

The New Stimulus Package: What's In It For Aging Services Providers?

Wednesday, March 11 from 2:00 – 3:30 p.m. ET

Education Objectives

- Hear a brief overview of the legislation's provisions and timeframe.
- Obtain specific information on funding for Medicaid, health information technology implementation, senior housing and home- and community-based services.
- Understand how funds can travel from the White House to your organization.

AAHSA Quality First

This audio-conference can help AAHSA members align their quality improvement with three elements of AAHSA Quality First:

#1. Commitment

#2. Governance and Accountability

#4. Community Involvement

For more information about AAHSA Quality First, see <http://www.aahsa.org/qualityfirst>.

Faculty

- **Barbara Gay**, AAHSA's Director of Advocacy Information.
- **Alayna Waldrum**, AAHSA's Housing Legislative Representative.
- **Peter Notarstefano**, AAHSA's Director of Home- and Community-Based Services.
- **Marsha Greenfield**, AAHSA's Senior Legislative Counsel.

Stimulus Provisions on Affordable Housing

- Community Development Block Grant (CDBG): \$1 billion.
- Energy Retrofit Program: \$2.25 billion:
 - \$2 billion for project based Section 8.
 - \$250 million for Energy Retrofit grants/loans.
- HOME: \$2.25 billion (Tax Credit Gap Financing).
- Low Income Housing Tax Credit Exchange: .85 cents per dollar.

Community Development Block Grant (CDBG): \$1 Billion

- Priority given for projects that can award contracts within 120 days of funding.
- Funding for non-entitlement communities is now available and listed at <http://www.hud.gov/recovery/cdbg.xls>.
- HUD Secretary will have waiver authority to expedite use of funds (except for fair housing, environmental and labor standard requirements).

Energy Retrofit Program: \$2.25 Billion

- \$2 billion for project based Section 8 account to enable HUD to provide 12 month contracts to providers.
- \$250 million for energy retrofit program:
 - Administered by the Office on Affordable Housing Preservation (OAHP).
 - HUD's Green Initiatives guidelines will be a template for this new program.

Project Based Section 8: \$2 Billion

- Allows 12 months of funding for 6,300 contracts.
- Eligible contracts include Section 8 New Construction, Substantial Rehabilitation and/or Loan Management Set-Aside Programs.
- State breakdown of total amounts and number of contracts funded are available at <http://www.hud.gov/recovery/pbra.xls>.

Energy Retrofit Program Eligibility

- Available to Section 202 and 811 properties, as well as any properties with project based Section 8.
- Applicants must have satisfactory REAC and management review ratings.
- Deals must be feasible.
- Funding must be spent within 2 years.

Energy Retrofit Program Terms

- Expect funding to be released thru a notice by the end of April.
- Requires 15-year extension of affordability.
- Pre-construction energy audits will be done via the existing contractor network of the Green Initiative program.
- Expect owner incentives to be offered to address development, administrative and ongoing asset management expenses.

Energy Retrofit Program Terms (Continued)

- Expect to see a per unit funding cap in the notice.
- Expect the funding to be awarded on a rolling basis until the money is spent.
- Funds will be either a grant or a loan depending on the structure of the financing.
- Secretary will have waiver authority to expedite use of funds (except for fair housing, environmental and labor standard requirements).

HOME/Tax Credit Assistance Program: \$2.25 Billion

- Projects awarded low income housing tax credits (LIHTC) in FY 2007, 2008 and 2009 are eligible.
- Priority will be given to projects that can be completed by February 2012.
- Funds to be released by notice at <http://www.hud.gov/recovery>.
 - Interested states will have to file a letter on intent within 15 days of NOFA, and a description of its competitive awards process based on its Qualified Allocation Plan within 45 days.
- State notices related to the tax credit program and the impact of the stimulus can be found.
http://www.novoco.com/low_income_housing/news/hot_topics/recovery.php.

Low Income Housing Tax Credit Exchange

- .85 cents of funding paid per dollar of tax credit exchanged.
- States may exchange 40 percent of 2009 tax credits and 100 percent of prior year tax credits.
- Project awardees must be LIHTC eligible.
- These grants will not reduce the eligible basis of a project and will not be counted as taxable income.
- State notices related to the tax credit program and the impact of the stimulus can be found:
http://www.novoco.com/low_income_housing/news/hot_topics/recovery.php.

Medicaid

- Every state gets at least a 6.2% increase in its FMAP from 10/1/08 through 12/31/10.
- All states held harmless from any scheduled reduction in their regular FMAPs.
- States with high unemployment rates would receive reductions in the share of total Medicaid expenditures the state must bear.
- The bill requires states to maintain their Medicaid eligibility standards, methodologies and procedures as in effect 7/1/08.
- No requirement that states spend the additional federal FMAP money on their Medicaid programs.
- No requirement that they maintain provider payments at 2008 levels.

Medicaid

- Prompt payment by state Medicaid programs of nursing facility and hospital claims.
- The stimulus bill extends federal “prompt payment” requirement to nursing facilities.
- 99 percent of “clean claims” must be paid within 90 days.

Medicaid Regulations

- Extends the moratoria on the Medicaid regulations that would have shifted about \$100 million of Medicaid costs to the states, that would have went into effect on April 1, 2009.
- Includes Targeted Case Management.
- Includes Rehabilitation Option.

Blocks 2009 Cuts in Hospice

- The Budget Neutrality Adjustment Factor for Hospice reimbursement will not be phased out until 10/1/09.
- Gives CMS and hospice providers time to work on a permanent fix to this reimbursement problem.
- Prevents a 4 percent cut in payments.

