

2018 ASSET LIAISON REPORT

Friendship Ark, Inc.

Agency Visit Date: October 23, 2018

Agency Visit Staff: Jennifer Ellis, Executive Director

Agency Board Meeting Attended: October 25, 2018

ASSET Liaison: Melonie Stall, CICS Volunteer

Mission. Friendship Ark Homes and Community Services celebrates the uniqueness of adults with intellectual disabilities by providing homes and community services. We help these core members reach their fullest potential through faith, family and friendship.

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 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.

In September 2015, the Agency expanded its operations from exclusively providing 24-hour services in its 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. FAH is still servicing \$50,000 in debt related to this home.

Today, FAH serves an increasing targeted population of adults with intellectual disabilities (ranging from ages 20 to 73), accompanied by an abundant wait list, as shown in the following table:

Program	FY19/20 Proposed Core Members Served	FY18/19 Adopted Core Members Served	FY17/18 Actual Core Members Served	FY16/17 Actual Core Members Served	Current Wait List	Prior Year Wait List
Residential Daily Supported Community Living	25 5 Homes	25 5 Homes	25 5 Homes	20 4 Homes	24	20
Hourly Supported Community Living	18	15	13	9	4	10
Day Habilitation	42	40	38	30	10	11
Hourly Day Habilitation	44	42	39	34	In Above	In Above
Duplicated Totals	129	122	115	73	38	41

As of June 30, 2018, the Agency served 25 core members in their Residential Daily Supported Community Living program with 27 additional core members utilizing their SCL and Day Hab programs, for a total of 52 persons served. This is a net increase of 17 core members over June 30, 2017.

In the past, all of FAH's core members were served in Ames. During FY16/17, 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 Nevada and another one in Ankeny. They had previously served one member in Maxwell. In FY17/18, the State changed to a Tiered Rate reimbursement structure, which incorporated transportation costs. These costs had previously been paid for separately, so it is unlikely that the number of core members served outside of Ames will increase significantly going forward under the current transportation reimbursement structure.

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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 at a higher overall cost.

FAH is requesting ASSET funding for the following four services (described as per the Agency's website):

- 1. Supported Community Living – Full Day (SCL) [Service Code 3.18]** “Friendship Ark is most recognized for the services we were founded on, our 24-hour residential group homes offering supports in a faith-based, family-oriented environment, and with that filling a need that was missing in the area. Individuals served eat meals together, are invited to attend church services, participate in community activities and work on individual goals. The family environment is structured similar to home living. Each individual has their own bedroom to decorate as they like, yet shares common areas with the rest of the group. The houses are staffed continuously by caring individuals who treat the core members with respect, care and kindness.”
- 2. Supported Community Living – Hourly (SCL) [Service Code 3.18]** “Friendship Ark has evolved over time and offers care in a 24-hour setting or less depending on the needs of the individual. Staff works on an individual basis as well as with the group to achieve personal and home skill training, community skills training, personal management skills training, communication skills training, advocacy, transportation and socialization.”
- 3. Day Habilitation Services – both Full Day and Hourly (Day Hab) [Service Code 3.20]** “Friendship Ark offers community living and activities during the day. Individuals enjoy participating in the community in an integrated setting that can enhance social development and adaptive skills. They also develop skills in performing activities of daily living and community living. You may see individuals around town at the grocery store, in a local park, at the library or enjoying other interests.”

Program	Proposed FY19/20	Adopted FY18/19	Used FY17/18	Contracted FY17/18
Residential Daily Supported Community Living	\$20,250	-	-	-
Hourly Supported Community Living	\$60,000	\$80,000	\$33,402	\$26,000
Day Habilitation	\$25,000	\$45,000	\$2,844	\$41,500
Hourly Day Habilitation	\$10,000	\$15,000	\$59	\$13,900
Total	\$115,250	\$140,000	\$36,305	\$81,400

The Agency's priorities for funding are SCL – Hourly, Day Habilitation (Daily then Hourly) and then SLC – Full Day.

