

2018 ASSET LIAISON REPORT

Mainstream Living, Inc.

Date of Agency Visit: October 23, 2018

Date of Agency Board Meeting Attended: September 19, 2018 (Judy Meierkord Only)

ASSET Liaisons: Melonie Stall and Judy Meierkord, CICS Volunteers

Mission. To provide services that enhance opportunities, create success and fulfill dreams.

Need for Program. Mainstream Living, Inc. (Mainstream or Agency) was founded on July 1, 1975, by a group of parents who wanted community living options for their children with intellectual disabilities. In 1976, the Agency opened its first home, serving six children with intellectual disabilities. Today Mainstream provides services to nearly 400 individuals with disabilities daily and employs 400 workers in four Iowa counties – Story, Polk, Dallas and Boone.

Mainstream serves a targeted population of adults with intellectual disabilities, physical disabilities, brain injuries, mental health diagnosis and substance abuse issues or are medically fragile, through a variety of programs, several of which maintain a waiting list. Programs utilizing ASSET funding are summarized in the following table:

Program	FY19/20 Proposed ASSET / Total Clients Served in Story County	FY18/19 Adopted ASSET / Total Clients Served in Story County	FY17/18 ASSET / Total Clients Served in Story County	FY16/17 ASSET / Total Clients Served in Story County	FY15/16 ASSET / Total Clients Served in Story County
Enclave Services	1 / 43	1 / 47	1 / 43	2 / 43	2 / 47
Day Habilitation – Full Day	4 / 107	3 / 115	4 / 107	4 / 107	3 / 115
Hourly Day Habilitation	1 / 107	1 / 107	1 / 107	1 / 97	3 / 107
Hourly Supported Community Living	2 / 21	2 / 21	2 / 21	2 / 20	3 / 20
Duplicated Totals	8 / 278	7 / 290	8 / 278	9 / 267	11 / 289

A description of these services as they are carried out by the Agency is as follows:

- 1. Enclave Services [Service Code 1.05]** Employment services associated with sustaining individuals in an employment team of no more than eight individuals with disabilities to work in an integrated, community-based job setting where the majority of co-workers are persons without disabilities. The Agency currently has enclave groups at Sauer Danfoss and Hach Chemicals in Ames.
- 2. Day Habilitation (Day Hab) Services – Full Day and Hourly [Service Code 3.20]** These services provide a variety of activities for members to be more involved in the community. Day Hab members volunteer for a number of programs including delivering Meals on Wheels, preparing meals for Food at First, assembling folders for McFarland Clinic, making toys and treats for the Animal Rescue League or spending time at local nursing homes. All activities are based on choice - members choose what they are interested in participating in and can work on building socialization and self-advocacy skills at their own pace. The Agency's Snoezelen Program was incorporated into its Day Habilitation Services in 2017.
- 3. Supported Community Living (SCL) Services - Hourly [Service Code 3.18]** These services support persons with an Intellectual Disabilities waiver (HSBC/ID) or Brain Injury Waiver (HCBS/BI) to live as independently as possible. Services are provided in the member's own home or in the home of a parent/guardian. Mainstream works with each of their members to assess goals, interests and needs, in order to assist them in areas such as identification of appropriate goals support or treatment services, assistance with housing and living arrangements, crisis intervention, arrangement for personal environmental, family and community supports, community skills training and personal advocacy development.

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Mainstream is requesting ASSET funding, which will allow the Agency to continue to serve persons who utilize these services but do not qualify for Medicaid funding, for the following four services in Story County:

Program	Proposed FY19/20	Contracted FY18/19	Used FY17/18	Contracted FY17/18	Used FY16-17
Enclave Services	\$45,255	\$958	\$1,841	\$2,000	\$656
Day Habilitation – Full Day	\$19,977	\$39,000	\$19,977	\$12,000	\$28,793
Hourly Day Habilitation	\$70	\$250	\$86	\$491	\$186
Hourly Supported Community Living	\$2,780	\$6,000	\$2,379	\$9,000	\$5,369
Total	\$68,082	\$46,208	\$24,283	\$23,491	\$35,004

The Agency's prioritization of funding is SCL, Day Hab – Full Day and Day Hab – Hourly, followed by Enclave Services.

