

STEVE SISOLAK  
Governor



RICHARD WHITLEY, MS  
Director


DENA SCHMIDT  
Administrator

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
AGING AND DISABILITY SERVICES  
3416 Goni Road, Suite D-132  
Carson City, NV, 89706  
Telephone (775) 687-4210 • Fax (775) 687-0574  
<http://adsd.nv.gov>

**MEMORANDUM**

DATE: January 31, 2019

TO: Rick Combs, Director  
Legislative Counsel Bureau

FROM: Dena Schmidt, Administrator   
Aging and Disability Services Division

REGARDING: Independent Living Grants FY 2018 Annual Report

Attached please find the annual report of the Independent Living Grants (ILG) for FY 2018. NRS 439.630 (3)(f) requires the annual report be submitted to the Governor, the Interim Finance Committee, the Legislative Committee on Health Care and any other committees or commissions the Director of the Department of Health and Human Services deems appropriate.

As this and previous annual reports demonstrate, Independent Living Grants (ILGs) save Nevada General Fund dollars. In 2018, ILGs served 12,503 older Nevadans, at an average, annual expenditure of \$398 per client, by providing transportation, respite care and care in the home. The average annual cost per client of providing ILG grant services is 38 times less expensive than the annual General Fund expenditure of \$15,045 to institutionalize a Medicaid client. A total of 2,018 of these clients are considered severely frail, likely eligible for Medicaid and also at imminent risk for institutionalization.

Additionally, the typical ILG client is low income, at or near financial eligibility for Medicaid coverage if institutionalized. A total of 5,096 ILG clients, or about 41 percent, has income that is at or below 100 percent Federal Poverty Level.

Please feel free to call me at 775-687-0515 if you have any questions.

Attachment



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State of Nevada  
Department of Health & Human Services

# AGING AND DISABILITY SERVICES DIVISION



Independent Living Grants  
Annual Report  
SFY 2018



## TABLE OF CONTENTS

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EXECUTIVE FINDINGS .....	1
INDEPENDENT LIVING GRANTS .....	2
Historical Perspective.....	2
The Economic Sense of Funding ILGs .....	2
Types of Services Funded .....	2
Service Targeted to Most Vulnerable.....	3
2018 Profile of ILG Consumers for Age, Function and Income Risk .....	3
Award Process.....	4
ILG Units of Service Provided.....	5
ILG SERVICE DESCRIPTIONS.....	6
Transportation .....	6
Respite Care .....	8
Care in the Home .....	8
SFY18 FUNDED PROGRAMS BY COUNTY (ILG SERVICES) .....	10



## Executive Findings

1. Independent Living Grants provide supportive social services in the community that delay or prevent institutionalization of frail, elderly Nevadans, potentially saving millions in Nevada General Fund dollars. (Ref. Page 2: “The Economic Sense of Funding ILGs”)
2. During SFY 2018, ILG grants served 12,503 unduplicated consumers, at an average annual expenditure of \$398 per consumer – about 38 times less expensive than the annual General Fund expenditure of \$15,045 to institutionalize a Medicaid consumer. (Ref. Page 2: “The Economic Sense of Funding ILGs”)
3. Relevant to income status, about 41 percent of ILG consumers (5,096) live at or below 100 percent of the Federal Poverty Level, or \$1,011.67 monthly for a single person in SFY18. Absent other disqualifying assets, this income level meets the financial eligibility criteria for Medicaid coverage in a skilled nursing facility. (Ref. Page 4: “Consumer Income and Medicaid Eligibility”)
4. More than 51 percent of ILG consumers (6,374) had three or more deficits in Instrumental Activities of Daily Living (IADLs). Without social supportive services, these consumers are at risk for deteriorating to institutionalization. (Ref. Page 4: “Functional Deficits as a Risk Factor”)
5. About 16 percent of ILG consumers (2,018) are *severely* frail and considered at imminent risk for institutionalization. Each has at least three deficits in Activities of Daily Living (ADLs). This level of frailty meets the “functional” criteria for Medicaid coverage in a skilled nursing facility. (Ref. Page 4: “Functional Deficits as a Risk Factor”)
6. Almost 7 percent of severely frail ILG consumers (891) also likely meet the financial criteria for Medicaid coverage, because they live on incomes at or below 100 percent of the Federal Poverty Level (FPL). Factoring this with the annual cost to Nevada for each Medicaid consumer in a skilled nursing facility, ILGs potentially help save at least \$13 million in Nevada General Funds annually. (Ref. Page 2: “The Economic Sense of Funding ILGs”)
7. Loss of Independent Living Grant services would create a cascading effect of overwhelming numbers of frail, elderly Nevadans, who would rather live independently, instead declining to incapacitation and skilled nursing facility placement.



