

## Frequently Asked Questions About Cash & Counseling

### Background

#### **Q: What is Cash & Counseling?**

A: Cash & Counseling is self-directed personal care that works. For seniors and people with disabilities who want to remain independent in their homes and communities, Cash & Counseling provides help with daily tasks such as bathing, dressing, housecleaning, and cooking. But it means much more: choice, flexibility, independence, control, and the chance to be in charge, to decide what you need, and when you need it.

#### **Q: What are the benefits of Cash & Counseling to enrollees?**

A: Cash & Counseling offers more control, more flexibility, and more independence to people who receive personal assistance services at home.

**Control:** Cash & Counseling lets consumers decide who provides their care, when the care is delivered, and what help they need.

**Flexibility:** Cash & Counseling lets consumers buy the things they really need, when they need them.

**Independence:** Cash & Counseling helps consumers who need daily assistance maintain their independence at home.

Consumers in a Cash & Counseling pilot program were much happier with both the quality of their lives and with the services they received, and four out of five of them said they would refer someone else to the program.

#### **Q: What are “self-directed personal assistance services?”**

A: “Personal assistance services” help seniors and people with disabilities with daily tasks, such as getting in and out of bed, dressing and grooming, and cooking and taking care of their homes. “Self-directed personal assistance services” refers to a model that is grounded in the premise that giving financial control and choice allows people to live more independent, higher quality lives. “Self direction” is also sometimes referred to as “consumer direction” or “self determination.”

#### **Q: Has the Cash & Counseling model been tested?**

A: Yes. Cash & Counseling is a model that has been tested in three states (Arkansas, Florida, and New Jersey), and proven highly successful in:

- Increasing access to paid personal care
- Increasing satisfaction with services
- Increasing overall quality of life

- Meeting more of consumers day-to-day needs
- Decreasing stress on families and informal caregivers

## **Demonstration and Evaluation**

### **Q: What are the findings from the Cash & Counseling National Demonstration and Evaluation?**

A: In Arkansas, Florida, and New Jersey, Cash & Counseling improved the lives of seniors and people with disabilities, and the lives of their families and caregivers, and increased access to personal assistance services. The three-state demonstration showed us that Cash & Counseling won't cost more than the traditional services for which consumers are eligible if states design and monitor their programs carefully.

### **Q: What were the effects of Cash & Counseling on states' Medicaid costs?**

A: Through the three-state demonstration, we've learned a lot about designing a program so that it costs no more than traditional agency services. In Arkansas, Florida, and New Jersey, overall Medicaid costs under Cash & Counseling were slightly higher than the traditional agency-directed programs—largely because traditional agencies often failed to deliver the services people were entitled to—but some of the increased costs were offset by savings in long-term care costs. The good news is that Cash & Counseling doesn't have to cost more than traditional services if states carefully design and monitor their programs.

### **Q: How did the health outcomes of Cash & Counseling participants compare to the health outcomes of those enrolled in the traditional agency model?**

A: Overall, Cash & Counseling participants in all age groups proved no more likely to suffer from care-related health problems than those in traditional agency services. Cash & Counseling participants were *less* likely than those receiving agency services to experience:

- Falls (all age groups)
- Contractures (ages 65 or older)
- Urinary Tract Infections (ages 18 to 64)
- Bedsores (ages 18 to 64)

## **Costs and Funding**

### **Q: Who pays for the costs of establishing Cash & Counseling programs?**

A: The states currently implementing Cash & Counseling are doing so thanks to grants from the Robert Wood Johnson Foundation and the U.S. Department of Health and Human Services. No costs for implementing Cash & Counseling are intended to be passed on to consumers or taxpayers.

**Q: Under Cash & Counseling, is the state paying for services that used to be provided for free?**

A: The services paid for by the state are all part of the consumer's authorized care plan. What's different is that, in many cases, family members and friends chosen by the consumer are providing those services instead of an agency worker.

**Q: If the traditional system didn't provide all of the hours that a consumer was entitled to, maybe the consumer didn't really *need* all of the hours in the first place. Does Cash & Counseling increase costs because it increases the consumer's demand for services?**

A: No, Cash & Counseling does not increase the needs or demand for personal care. Just as traditional agency services base the number of hours on an assessment of needs, Cash & Counseling bases the cash allowances on consumers' needs. What is unique about Cash & Counseling is that the consumer is in charge of what those funds pay for—whether it's a microwave to heat up her meals or more care hours in the evening provided by her daughter.

**Q: What are the cost-saving lessons from Cash & Counseling?**

A: The Cash & Counseling Demonstration and Evaluation offers lessons on how to control costs, particularly through careful design and monitoring of programs. States can control costs in a number of ways including:

- Contracting outside the government for fiscal management services and offering incentives for contractors to control costs;
- Calculating monthly allowances based on an average of used hours rather than an average of designated hours;
- Recouping unused funds from consumers at the end of the fiscal year; and
- Closely monitoring costs of both Cash & Counseling and traditional agency programs on an ongoing basis.

