

Illinois Department on Aging



Fiscal Year 2012 Enacted Budget

Pat Quinn, Governor
Charles D. Johnson, Director



Governor Quinn's Plan One Year Ago

Five Pillars of Recovery

- Creating Jobs
- Cutting Costs
- Strategic Borrowing
- Continued Federal Assistance
- Increased State Revenues

It will take all five of these strategies to solve Illinois' current fiscal crisis!!!



Progress & Achievements

Job Growth

- Capital Program
- Unemployment decrease of 1.7% in 2010
- Employment increase of 46,300 jobs in 2010

Long Term Cost Savings

- Medicaid reform
- Pension reform

Federal Assistance

- Enhanced Medicaid match
- Education funding

Enhanced Revenues

- Individual and corporate income tax increases

Budget Stability

- Achieved only through continued reform and spending restraint



Governor Quinn's Priorities

Jobs

- Continue creating jobs with companies like Ford, Navistar, Mitsubishi, Chrysler and Boeing

Paying the bills

- Return to normal payment cycle to keep vendors stable and people working

Education improvement and funding

- Raise achievement levels to develop students who are career-ready

Global Competitiveness

- Strengthen our position as the largest in-land exporter

Ongoing capital investment

- Address deferred maintenance & IT modernization while creating jobs



Governor Quinn's Priorities

Healthcare Costs

- Control costs amid growing demand

Rebalancing the social safety net

- Provide coordinated care while restraining costs

Unfunded pension liability

- Work for additional reforms

Implementing budget reforms

- Get results while living within available revenues and spending caps



The Keys of Budget Stability

- **Economic Growth**
- **Paying Bills On Time**
- **Spending Reform**
- **Budgeting for Outcomes**
 - 1) Establish goals
 - 2) Allocate resources
 - 3) Monitor performance
 - 4) Evaluate outcomes

Illinois Department on Aging



FY12 Enacted Budget Agency-Specific Highlights

Summary of Agency Operations

The Department administers a comprehensive service delivery system for the state's growing 2.1 million seniors and their caregivers, in coordination with 13 Area Agencies on Aging which includes: administering the Community Care Program (CCP) which provides in-home care, adult day service, case management and other services to eligible seniors 60 years and older, and the Circuit Breaker/Pharmaceutical Assistance Program.

The Department also administers intergenerational programs and other supportive services which are mandated by the federal Older Americans Act which include: nutritional services, transportation, information and assistance, Elder Rights and the LTC Ombudsman program. Services are provided locally through the 13 Area Agencies on Aging and contracted service providers.

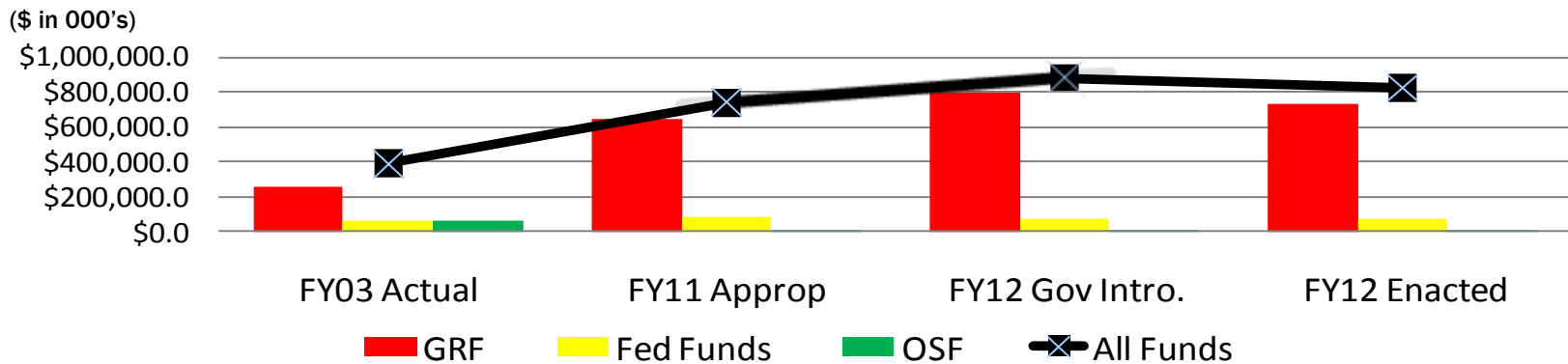
Mission Statement

The **MISSION** of the Illinois Department on Aging is to serve and advocate for older Illinoisans and their caregivers by administering quality and culturally appropriate programs that promote partnerships and encourage independence, dignity, and quality of life.

