

2017 ASSET LIAISON REPORT

Friendship Ark, Inc.

Date of Agency Visit: October 17, 2017

Date of Agency Board Meeting Attended: September 26, 2017

ASSET Liaison: Melonie Stall, CICS Volunteer

Need for Program. Friendship Ark, Inc. (FAH or Agency) was incorporated in 1999 by Joe and Lois Johanns after two years of public meetings and broad support for creating an L'Arche-like model of residential support for individuals with intellectual disabilities in Story County. By the spring of 2001, two core members were living in the first Friendship Ark Home. L'Arche is an international federation of family-like homes and communities in which individuals with intellectual disabilities share life with their live-in assistants (whereas FAH utilizes live-out assistants) in environments that nurture the emotional, social, and spiritual well-being of each individual. The L'Arche movement began in 1964 and today there are 147 L'Arche communities in 35 countries.

In September 2015, the Agency expanded its operations from exclusively providing 24-hour services in its four residential homes to include Supporting Community Living and Day Habilitation Services, which prompted the Agency to apply for ASSET funding for the first time for FY16/17.

In October 2017, five core members moved into FAH's fifth newly-constructed 24-hour residential home. The Westfield House was constructed this past year for a cost of approximately \$500,000.

Today, FAH serves an increasing targeted population of adults with intellectual disabilities (ranging from ages 20 to 71), accompanied by an abundant and growing wait list, as shown by the following table:

Program	FY18/19 Proposed Core Members Served	FY17/18 Adopted Core Members Served	Current Core Members Served	Prior Year Core Members Served	Wait List	Prior Year Wait List
Residential Daily Supported Community Living	25	25	25 5 Homes (as of October 2017)	20 4 Homes	20	26
Hourly Supported Community Living	24	14	9	6	10	5
Day Habilitation	40	36	30	20	11	None
Hourly Day Habilitation	44	40	34	27	In Above	In Above
Duplicated Totals	133	115	98	73	41	31

As of June 30, 2017, the Agency served 20 core members in their Residential Daily Supported Community Living program with 15 additional core members utilizing their SCL and Day Hab programs. This is a net increase of one core member over June 30, 2016.

In the past, all of FAH's core members were served in Ames. During the year, Central Iowa Community Services (CICS) asked FAH to provide services to individuals outside the city of Ames. Currently FAH is providing Day Habilitation services to one core member in both Nevada and Maxwell (both in Story County). These numbers are expected to increase in the coming fiscal year.

If the services provided by FAH ceased to exist, the needs of the core members could fall back onto the family or could cause the core member to be placed in a more restrictive, higher level of care environment.

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FAH is requesting ASSET funding for the following four services (described as they are provided by the Agency):

- 1. Supported Community Living – both Full Day and Hourly (SCL) [Service Code 3.18]** SCL services are intended to provide for the daily living needs of the member and shall be available on an as needed basis up to 24 hours per day. Service activities include: Personal and home skill training, individual advocacy, community skills training, personal management skills training, socialization skills training, communication skills training, personal environment support, transportation and other treatment activities.
- 2. Day Habilitation Services – both Full Day and Hourly (Day Hab) [Service Code 3.20]** Day Hab services are provided outside a member's residential setting and are designed to foster the acquisition of skills, building positive social behavior and interpersonal competence, greater independence and personal choices. Activities include: assistance with acquisition, retention or improvement of self-help, socialization and adaptive skills that enhance social development, and developing skill in performing activities of daily living and community living.

Program	Proposed FY18/19	Adopted FY17/18	Used FY16-17	Contracted FY16-17
Residential Daily Supported Community Living	\$18,000	-	-	-
Hourly Supported Community Living	\$80,000	\$26,000	\$40,460	\$20,000
Day Habilitation	\$45,000	\$41,500	\$3,796	\$35,484
Hourly Day Habilitation	\$15,000	\$13,900	\$7,220	\$11,885
Total	\$158,000	\$81,400	\$51,476	\$67,369

The Residential Daily SCL funding request is new for FY18-19 and is included to fund services for a core member moving into the new 24-Hour Residential Care home as the core member is still on the ID Waiver waiting list at this time. Although no funds were adopted for this core member in the FY17/18 budget (as it was unanticipated), CICS is currently funding these services for this core member.

Hourly SCL funding is proposing a large increase as the MCO's have begun to assess individuals receiving Medicaid, so there is a possibility that they may determine an individual does not need 24-hour support, in which case the hourly SCL program would likely be utilized instead. Accordingly, the core members expected to be served in Hourly SCL are projected to increase from 9 currently to 24 for FY18-19.

Typically, the Agency's Day Hab – Full Day program has been sought out by individuals who need one on one support. FAH's daily rate for this service is \$125.85, so if the Agency serves just one core member full time (5 days per week) and one-core member part time (2 days per week), this would require funding of \$32,721 and \$13,088, respectively, or \$45,809 total. This is the basis for the \$45,000 funding request in FAH's Proposed FY18/19 Budget. However, utilization of this service by core members without Medicaid varies from year to year and there is no way to predict what referrals may come to FAH for core members needing this service. During FY16-17 FAH utilized just \$3,796 of their \$35,484 ASSET contracted dollars from CICS for this program, while \$5,957 was funded by CICS in FY15-16.

