

Senior Day Care Program Budget and Operations

Presented to the
El Dorado County
Board of Supervisors
by
Department of Human Services
October 27, 2008

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Background - Purpose

Senior Day Care (SDC) offers two related benefits to the community:

Comprehensive program of day care that helps dependent seniors and adults to live at home and remain functional to the extent possible

- Provides respite for care providers from the 24/7 duties associated with caring for a loved one

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Submitted by Doug Nowka


at Board Hearing of 10/27/08



Background - Funding

- SDC is funded primarily by:
 - Fees for service
 - State ADCRC funding
 - MAA revenues
 - Community donations
 - Augmented by occasional grants and currently a \$15,552 General Fund contribution

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Background - Fee Structure

- SDC has operated successfully since 1989 on a fee for service basis
- A new fee structure was approved by the Board in April of 1997, establishing:
 - Daily fees for regular attendees
 - A sliding scale as required by one of the State funding sources based on frequency of attendance
 - Slightly higher agency reimbursement rate
 - Provision for an annual increase of \$1.00 per day to offset annual inflation
- The basic rate structure had not varied since 1997

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Background - Fee Structure

- Members reserve days and pay in advance
Allows for full utilization of space and staff
Agencies that provide payment for their eligible clients to attend SDC operate with funding sources that require payment after services are provided, necessitating a higher agency rate

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Alternatives Considered

- Close SDC
- Increase Revenues
- Decrease Costs
- Seek Additional Revenues
Hold-Harmless for Cost Applied Charges

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Proposal - Key Concepts

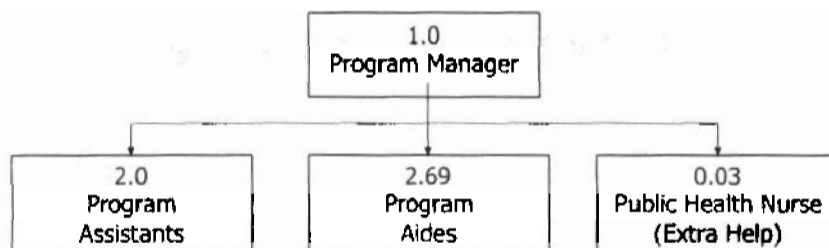
- Do Not Open El Dorado Hills SDC
- Decrease Staffing Levels
- Modify Operating Hours
- Increase Fees

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Proposal - Staffing Levels

- Reduction in 4.81 FTEs
- Net savings in salaries: \$200,805

Proposed Org Chart



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Proposal - Operating Hours

- DHS proposes to rescind the current expanded hours options
Reinstitute standard program hours of 8:30 a.m. to 4:30 p.m.
Implement a daily extended hours fee of \$10 for participants scheduled to be picked up between 4:30 p.m. and 5:30 p.m.
 - This will enable the few working caregivers who have taken advantage of the after hours option to continue to pick up participants at the end of their work day while covering staffing costs

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Proposal - Fee Structure

- Sliding scale rates are based on the number of monthly attendance days
 - Basic fees will each increase by an average of \$6 daily
 - A surcharge of \$3 or \$5 based on higher levels of care (LOC) required for each participant will be added to the daily rate
 - LOC will be determined based on a functional assessment conducted at enrollment and reassessed at least biannually
- Respite services will now be available on an as-requested basis dependent on space and staffing availability
- The basic cost for this new service will be established at \$42 for one to four hours and \$56 for up to eight hours

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Proposal - Fee Structure

This will result in an increased daily cost to participants ranging from \$5 to \$22 based on frequency of attendance, after-standard-hours pickup and the level of care required

- This moderate increase in daily fees maintains a rate that is below or at the low end of the \$61 to \$80 average daily cost for Adult Day Care services in California.*

*Adult Day Care Costs, Genworth Financial Inc., as reported by AARP Bulletin, October 2008, Vol. 49, No. 8, page 33.

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Proposal - Fee Structure

- The new fees
 - will correlate with the individual needs of the members
 - will promote a balanced budget
 - while providing a safe and protective environment with staff to client ratios within the minimum range recommended by licensing requirements

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Proposal - Fee Structure

Scheduled Attendance	Standard Hours 8:30 am to 4:30 pm	Extended Hours 4:30 pm to 5:30 pm (or portion thereof) Must be scheduled in advance	LOC Surcharge As determined by Functional Assessment
1-10 scheduled days per month	\$52 per day	Additional \$10 per day	LOC 2 = Additional \$3 per day LOC 3 = Additional \$5 per day
11-18 scheduled days per month	\$46 per day		
19+ scheduled days per month	\$44 per day		
Short Term Enrollment (Less than 90 days)	\$56 per day		
Agency Reimbursement Rate	\$53 per day		
Respite Care (up to 4 hours)	\$42 for 4 hours	\$52 for 4 hours including any portion of the hour between 4:30 pm and 5:30 pm	LOC 2 = Additional \$3 per respite visit LOC 3 = Additional \$5 per respite visit
Respite Care (4 to 8 hours)	\$56 for 4 to 8 hours	\$66 for 4 to 8 hours including any portion of the hour between 4:30 pm and 5:30 pm	

Application Processing Fee: New applicants must submit a completed application with a non-refundable one-time enrollment/application fee of \$40

Early drop off or late pickup fee: Members who are dropped off before 8:30 am or are picked up after their scheduled hours are subject to an additional fee of \$2 per minute

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Proposal - Fee Structure

- The Department Head will be authorized to implement additional daily fee increases to address the ongoing fiscal integrity of SDC
 - Not to exceed \$5 biannually
 - Effective on July 1st and January 1st of each year
 - Based on the current fiscal environment
- Implementing the new schedule and fee structure effective January 1, 2009 will enable staff to provide adequate notice to current participants to allow them to consider and exercise attendance options

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Outcomes

- If outcomes are not achieved, consider closing the program
- Balanced budget by July 2009
Plan on expanding to El Dorado Hills SDC in Fall or Winter 2009