Agency Budget Highlights

- The fiscal year 2012 enacted budget for the Department includes \$737.4 million in General Revenue funds (GRF), which is an increase of \$86.8 million, or 13.3% over the current fiscal year GRF appropriations. The budget makes additional programmatic and operational reductions from the Governor's introduced budget, which sought to fund most agency services for the entire fiscal year without undue hardship to service recipients.
- The Other State Funds budget totals \$8.4 million, which is a decrease of approximately \$740,900, or -8.1% from the current level.
- Direct Federal funds comprise \$76.8 million, which is a decrease of approximately \$3.4 million, or -4.2% from the current year, due to the termination of supplemental funds from the American Reinvestment & Recovery Act (ARRA) for nutrition and senior employment services.
- The enacted budget supports an agency headcount of 160 FTE positions.

Agency Appropriations Summary



	FY03 Actual	FY11 Approp. Adj. *	FY12 Governor's Introduced	FY12 Enacted	\$ change FY12 Enacted over FY11	% change FY12 Enacted over FY11
All Funds	\$389,211.7	\$739,959.9	\$882,888.8	\$822,674.5	\$82,714.6	11.2%
General Revenue	257,000.4	650,661.6	798,883.4	\$737,419.1	86,806.5	13.3%
Direct Federal Funds	67,456.8	80,162.4	76,810.4	76,810.4	(3,352.0)	(4.2)%
Other State Funds	64,754.5	9,185.9	7,195.0	8,445.0	(740.9)	(8.1%)

* The FY11 appropriations includes an additional \$21.8 million from the Governor's discretionary funds to reduce the FY11 liability push for the Community Care Program and to facilitate vendor payments.

Illinois Department on Aging



Fiscal Year 2012 Highlights by Programmatic Areas

The Fiscal Year 2012 Enacted Budget includes:

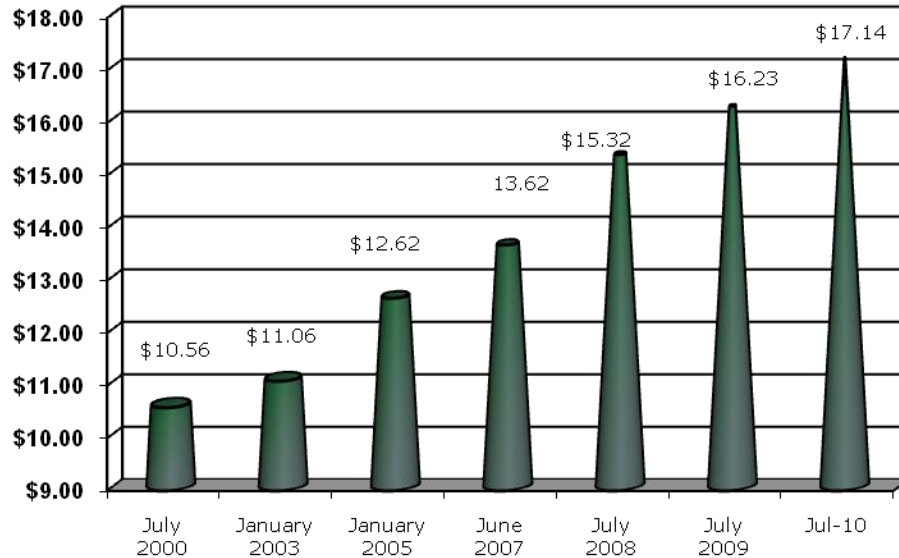
- \$625.1 million to administer Community Care Program (CCP) services, which represents approximately 85% of the agency's FY12 General Revenue funds budget. Although the FY12 appropriation is an increase of approximately \$85.9 million over the FY11 adjusted appropriations, it falls short of the Governor's budget request to fully fund the projected CCP expenditures in FY12.
- The FY12 enacted budget also includes \$53.3 million for Comprehensive Care Coordination, which is an increase of approximately \$4.9 million, or 10.1% over FY11.
- Overall, the total CCP budget for services and case management will cover approximately 90% of the estimated liability when accounting for the reduction of \$82 million in the enacted budget compared to the introduced level. The reduced appropriations would have covered the FY11 liability rollover and additional costs such as prompt payment interest charges.
- Inadequate revenues to match service demands have exacerbated payment delays to providers statewide, and will continue spending pressures for the foreseeable future that require sustainable policy solutions across the board.