The Residential Daily SCL funding request was new for FY18/19 (requested \$18,000, but none was awarded by ASSET) and is included to fund services for core members moving into one of the Agency's 24-Hour Residential Care homes while still on the ID Waiver waiting list. The Agency anticipated using this service in FY17/18, but the ID Waiver was received in the nick of time.

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Hourly SCL funding is proposing a \$20,000 decrease from FAH's FY18/19 Adopted Budget. The Agency increased their ask for FY18/19 in anticipation of a shift of services from 24-hour support to the hourly SCL program as a result of the MCO's new tier assessments. A major shift of services from the tier assessments did not materialize in SCL and the actual growth in core members in Hourly SCL for FY17/18 was 4, rather than the 15 anticipated.

The Agency's Day Hab – Full Day program has long been sought out by individuals who need one on one support. However, the MCO's combined their one on one support reimbursement rate with their group support reimbursement rate, thus reducing the Agency's ability to offer this service to those needing one on one support and still maintain a financially feasible Day Hab program overall. As a result of the MCO's reimbursement rate change, 8 of the 10 individuals on the Agency's Day Hab waiting list are those that need one on one support. However, the Agency cannot add a core member needing this level of one on one care until they are able to add corresponding Day Hab group support core members to help offset the costs of providing the one on one care. Thus, FAH would benefit if CICS were able to provide additional funding for the overall Day Hab program. Should that occur, there would be an option for 8 additional individuals to receive Day Hab services at the one to one ratio.

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 approximately \$45,000. This served as the basis for the funding request in FAH's 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 funding. Accordingly, the Proposed FY19/20 funding request was lowered to \$25,000. During FY17/18 FAH utilized \$2,844 of their \$41,500 ASSET contracted dollars from CICS for this program, while \$3,796 was funded by CICS in FY16/17.

As noted above, transportation funding was also cut by the MCO's during FY17/18. FAH now pays \$500 - \$700 per month to HIRTA to help with their transportation needs. FAH has a fleet of 15 vehicles and has 4 leased vans as well. The Agency attempts to have vehicles available for their staff, but more staff who provide individual SCL care are now having to use their own vehicles.

FAH's programs address both CICS's Core and Core-Plus Service Domain priorities and do not meet the priorities of the other four ASSET funders for FY19-20, thus FAH is only seeking funding from CICS.

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 as it is, per their website, "a faith-based organization which provides a family-oriented environment. Individuals served interact with each other. The different houses get together for activities and the individuals served find a community of friends that works as a family environment. This is very different from institutional living and other options for people over 18 in the State of Iowa". Additionally, many of the core members served by FAH have more challenging needs (aging, aggressive, wheelchair bound, etc.) and require one on one care.

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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 plus 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 in ways that make it more accessible for all with disabilities. Their Accessibility and Advocacy Task Force donated an aquatics wheelchair to the Furman Aquatic Center in June 2018 (with the help of funding from Altrusa International of Ames) and they are also working to provide an adult changing area at the Ames Public Library.

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

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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 continued process issues with denied claims requiring appeals and continued monitoring and delay of payments received for services rendered. Fortunately, the Agency has not had to draw upon their line of credit secured prior to the switch to MCOs through all the changes.

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 ended up in the middle tier, which did not affect them monetarily.

FAH is projecting \$2.9 million in gross revenues for FY19/20, an increase of \$142,000 and 5% over the adopted FY18/19 budget. Their main source of income is Medicaid at approximately 88%. The amount of funding requested from ASSET (\$115,250 for FY19/20) is necessary as no other funding is available to provide services to persons not covered by Medicaid.

The Agency received a \$13,000 grant from United Way this past year to fund a stair lift at the newly built Westfield House.

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. Three new members were added to the Board this past year to enhance the Agency's financial, human resources, governance and medical 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 fifth year at FAH and has 17 years of experience in the field.

FAH has 70 staff members (60 FTEs) as of June 30, 2018 - the Executive Director, Human Resources Manager, Accountant, Office Manager, Quality Assurance 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 one for SCL) and 42 Live-Out Assistants.

Agency Suggestions/Comments. FAH staff continues to be appreciative of the ASSET process and the support they receive from the ASSET Administrative staff, ASSET volunteers and CICS 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 (92%), core member growth (49%) 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.