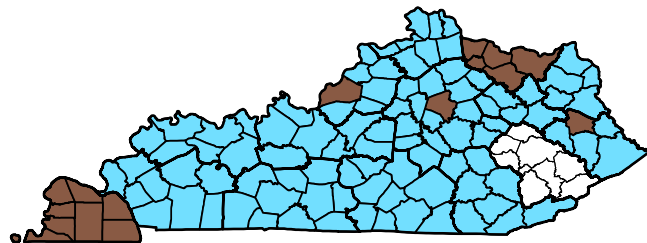
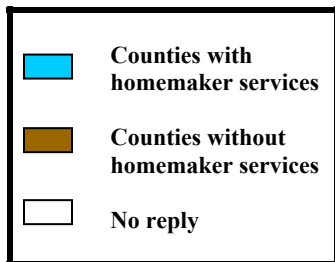
#### Homecare Program Chore Services



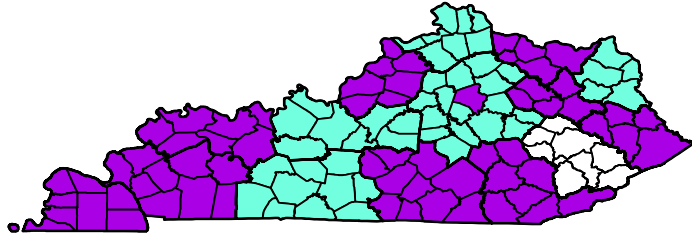
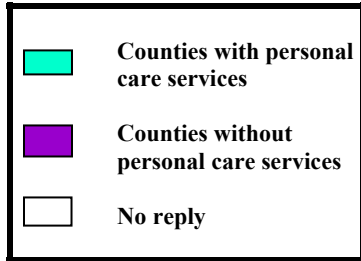
#### Medicaid Certified Adult Day Centers in Kentucky



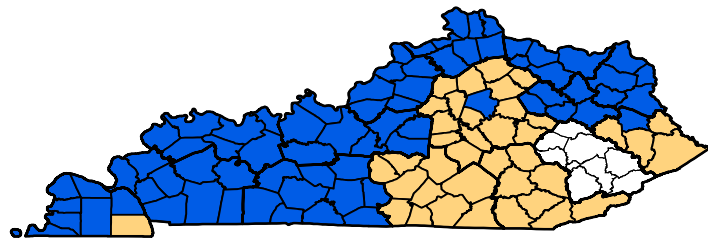
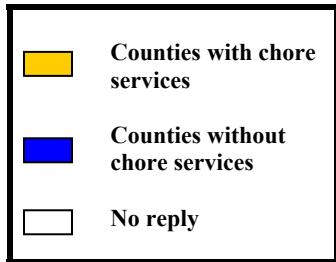
#### Title III Program Homemaker Services



### Title III Program Personal Care Services



### Title III Program Chore Services



### Title III Program Respite Services