Community Care Service

(cont'd)

- The Community Care Program continues to serve as a viable and cost effective alternative to nursing home placement. The program is projected to serve an average monthly caseload of approximately 72,400 older adults in FY12, all of whom are eligible for nursing home placement.
- It also remains one of the fastest growing State programs, due to the growth in the senior population, and the desire of this age cohort to obtain comprehensive services to remain independent for as long as possible in the most integrated community-based setting of their choice.
- The Department has undertaken new efforts to increase Medicaid enrollment and reimbursement claims for existing and new CCP applicants. These efforts include: allowing clients to use their CCP expenditures to count toward spend down, allowing daily billings for providers, streamlining eligibility provisions, and implementing client satisfaction surveys and improving the Medicaid waiver monitoring and reporting processes.

In-Home Service Hourly Rate History Summary

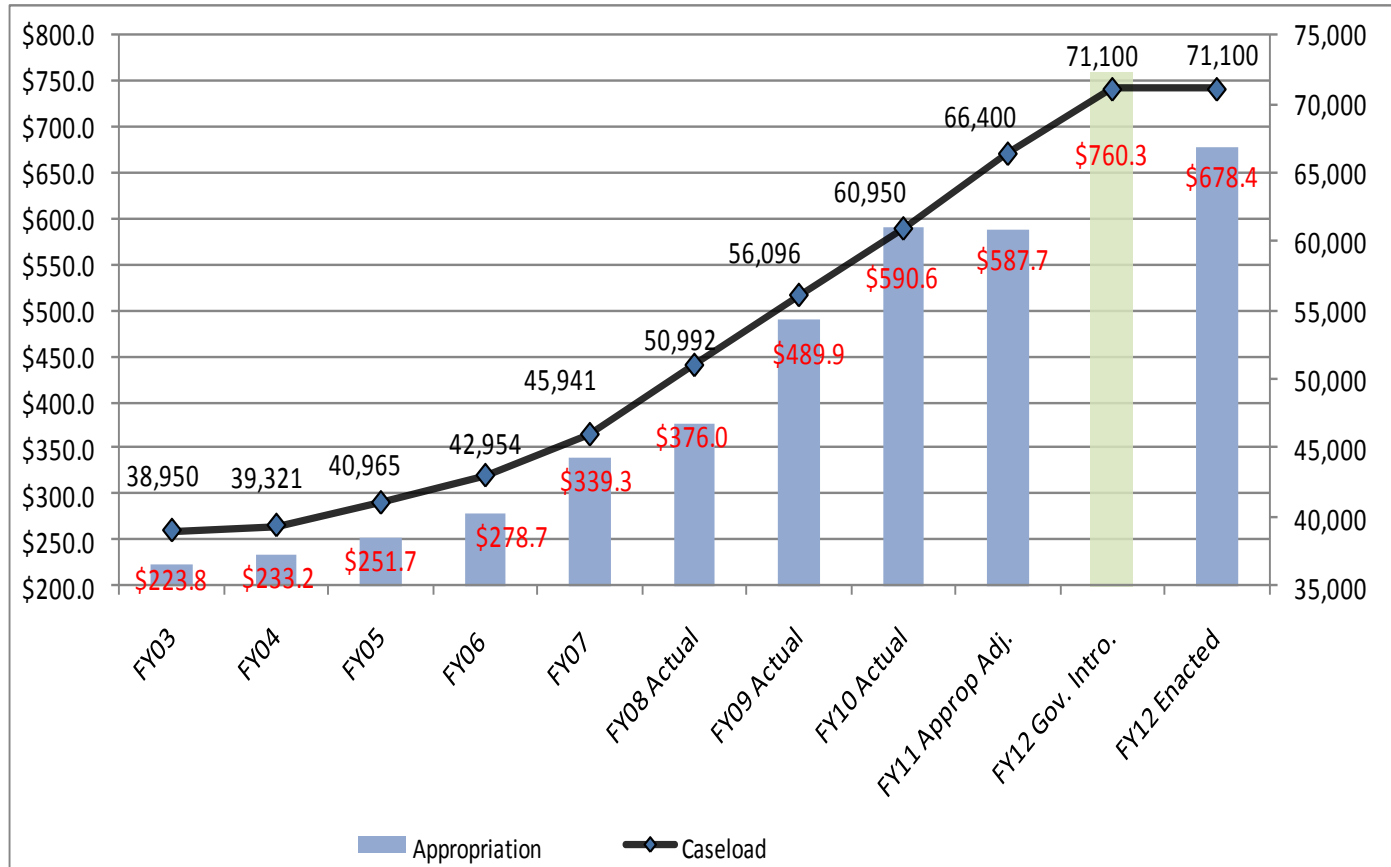


Effective Date	Rate	\$ Change	% Change
1-Jul-10*	\$17.14	\$.91	5.6%
1-Jul-09	\$16.23	\$0.91	5.9%
1-Jul-08	\$15.32	\$1.70	12.5%
1-Jun-07	\$13.62	\$1.00	7.9%
1-Jan-05	\$12.62	\$1.56	14.1%
1-Jan-03	\$11.06	\$0.50	4.7%
1-Jul-00	\$10.56	\$0.26	2.5%

*The unit hour rate for the health insurance benefit for eligible home care providers (i.e., \$1.61) that started in FY09, and the unit hour for in-home care remain UNCHANGED from the FY11 levels.

CCP Appropriations & Caseload History

(\$ in Millions)



Money Follows the Person

- **Money Follows the Person Demonstration Project**

- The Department on Aging, Healthcare and Family Services, Human Services and the Illinois Housing Development Authority (IHDA) are coordinating their efforts to redesign the long term care system based on the MFP demonstration award from the federal Centers for Medicare and Medicaid Services through 2016.