## **Consumer Safety/Abuse and Fraud**

**Q: Is Cash & Counseling putting consumers at risk by letting them choose untrained people to care for them?**

A: Training is available in many states for family members and friends hired as workers by the consumer. In the three-state demonstration, 50 to 70 percent of paid, non-agency workers hired by Cash & Counseling received some type of formal training to help them better care for their loved one.

**Q: Why should the state pay for people to take care of their own family members?**

A: These types of services are very personal, and many people prefer to have these services provided by a person they know and trust—typically a family member or friend. Additionally, traditional agencies are often limited to providing these services during weekday business hours, and not at all on the weekends. The reality is that in many households, family members and

friends are already supplementing paid personal care services on their own time, for no pay. By allowing consumers to employ someone they know and trust, Cash & Counseling supports both the physical and emotional health of the consumer and their informal caregivers.

**Q: Giving consumers cash allowances and letting them hire friends and family members seems like an invitation to fraud and abuse. Were fraud and abuse a problem in the Cash & Counseling demonstration?**

A: There has been no evidence to show that Cash & Counseling—which makes financial management services and support brokers available to help consumers—leads to more fraud and abuse than the traditional system. Quality assurance standards have been put in place by both the funders of Cash & Counseling and the Centers for Medicare and Medicaid Services. And evaluation results show that Cash & Counseling consumers spend their allowances in the ways that the program intends—proving that they *want* to direct their own care and that they *can* make self-directed care work.

**Q: How will Cash & Counseling address fraud and abuse?**

A: States currently implementing Cash & Counseling are taking steps to prevent fraud and abuse. These steps include: clearly defining what types goods and services may and may not be authorized for purchase, reviewing budgets to ensure that only those authorized goods are included, and reviewing workers' time sheets and participants' check requests before payment to ensure consistency with the budget plan. The “counseling” system of supports plays a crucial role in working with the consumer to prevent fraud and abuse.

## **Effect on the Home Care Industry**

**Q: How is this going to affect the providers and home care workers in my state?**

A: Cash & Counseling isn't intended to replace agency services. It provides an alternative to those who want one. Cash & Counseling is not for everyone, and states realize that fact, offering Cash & Counseling as choice for people who have been less than satisfied with traditional agency services. The reality is that many agencies find themselves overburdened and understaffed, and unable to meet the needs and demands of some consumers. Cash & Counseling offers a way to test out an alternative that may just work out better for the consumer and her family. The consumer always has the freedom to return to agency services if she desires.

**Q: Doesn't Cash & Counseling undermine the pay and security of home care workers?**

A: We do not believe it does. In the three-state demonstration, non-agency workers were paid more on average than traditional agency workers in Florida and New Jersey, but the additional amount was less than \$1.00 on average. In Arkansas, non-agency workers were paid less on average than the agency workers. Additionally, the overwhelming majority of consumers in all three states chose to hire a family member or friend; they weren't “hiring workers away” from agencies, nor were they “taking business away” from agencies.

**Q: Why would a provider want to work with Cash & Counseling? What is in it for them?**

A: Cash & Counseling offers the opportunity to create partnerships with traditional agencies, partnerships that can give new options to people who aren't satisfied with their care and who may want to have more flexibility in their options. It is also an opportunity to work together to examine whether a new model for providing personal care services can help to alleviate the burden our long-term care system faces in trying to care for an aging population in an environment of increasing costs.

## **Consumer Responsibilities**

**Q: What if a consumer would like more flexibility but not the added responsibility of Cash & Counseling?**

A: Participants in Cash & Counseling have a full range of support staff to help them. Support brokers assist the consumers with developing budgets, choosing and overseeing workers, helping with paperwork, and serving as personal advocates. There are also fiscal management services to help with payroll and taxes, provider agreements, and other financial tasks related to hiring workers. In addition, in some states, a consumer may be able to designate a person, usually a family member or friend, to take on this responsibility and make the decisions in close partnership with the consumer and counselors.

**Q: Can a consumer who is unable to direct her own personal care services still participate in Cash & Counseling?**

A: Yes. In some states, a consumer can designate a person, usually a family member or friend, to be a representative decision maker. Conversely, surrogates can choose to enroll a cognitively impaired loved one in Cash & Counseling and will receive the same system of supports to help navigate the responsibilities of the program.

**Q: If a consumer is saving money to make a large purchase, such as a microwave or wheelchair ramp, does that mean she is doing without services she needs in the meantime?**

A: One of the best attributes of Cash & Counseling is the flexibility it offers consumers to manage their own personal care funds in the way the best meets their needs. Consumers who have made the choice to save for large purchases are not doing so without back-up or alternative care from their informal caregivers or other resources in their communities.

When a consumer makes the decision to save a portion of her funds for three months to purchase a microwave, she is choosing to reduce dependency on having someone else to cook for her. This is just one way that Cash & Counseling gives back to informed consumers the control they never wanted to give up in the first place.