Administration on Aging Services

- Senior Nutrition program: Total \$100 million.
- \$65 million: Congregate meals.
- \$32 million: Homebound.
- \$3 million: Native American Nutrition program.

Senior Employment Program

- \$120 million Community Service Employment Program for Older Adults.
- Will create 24,000 jobs for older adults.

Evidence-based Chronic Disease Programs

- \$650 million to carry out evidence-based clinical and community-based prevention and wellness strategies authorized by the Public Health Service Act, as determined by the Secretary, that deliver specific, measurable health outcomes that address chronic disease rates.

Prevention and Wellness programs

- \$1 billion for the Prevention and Wellness Fund (includes CDC immunization program and the healthcare associated infection program).
- Some of the AoA evidence-based grant programs are included.

Title XIII

Health Information Technology

- Goal: Electronic health record for every individual by 2014.
- Strategy: Create public/private structure; consistent standards.
- Who: Hospitals, SNF/NF, home health entity or other long term care facility, etc.
- What: Covers HIT hardware and software (potentially encompass telehealth and biometric telemonitoring technologies).

HIT (continued)

- How:
 - Cash incentives for docs and acute care hospitals.
 - State grants for the rest of us:
 - National Coordinator to establish.
 - Administered by states; match required.
 - Broad list of activities that may be funded.
 - Broad list of stakeholders to be consulted.
 - Regional Extension Centers:
 - NFP or NFP consortium.
 - Medically underserved areas.

HIT (continued)

- How (continued):
 - Loan Programs (January 2010)
 - Competitive grants to states;
 - Provider agrees to submit reports on quality measures to CMS;
 - Demonstrate EHR improves quality of care;
 - State matching funds.

HIT (continued)

- Study on Aging Services Technology:
 - Based on original CAST legislation.
 - Covers “potential use of new aging services technology to assist seniors, individuals with disabilities, and their caregivers throughout the aging process”.
- Study on progress toward adoption of nationwide system, barriers, recommendations (2011).

HIPAA Requirements

- HIPAA security provisions apply to business associate of a covered entity.
- Business associates subject to same civil and criminal penalties as covered entity.
- Notification requirements for covered entities of breach = each individual.
- Business associate notification requirements to provider.

HIPAA

- Fundraising opt-out (effective January 2010):
 - “Any written fundraising communication that is a healthcare operation...shall, in a clear and conspicuous manner, provide an opportunity for the recipient...to elect not to receive any further communication.”
 - Opt-out = revocation of authority.
 - Secretary to adopt regulations.

Tax-Exempt Bonds

- Expands volume of “bank-qualified bonds” governments may issue for non-profit projects:
 - Before – qualified small issuer may issue a total of \$10 million in bonds for itself and non-profits.
 - Now – up to \$30 million in bonds may be available to each non-profit.
 - Governmental entities still issue the bonds.
- Should dramatically increase availability of bond financing to non-profits.

COBRA

- Eligible individuals receive a 65 percent subsidy of the COBRA premiums they otherwise would be required to pay for any group health plan in which they participated at the time of their termination. (Income limits apply).
- Subsidy effective only as of February 17, 2009.
- Covers employees involuntarily terminated between September 1, 2008 and December 31, 2009, and who prior to February 17, 2009 did not elect COBRA coverage and can now make a re-election, or can re-elect coverage in an alternate eligible plan.
- Employers initially responsible for the 65 percent subsidy payment.
 - Employers receive a credit against payroll taxes for the cost of subsidies paid.

Workforce Development

- \$500 million for health professions training programs:
 - \$300 million for National Health Service Corps recruitment and field activities.
 - \$200 million for scholarship and loan repayment programs under Title VII and Title VIII Public Health Service Act, plus primary care medicine and dentistry and public health and preventive medicine.

Rural Community Facilities

- \$130 million for loans and grants to essential facilities.
- Eligible entities include hospitals, health clinics, elder care facilities.
- Program administered by USDA.
- Contact Rural Development state and local offices.

Resident Interests

- \$250 one-time payment every Social Security and SSI recipient:
 - No need to apply.
 - SSA to make payments automatically, probably by end of May.
 - Won't count as income for first nine months after receipt.
- \$650 million for TV converter coupons.

Questions for Our Panel?

Dial *1 on your telephone keypad and wait for the operator.

Faculty Contact Information

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Resources

- AAHSA Advocacy Division: <http://www.aahsa.org/advocacy.aspx>
- AAHSA's Housing Division: <http://www.aahsa.org/section.aspx?id=54>
- AAHSA's Center for Aging Services Technology (CAST):
<http://www.agingtech.org/index.aspx>
- AAHSA Future of Aging Services Conference & Exposition, April 20-22, Washington D.C.: <http://www.aahsa.org/fasc/>
- AAHSA Economy Forum: Members share ideas to thrive in tough economic times: <http://www.aahsa.org/economy.aspx>

Resources, Continued

- Housing: Funding for non-entitlement communities is now available and listed at <http://www.hud.gov/recovery/cdbg.xls>.
- State breakdown of total amounts and number of contracts funded are available at <http://www.hud.gov/recovery/pbra.xls>.
- State notices related to the tax credit program and the impact of the stimulus can be found.
http://www.novoco.com/low_income_housing/news/hot_topics/recovery.php.
- Evidence-based Administration on Aging Grants (for more information contact Peter Notarstefano, see contact info slide #34):
<http://www.aoa.gov/prof/evidence/evidence.aspx>.

Thank You!

Thank you for participating in the audio conference program.

Please be sure to fill out the survey that will be emailed to you shortly after this audio conference. Your feedback enables us to make improvements to our distance learning products.

Also, if you would like to replay this audio-conference for others on your staff or your board, the recording is available on <http://www.aahsa.org>.