## INDEPENDENT LIVING GRANTS

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### *Historical Perspective*

The 1999 Nevada State Legislature enacted NRS 439.620, which created Independent Living Grants (ILGs), funded with Nevada's share of revenue from the 1998 Master Tobacco Settlement Agreement (TSA). The Aging and Disability Services Division (ADSD) has awarded ILGs statewide to community partners every year since 2000, primarily to community-based providers of supportive services in Nevada. Given the generally flat federal funding allocation from the Older Americans Act and the ever-increasing needs of Nevada's older adults, ILGs are more essential than ever for sustaining the Division's mission:

*To ensure the provision of effective supports and services to meet the needs of individuals and families, helping them lead independent, meaningful and dignified lives.*

The Director of the Department of Health and Human Services (DHHS) considers recommendations of the Grants Management Advisory Committee, the Nevada Commission on Aging and the Nevada Commission on Services for Persons with Disabilities, regarding community needs and priorities. The Director uses these recommendations to propose an FHN allocation plan to the Governor for each biennium. The outcome of this process determines the amount of funding ADSD is allocated for ILGs to serve older adult Nevadans.

### *The Economic Sense of Funding ILGs*

In addition to supporting older adults' desire to live independently in the community, funding ILGs simply makes economic sense for the State. Nevada's average Medicaid expense for skilled nursing facility care is about 38 times the average annual cost of caring for an ILG consumer at home.

<b>ILG Community-Based Care Vs. Medicaid-Supported Institutionalization</b>	
<i>Annual Average Medicaid (General Fund Expenditure) per Skilled Nursing Facility Resident*</i>	\$15,045
<i>Annual Average ILG Expenditure per Consumer = 3% of Medicaid Institutionalization Cost**</i>	\$398

\*Based on the weighted average Medicaid Skilled Nursing Facility daily rate of \$116.66 (Nevada Medicaid State Plan Attachment 4.19-D, pg. 10d), with the Nevada share (FY17, 64.67% Federal, 35.33% State; <https://aspe.hhs.gov/federal-medical-assistance-percentages-or-federal-financial-participation-state-assistance-expenditures>) being about \$41.22 per Medicaid bed day X 365 days = \$15,045 per year, per consumer.

\*\* Based on the total number of unduplicated ILG consumers served in SFY 2018 (12,503), divided into the funding allocated to serve these consumers (\$4,978,010), for annual average cost of serving an ILG consumer (\$398).

Considering that 892 ILG consumers live at or below 100 percent FPL and have three or more ADL deficits, it is reasonable to estimate that ILGs achieve at least \$13M in General Fund savings each year.

### *Types of Services Funded*

NRS 439.630, Section 1 (d) states that the Aging and Disability Services Division will allocate the available ILGs for persons age 60 and older for:



- Transportation to new or existing services to assist senior citizens in living independently.
- Respite Care or relief of informal caretakers, and caretakers for persons of any age with Alzheimer's disease or other related dementia, and;
- Care in the Home, which allows senior citizens to remain at home instead of in institutional care.

### ***Service Targeted to Most Vulnerable***

In keeping with the Older Americans Act, Reauthorization Act of 2016, special consideration for funding will be given to applicants evidencing service priority to low-income, frail individuals, age 60 or older, in the following categories: individuals in a minority group; individuals with limited English proficiency; individuals at risk for institutional placement; individuals with Alzheimer's disease and related disorders with neurological and organic brain dysfunction (and caregivers of such individuals); individuals with the greatest economic or social need; and individuals residing in rural areas.