- MFP supports states creating systems and services to transition Medicaid-eligible persons residing in institutional settings to appropriate home and community-based settings (HCBS), as well as further the states' overall long-term care (LTC) rebalancing strategy.
- Federal CMS is offering enhanced matching funds on demonstration services provided during the first year after returning to the community.
- Eligible participants must have been in a nursing facility for at least 90 days, and must be enrolled in Medicaid for at least one (1) day before their transition.
- Work is being done to capture new data elements and questions on the MDS-Q which will be used by the Department's network to target and identify other potential MFP clients. As of June 30, 2011, there have been 4,749 1st contracts. Cumulatively, 275 persons have or are considering enrollment, 4,204 are not enrolling and 271 are enrolled. Since the program's inception, there have been 102 persons who were successfully transitioned, while there are currently 60 active transitions still receiving home and community based services.

Human Services Framework Project

- Human Services Framework
 - The Illinois Human Services and Healthcare Framework Project is a multi-year, comprehensive project of all human service departments.
 - Designed to develop a system to support data-sharing and efficient delivery of programs and services among the partner agencies.
 - “The Framework Project” will utilize modern technology and streamlined, standardized processes to expand residents' access to human and healthcare services, enhance the state's planning ability, and improve the efficiency of the present system.
 - Work remains ongoing to leverage federal funding for the initiative, and to complete the initial planning and assessment processes which the Department on Aging is taking a leadership role in.

Illinois Department on Aging

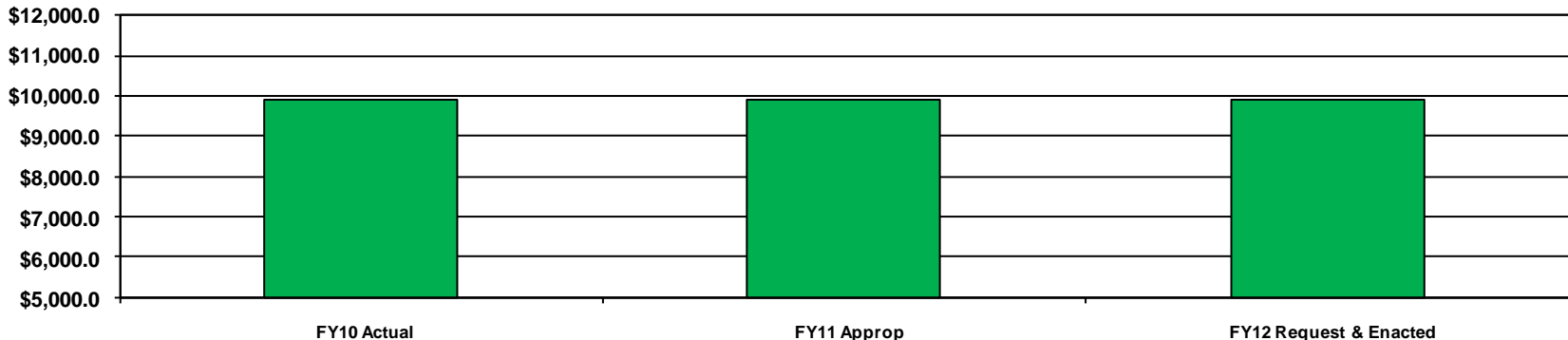


**Fiscal Year 2012
Community Supportive
Services**

FY12 Elder Abuse and Neglect Program

GRF (\$ in 000's)