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FAH's programs address the following priorities established by ASSET's five funders for FY18-19, thus it is only seeking funding from CICS:

1. **City of Ames** – None.
2. **Story County** – None.
3. **Central Iowa Community Services** – Both their Core Service and Core-Plus Service Domains.
4. **United Way of Story County** – None.
5. **ISU Student Government** – None.

There are several other providers of similar services to individuals with intellectual disabilities in Story County, including (not necessarily all-inclusive) Mainstream Living, Inc., Lutheran Services in Iowa, Mosaic of Central Iowa and Optima Life Services. The Agency is unique from these other providers in that it operates as an L'Arche community and many of the core members served by FAH have more challenging needs (aging, aggressive, wheelchair bound, etc.).

Program Strengths. FAH received its first three-year accreditation from the Commission on Accreditation of Rehabilitative Facilities (CARF) in March 2016. This is the highest possible level of accreditation CARF can award. One of the comments from the survey report summarizes one of FAH's main program strengths - "Staff members are responsive, eager and passionate about excellence in service delivery. It is evident that the staff members' sole purpose at work is making the lives of the core members the best it can be."

FAH's other program strengths include staff coverage often in a 1:1 ratio due to the needs of their core members. The Agency also has a low staff turnover rate of about 33%, nearly half of the state and national average, with a history of staff longevity as well. The Human Resource Manager, Accountant, two House Coordinators and two Supervisors all have ten years of service at the Agency and several other Supervisors and Coordinators have five or more years of service. All staff is trained in the philosophy and practice of Gentle Teaching – a way of relating to others that brings about feelings of trust, safety and love. Staff is also cross-trained, enabling them to work in FAH's residential homes, Day Hab or SCL programs.

A family atmosphere is also one of FAH's strengths – core members share meals in their homes together, perform household chores together and attend activities together. FAH has also been adding more volunteer opportunities for its core members and community members, working toward that five-star quality service level, defined by Derrick Dufresne, as "...services that can only be done in the community and with a companion who is not paid to be with her (him) and is not a family member".

FAH also believes in giving back to the community. Their Accessibility and Advocacy Task Force is working on raising funds for an aquatics wheelchair to donate to the Furman Aquatic Center and they are also considering providing adult changing areas in the city of Ames.

Program Weaknesses. There is currently a waiting list that could fill four more 24-hour residential homes and there is no readily available funding for FAH to build these homes. When people discover the wait list is 20 persons long, many people do not even bother to get on the list, so the need is likely understated. In addition, the Agency is starting to experience growing wait lists for their SCL and Day Hab services as well. Because of this, persons with needs in Story County are going unmet. Staffing is a continuing challenge as well.

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Financial Outlook. One of the Agency's upcoming challenges is anticipating and responding to whatever changes the federal government makes to Medicaid. In addition, they continue to manage the ongoing conundrum of Iowa's switch to Managed Care Organizations (MCOs) in 2016, weathering a few hiccups this past fiscal year from denied claims and the follow-up needed to guarantee their ultimate payment.

Additionally, effective December 1, 2017, the Iowa Medicaid Enterprise (IME) established a new fee schedule tiered rate system of reimbursement for Daily SCL and full day Day Hab services for ID Waiver members that will replace the current provider floor rate reimbursement. This tiered fee schedule is designed to assign a standardized rate reimbursement amount paid for services that is based on the severity of the core member's disability and the intensity of the core member's needs for supports that has been assessed using the Supports Intensity Scale (SIS).

FAH is still assessing the effect of this new reimbursement schedule on its financials and the affect it will have on the level of services provided for their core members based on their newly-assigned SIS score.

FAH is projecting \$3.2 million in gross revenues for FY18-19, an increase of \$650,000 and 26% over the adopted FY17-18 budget. Their main source of income is Medicaid at approximately 76%. The amount of funding requested from ASSET (\$158,000 for FY17-18) is necessary as no other funding is available to provide services to persons not covered by Medicaid.

The Agency received a \$25,000 grant from United Way this past year to help fund the Westfield House. FAH also used funds this past year received from the Story County Community Foundation to purchase a donor database software.

Internal Management Practices. FAH's Board of Directors (Board) members have a broad variety of business and social services backgrounds with members all residing in Story County. Two new members were added to the Board this past year to enhance the Agency's financial and real estate market knowledge and expertise and all members are very active. The Board participates in seven board committees which advise on Agency policies and practices.

Executive Director Jennifer Ellis is starting her fourth year at FAH and has 16 years of experience in the field.

FAH has 70 staff members (60 FTEs) - the Executive Director, Human Resources Manager, Accountant, Administrative Assistant, QA Assistant, eight Supervisors (one for each home, plus two for Day Hab and one for SCL), ten House Coordinators (two for each home), five Program Coordinators (four for Day Hab and once for SCL) and 42 Live-Out Assistants.

Agency Suggestions/Comments. FAH staff is very appreciative of the ASSET process and the support they receive from the ASSET Administrative staff and ASSET volunteers throughout the year.

General Assessment. Friendship Ark, Inc. is clearly a sought-after provider in Story County of persons with intellectual disabilities given their waiting lists, high retention of the core members they serve (91%), core member growth (34%) and the high number of referrals they are receiving. Their CARF accreditation is evidence that they care about the quality of their programs and level of service they provide to their core members as well.