### ***2018 Profile of ILG Consumers for Age, Function and Income Risk***

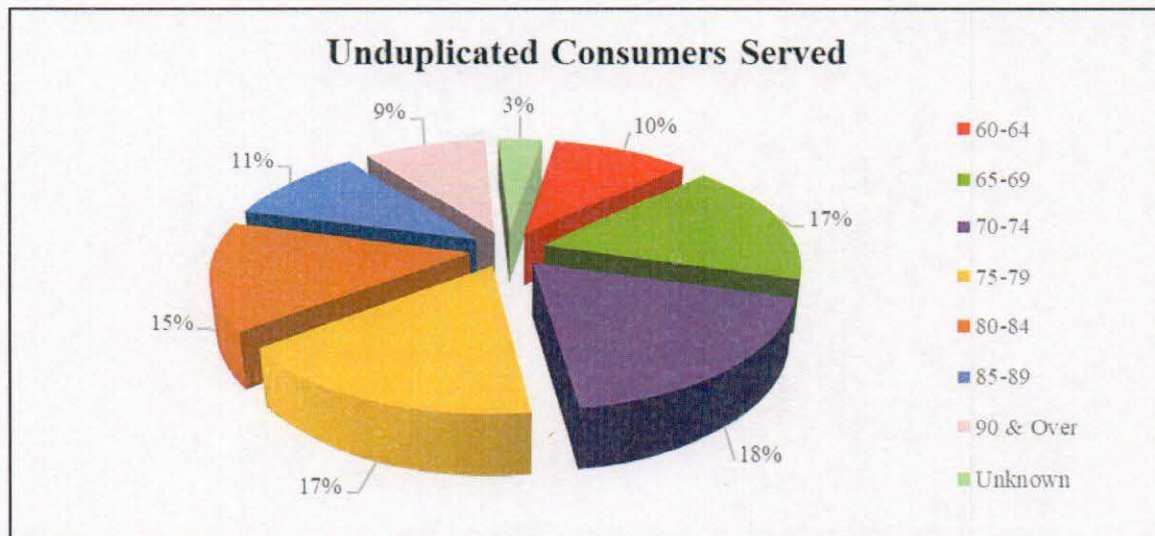
Significant numbers of the 12,503 ILG consumers are aged, frail and live on low incomes.

#### **Age as a Risk Factor**

ILGs are awarded to organizations that promote self-sufficiency to individuals age 60 and older, and their caregivers who may be under age 60. The chart below shows a significant elder population among ILG consumers. (Bullet percentages are rounded to nearest whole.)

51 percent is age 75 and older – 6,416 consumers

35 percent is age 80 and older – 4,316 consumers



#### **Functional Deficits as a Risk Factor**

Of the 12,503 consumers served, about 48 percent (5,994) of ILG consumers, are considered at-risk, due to having one or more deficits in Activities of Daily Living (ADLs) and about 68 percent (8,539)



of ILG consumers, are considered at risk due to having one or more deficits in Instrumental Activities of Daily Living (IADLs).

A total of 2,018 or about 16 percent of ILG consumers have three or more ADL deficits, which make them at imminent risk for institutionalization and able to meet the “functional” criteria for Medicaid coverage if institutionalized. ADLs consist of the following self-care tasks: personal hygiene and grooming; dressing and undressing; self-feeding; functional transfers (moving self from bed to wheelchair, onto or off toilet, etc.); bowel and bladder management; and ambulation (walking without use of an assistive device [walker, cane, or crutches] or using a wheelchair).

A total of 6,374 or about 51 percent of ILG consumers have three or more IADL deficits, due to their inability to perform the following tasks: housework; taking medications as prescribed; managing money; shopping for groceries or clothing; use of telephone or other form of communication; use of technology; and transportation within the community.