- FY10 Actual \$9,937.8
- FY11 Approp. \$9,937.8
- FY12 Request & Enacted \$9,937.8



FY12 Elder Abuse and Neglect Program

- The Elder Abuse and Neglect Program responds to and investigates reports of abuse, neglect and financial exploitation of persons age 60+ who live in the community.
- It is administered through the Area Agencies on Aging, which have designated 43 local agencies to provide services statewide.
- Effective January 1, 2007, the Department began accepting reports concerning seniors who are suspected of placing themselves or others at risk of harm.
- A steering committee has recommended rules for administering this new mandate pursuant to Public Act 94-1064, which in some states accounts for up to 40% of all abuse, neglect, and exploitation (ANE) cases.
- The budget includes approximately \$9.9 million in General Revenue funds for the ANE program to respond to approximately 10,550 reports of elder abuse, neglect and financial exploitation.

Elder Abuse Reporting Outcomes

	FY 2009	FY 2010
ANE Reports	10,812	10,294
Abuse		
- Physical	22%	21%
- Sexual	5%	4%
- Emotional	46%	45%
Neglect		
- Passive	38%	38%
- Willful	13%	11%
Financial Exploitation	58%	58%

Circuit Breaker & Pharmaceutical Assistance Division Programs

	FY10 Appropriations	FY11 Appropriations	FY12 Gov. Introduced	FY12 Enacted	\$ Diff. FY12 Enacted over FY11	% Diff. FY12 Enacted over FY11
GRF	\$24,196.0	\$24,196.0	\$0.0	\$24,196.0	(\$0.0)	0.0%
Other State Funds	\$6,490.9	\$6,490.9	\$4,500.0	\$4,500.0	(\$1,990.9)	(30.7%)
Total Funds	\$30,686.9	\$30,686.9	\$4,500.0	\$28,696.0	(\$1,990.9)	(6.5)%

- The Circuit Breaker/Rx division is responsible for processing Circuit Breaker property tax relief grants, and assessing client eligibility for the Illinois Cares Rx program, the reduced license plate program, the Disabled Ride Free Program and the Seniors Ride Free Program.
- The FY12 Enacted Budget includes restoring the General Revenue funding for Circuit Breaker grants identical to the FY11 level. As such, the Department will be able to continue providing property tax relief grants to eligible seniors and disabled persons at 50% of their calculated maximum amount.
- Aside from the approximately 348,000 CB grants that were issued last year, the agency approved approximately 234,500 claims for Illinois Cares Rx, 304,400 for the License Plate Discount Program, and 95,050 for the Seniors Rides Free Program.

FY12 Older Americans Act: Community Supportive Services

The Department distributes Older Americans Act funds to 13 Area Agencies on Aging (AAAs), which in turn contract with 259 service providers to provide senior services at the local level.

The Older Americans Act funds serve 511,800, or 23% of Illinois' approximately 2.2 million seniors, age 60 and over.



FY12 Community Supportive Services

(\$ in 000's)

General Revenue Funded Programs	FY11 Approp	FY12 Gov. Introduced	FY12 Enacted	FY12 Enacted over FY11 \$ Diff.	FY12 Enacted Over FY11 % Diff.
Senior Employment Program	\$237.9	\$190.3	\$190.3	(\$47.6)	(20.0%)
Older Adult Services Initiatives	\$9.0	\$9.0	\$0.0	(\$9.0)	(100.0%)
Exp of Intergenerational Programs	\$54.8	\$43.8	\$0.0	(\$43.8)	(100.0%)
Grandparents Raising Grandchildren	\$302.9	\$242.3	\$243.8	(\$64.1)	(20.8%)
Home Delivered Meals	\$2,000.0	\$1,600.0	\$1,600.0	(\$400.0)	-20.0%
Alzheimer's Initiative and Related Programs	\$94.2	\$94.2	\$94.2	\$0.0	0.0%
Exp for Monitoring and Support Services	\$267.2	\$267.2	\$76.5	(\$190.7)	(71.4%)
Exp of Illinois Council on Aging	\$18.0	\$18.0	\$18.0	\$0.0	0.0%
Exp of Senior Meal Program	\$31.1	\$31.1	\$31.1	\$0.0	0.0%
Exp of Senior Helpline Operations	\$2,155.3	\$2,155.3	\$1,194.0	(\$961.3)	(44.6%)