### **Consumer Income and Medicaid Eligibility**

The Division collected data on the number of ILG consumers who live at or below 100 percent of the 2018 Federal Poverty Level, which for a single person was \$1,012 per month. In SFY18, 5,096 ILG consumers, or about 41 percent, had a monthly income at or below 100 percent of the Federal Poverty Level. Although Medicaid eligibility has additional criteria, this income is less than half at which a single person could have financially qualified for Medicaid coverage in a skilled nursing facility in FY18 (\$2,250). This indicates that most ILG consumers likely live at or near incomes that would financially qualify them for Medicaid coverage in a skilled nursing facility, if they deteriorated physically.

### ***Award Process***

ILG funding is awarded through a competitive process every other year. To determine awards in the competitive process, ADSD staff and outside reviewers conduct reviews of applications and provide funding recommendations to the administrator, who determines final funding allocations. Second-year funding is non-competitive and awarded after a review by ADSD staff of first-year performance and compliance, and overall funding availability, with the administrator determining final allocations. Programs supported with ILG funds in SFY 2018 were in the first year of the two-year grant cycle, which began July 1, 2017, and ended June 30, 2018.

For the SFY 2018 grant period, July 1, 2017 through June 30, 2018, \$4,978,010 was allocated to community partners, after the following funding was first reserved: \$491,967 for the Division’s Community Service Options Program for the Elderly (COPE) and Homemaker Services - Elder Protective Services; and \$200,000 for the Assisted Living Program Reserve.

Programs funded in SFY18 are listed on page 10, by county. In SFY 2018, about 24 percent of ILG funds were allocated for Transportation Services, 22 percent for Respite Care and 54 percent for Care in the Home.



## ILG Units of Service Provided

ILG service provision (units of service) for the 12-month grant period is depicted below. Variations in units of service in the three service areas from year-to-year are largely due to moving one or more programs between ILG and Title III-B federal funding of the Older Americans Act (also Supportive Services) to maximize funding. "SAMS," referenced in the note below the graphic, is ADSD's consumer data tracking system – the Social Assistance Management System (SAMS).

SFY18 Independent Living Grant Dollars at Work			
Services Provided	Individuals Served*	Units of Service	Definition for One Unit of Service
<b>Transportation – 28% of total service</b>			
Transportation Service	4,703/ 11,622	190,885	Exit from Vehicle
Transportation Vouchers	776	9,901	Voucher
<b>Respite Services – 14% of total service</b>			
Adult Day Care	169	34,380	Hour
Respite Care Services	494	37,959	Hour
Respite Care Vouchers	405	29,145	Hour
<b>Care in the Home – 58% of total service</b>			
Home Safety, Modification and Repair	820	4,186	Repair, Modification or Hour of Evaluation/Training
Homemaker	883	40,486	Hour
Personal Emergency Response System (PERS)	73	79	Installation
Senior Companion	450	62,894	Hour
Telephone Reassurance	3,963	257,060	Contact
Volunteer Care and Assistance	2,008 / 2,923	60,443	Hour or Contact Depending on Service
<b>TOTAL</b>	<b>12,503 / 14,545</b>	<b>727,418</b>	

\* Numbers to the left of a "/" are unduplicated consumers. Numbers to the right of a "/" are consumers served in a group setting and are not unduplicated. Also note, because one consumer may receive more than one ILG Service, the addition of numbers in the Individuals Served column will not add up to total number of 12,503 unduplicated consumers.



## ILG SERVICE DESCRIPTIONS

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### *Transportation*

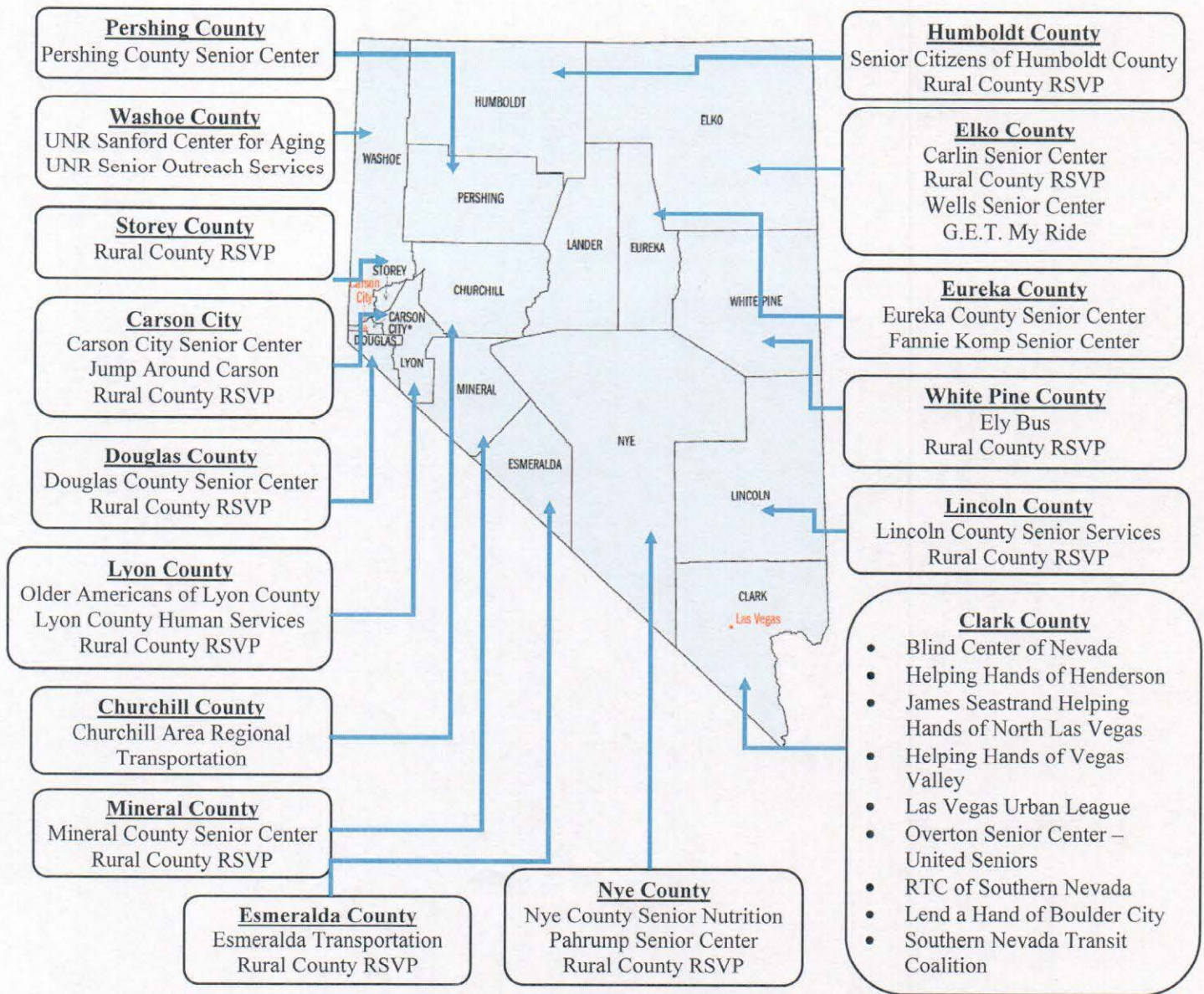
Regarding the importance of mobility for older adults, most experts say that maintaining mobility is crucial to health and wellbeing. In a speech, *Transportation for an Aging Population*, Dr. Patricia F. Waller said, “The strongest predictor of premature death among older people is social isolation.” A lack of transportation can be one of the leading causes of social isolation. In addition, transportation is consistently the number one need identified by individuals. In rural areas, this need is compounded with the challenges of trying to get to urban areas for medical care, shopping, and other basic needs.