FY12 Community Supportive Services

(\$ in 000's)

General Revenue Funded Programs	FY11 Approp	FY12 Gov. Introduced	FY12 Enacted	FY12 over FY11 \$ Diff.	FY12 over FY11 % Diff.
Retired Senior and Volunteer Program	\$703.0	\$563.0	\$557.4	(\$146.4)	(20.8%)
Planning and Services Grants to AAA	\$2,241.7	\$1,793.4	\$1,775.5	(466.0)	(20.8%)
Foster Grandparent Program	\$307.9	\$246.3	\$243.8	(\$64.1)	(20.8%)
Agencies for LTC Systems Development	\$248.8	\$248.8	\$246.3	(\$2.5)	(1.0%)
Ombudsman Program	\$351.9	\$351.9	348.4	(\$3.5)	(1.0%)
HDM and Mobile Food Equipment	\$7,969.6	\$7,183.5	\$7,425.0	(\$544.6)	(6.8%)
Community-Based Services	\$3,062.3	\$2,449.8	\$2,425.3	(\$637.0)	(20.8%)
Community-Based Services (equal dist)	\$958.0	\$766.4	\$758.7	(\$199.3)	(20.8%)

FY12 Community Supportive Services

(\$ in 000's)

Federal and Other State Funds (OSF)	FY11 Approp.	FY12 Gov. Introduced	FY12 Enacted	FY12 Enacted over FY11 \$ Diff.	FY12 Enacted over FY11 % Diff.
National Lunch Program	\$1,500.0	\$1,500.0	\$1,500.0	\$0.0	0.0%
Nutrition Services Incentive Program	\$8,500.0	\$8,500.0	\$8,500.0	\$0.0	0.0%
Title V Employment Services	\$6,000.0	\$6,000.0	\$6,000.0	\$0.0	0.0%
Title V Employment Additional Grant	\$1,900.0	\$650.0	\$650.0	(\$1,250.0)	(65.8%)
Title III Nutrition Services	\$24,475.8	\$24,475.8	\$24,475.8	\$0.0	0.0%
Title III Nutrition Services Incentive Program	\$17,000.0	\$17,000.0	\$17,000.0	\$0.0	0.0%
Title VII Prevention of ANE	\$500.0	\$500.0	\$500.0	\$0.0	0.0%
Title VII LTC Ombudsman Services	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	0.0%
Title III D Preventive Health	\$1,000.0	\$1,000.0	\$1,000.0	\$0.0	0.0%
Expenses for Governmental Discretionary Projects	\$5,000.0	\$5,000.0	\$5,000.0	\$0.0	0.0%
National Family Caregiver Support	\$7,500.0	\$7,500.0	\$7,500.0	\$0.0	0.0%
Long Term Care Ombudsman Fund (OSF)	\$750.0	\$750.0	\$2,000.0	\$1,250.0	166.7%
Senior Health Assistance Programs (OSF)	\$1,600.0	\$1,600.0	\$1,600.0	\$0.0	0.0%



Older Americans Act Funded Services FFY10 Outputs/Outcomes

Service Recipients' Profile Summary	% Distribution
Incomes Below Poverty	32.7%
Minorities Served	32.1%
Living Alone	43.4%
75+	34.6%
85+	20.7%

Nutrition Services	Units Provided	Persons Served
Congregate Meals	2,805,195	99,621
Home Delivered Meals	7,584,674	40,912
Social Services		
Transportation	604,182	29,373
Legal Assistance	32,795	7,905
Information & Assistance	833,490	444,506
Outreach	14,145	12,232
Housing Assistance	4,462	473
Multipurpose Senior Centers	N/A	25,480
Residential Repair	1,184	1,041
Health Promotion Services		
	44,443	29,262
Caregiver Services		
Counseling/Support Groups	8,611	25,407
Respite Care	2,110	114,579
Supplemental	603	1,436
Access Assistance	49,898	76,127
Information Services	9,176	7,640

Nutrition Services % at High Nutritional Risk	% Distribution
Congregate Meals	31.5%
Home Delivered Meals	63.5%

THANK YOU!

For more information about the Department
or for assistance accessing services visit:

www.state.il.us/aging

or call the Senior HelpLine at:

1-800-252-8966

1-888-206-1327 (TTY)