In SFY 2018, ADSD helped ensure an array of transportation resources for older adults. Funds were granted for senior center transportation programs, transit coalitions, and bus voucher programs. In addition, many dedicated volunteers donate their time and the use of their own vehicles for helping Nevada’s older adults. Escorted Transportation, which is one volunteer escorting one frail older adult to and from appointments, was provided by Senior Companion and Retired Senior Volunteer Programs (RSVP) statewide and by the Helping Hands programs in Las Vegas, North Las Vegas, Boulder City and Henderson.

As the following map demonstrates, ILGs, in concert with other local, state and federal funds, help meet transportation needs for Nevada’s older adults in all 17 counties.



## ADSD TRANSPORTATION SERVICE PROVIDERS IN FY 2018





## ***Respite Care***

Respite Care is a fundamental priority of the Independent Living Grant legislation, because it provides caregivers with a small break from their around-the-clock responsibilities. This is important because the nonstop demands of caretaking add considerable stress to the lives of caregivers, and breaks provided through Respite Care help sustain caregivers in their vital role.

Caregivers are the backbone of the long-term supportive services system in the United States, providing much of the care for people who need help with activities, such as bathing, eating, paying bills and taking medication. Most of this caretaking is unpaid and is a vital safety net that helps prevent older adults from being institutionalized. In its most recently available estimate, the AARP Public Policy Institute estimates the value of caretaking in the United States at \$470 billion. The AARP report adds that: more than half of family caregivers say they are overwhelmed by the amount of care needed; nearly 40 percent report a moderate-to-high level of financial strain from caregiving; and caregivers spend an average of 18 hours a week providing care, with 60 percent of these caregivers also working full-time jobs.

Both men and women face the challenge of working outside the home, while caring for an older parent and often children as well. Almost half of the “sandwich generation,” the cohort of Americans typically between age 45 and 55, have children less than age 21, as well as aging parents or aging in-laws. Millions of these older adults are coping with chronic illnesses, increasing frailty and prolonged periods of dementia, which can last for years, even decades. The Institute concludes, “For families, the emotional toll of caring for dependent family members can be overwhelming.”

To assist Nevada’s caregivers, ILGs provide vital funding for respite voucher programs statewide. Families can apply for up to \$1,000 per year in respite vouchers to hire individuals who provide in-home respite care, pay for adult day care hours or pay for a short stay in an assisted living or skilled nursing facility. Sometimes such a stay is necessary, because the caregiver needs a vacation or may be faced with hospitalization. In addition, funds have been awarded to volunteer companion programs, which provide short periods of respite to stay-at-home caregivers.

### **Adult Day Care**

Also considered respite care is Adult Day Care, which is planned care in a supervised, protective, congregate setting during some portion of a day.

## ***Care in the Home***

Older adults who live with a disability or chronic illness may have out-of-pocket expenses never previously anticipated, causing some to become indigent. They are experiencing deteriorating health, illness and disability, which can increasingly challenge financial resources.

These issues can lead to worry about sustaining their living circumstances. Most older adults prefer to remain living independently in their own homes. However, without services for care in the home, they are often forced to relocate, to move to an assisted living facility and may ultimately move to a skilled nursing facility.



Providing older adults with Care in the Home helps eliminate or delay the need for them to enter assisted living or skilled nursing facilities.

#### **Home Safety, Modification and Repair**

This service provides home safety evaluations, home safety training, home modifications/ installations of assistive technology, home maintenance and/or home repair services to people age 60 and older, who are at risk of injury and/or have decreased ability to remain in their residences.

#### **Homemaker Services**

This service provides homemaker and chore assistance to individuals, age 60 and older, who are unable to perform the service due to identified functional deficiencies and because they are in need of a support system to provide essential homemaker services.

#### **Personal Emergency Response System (PERS)**

This program enables individuals to summon assistance in an emergency by pressing the alert button on a personal transmitter, worn on the wrist or around the neck. The transmitter alerts friends, family or a first responder that assistance is needed. This service is provided in an effort to maintain the independence of persons age 60 and older, who are homebound and live alone.

Another type of emergency response system is a computer-assisted or volunteer-staffed telephone reassurance program that contacts consumers through their personal telephone, on a set schedule, which can occur several times a day. The contacts ensure consumers are safe, remind them to complete certain tasks, such as take medication, prepare for appointments, or meet needs as defined by the provider in a care plan prepared with the consumer and/or his/her representative. If the consumer fails to respond to the computerized calls, an emergency alert protocol is automatically initiated.

#### **Senior Companion Services**

This service provides companionship activities for a consumer in his or her home. The companion may also accompany the consumer and provide transportation to access services outside of the home.

#### **Volunteer Care and Assistance**

This service provides supportive and assistive services by a volunteer for older individuals in their own homes, to help maintain their independence. Individuals needing services are typically alone and frail, chronically ill, homebound, and/or dependent on a primary caregiver. Among the services volunteers provide to older adults are: transportation for medical appointments; companion services; installation of personal emergency response systems and instruction in their use; grocery shopping and putting groceries away; accomplishing chores, such as meal preparation; assistance with reading mail and bill paying; prescription pick-up; and book reading. This service also provides health benefit counseling and assistance.



## SFY18 Funded Programs by County (ILG Services)

<u>ILG-Funded Service</u>	<u>County</u>																
	Carson City	Churchill	Clark	Douglas	Elko	Esmeralda	Eureka	Humboldt	Lander	Lincoln	Lyon	Mineral	Nye	Pershing	Storey	Washoe	White Pine
Adult Day Care			24													22, 37, 39	
Companion	35	35	6	35							35					35	
Home Safety, Modification and Repair	37	37	17, 24, 32	37							37		24		37	37	
Homemaker	31	8	18	9	13			31		31	21, 31	23	31			29, 39	31
Personal Emergency Response System	31	31		31	31	31	31	31	31	31	31	31	31	31	31	31	31
Respite and Supportive Services			24														
Respite Vouchers	1, 35	1, 35	2, 15	1, 35	1, 35	2, 15	1	1, 35	1, 35	2, 15	1, 35	2, 35	2, 15	1, 35	1, 35	1, 35	1, 35
Telephone Reassurance	16	16	6	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Transportation	5, 31	7	3, 14, 15, 26, 30, 36, 38	9, 31	4, 10, 31	12		31, 33		31	21, 25, 31	31	27, 31	28	31		11, 31
Transportation Vouchers	19		3														
Volunteer Care and Assistance	31	31	6, 14, 15, 17, 20	31	31	31	31	31	31	31	31	31	31	31	31	34	31

- 1 Alzheimer's Association of Northern NV
- 2 Alzheimer's Association of Southern NV
- 3 Blind Center of Nevada
- 4 Carlin Senior Center
- 5 Carson City Senior Citizens Center
- 6 Catholic Charities of Southern Nevada
- 7 Churchill Area Regional Transportation
- 8 Churchill County Senior Center
- 9 Douglas County Senior Services
- 10 Elko County

- 11 Ely Bus
- 12 Esmeralda County
- 13 Friends in Service Helping (FISH)
- 14 Helping Hands of Henderson
- 15 Helping Hands of Vegas Valley
- 16 House Calls
- 17 James Seastrand Helping Hands of NLV
- 18 Jewish Family Services Agency
- 19 Jump Around Carson (JAC)
- 20 Lend a Hand of Boulder City

- 21 Lyon County Human Services
- 22 More to Life Adult Day Health Center
- 23 Mt. Grant General Hospital
- 24 Nevada Senior Services
- 25 Older Americans of Lyon County
- 26 Overton Senior Center
- 27 Pahrump Senior Center
- 28 Pershing County Senior Center
- 29 Reno Housing Authority
- 30 RTC of Southern Nevada

- 31 Rural RSVP
- 32 Senior Center of Boulder City
- 33 Senior Citizens of Humboldt Co.
- 34 Senior Outreach Services (UNR)
- 35 Seniors in Service
- 36 Southern Nevada Transit Coalition
- 37 The Continuum
- 38 Urban League
- 39 Washoe County Senior Center