Mainstream is requesting funding from United Way for the first time of \$43,255 (in addition to \$2,000 from CICS) for its Enclave Services. MCO's have lowered reimbursement rates for individuals involved in Enclave Services and complete defunding of the program may be on the horizon. The Agency has sustained losses in this program historically and the Adopted FY18/19 budget is projecting Enclave Services to lose \$72,067. In order to maintain this service to the 43 persons in Story County projected to be served in FY19/20, additional funding needs to be secured.

Day Hab – Full Day is requesting funding based upon the actual FY17/18 funds used for the three ASSET persons utilizing this service. Hourly Day Hab and Hourly SCL is requesting funding in the same manner – similar to its FY17/18 actual usage.

In addition to these partially ASSET-funded services, Mainstream also conducts a member-driven program for individuals with high levels of independence in Ames – the Advocacy, Connections and Empowerment (ACE) Program, operates three Homes for the Medically Fragile who live with a serious ongoing illness or chronic health condition, operates an eleven-bed Residential Care Facility for persons with chronic mental illness and operates a Transition Age Youth (TAY) program for persons aged 18 to 25, with just under 40% of their overall operations occurring in Story County.

If these services ceased to exist, the needs of the individuals with disabilities could fall back onto the family or could cause the individuals to be placed in a more restrictive, higher level of care environment.

There are several other providers of services to individuals with intellectual disabilities in Story County, including (not necessarily all-inclusive) Friendship Ark, Inc., Lutheran Services in Iowa, Mosaic of Central Iowa and Optima LifeServices. Most of these providers offer similar services to Mainstream, albeit generally on a smaller scale and with less diversity of program offerings.

The Agency's programs address both CICS's Core and Core-Plus Service Domain priorities. In addition, Mainstream has determined that it also meets two of United Ways' priorities - Health Result 3. Story County residents are emotionally and physically well and Financial Stability Result 2.1 Securing or maintaining employment. Thus, Mainstream is only seeking funding from CICS and United Way, with the latter for the first time for FY19/20.

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Program Strengths. Mainstream last received its Commission on Accreditation of Rehabilitative Facilities (CARF) three-year accreditation in March 2015, which is up for renewal in FY18-19. This is the highest possible level of accreditation CARF can award. In September 2015, evening and weekend services were added to Mainstream's SCL services, thus increasing availability of services to its members. The Agency's program strengths also include its variety of activities offered in their services where community integration is part of the program. In addition, the Agency is the only provider of Enclave services in Story County. In addition, many key staff positions are held by individuals serving the Agency in excess of 20 years.

Program Weaknesses. Mainstream continues to battle shortages of direct care staff availability, an industry-wide issue. In addition, their direct staff personnel turnover rate has increased to be more in line with the national rate of 45%. In addition, the MCO change has decreased the number of referrals to their programs.

Financial Outlook. This was the Agency's second full year after the state's move to Managed Care Organizations (MCOs) on April 1, 2016 and it continues to work through billing and service authorization issues.

The Agency closed its Supported Living Apartments for persons with a psychiatric disability and its Unity Home for low-income single women in Des Moines in January 2018 due to changes in Medicaid setting compliance requirements. Since Mainstream's Supported Living Apartments programs would not meet the new requirements, a decision was made in August 2016 to sell the apartments.

With the closing of the apartments most individuals (60 residents) moved into the community, some living with Mainstream and some with other providers. Scattered-site hourly SCL expanded for Mainstream Living's Mental Health services to accommodate most of these people. Mainstream had planned to open two 4-bed transitional habilitation homes to help with the closing of the apartments, but staffing shortages has delayed these openings.

The Agency also experienced flooding in their Baker House in Des Moines on July 1, 2018. The Baker House is home to five young adults with severe and profound disabilities and high medical needs. Costs to relocate residents temporarily and to restore this \$1 million home has been approximately \$42,000 out of pocket. Mainstream Living has worked very closely with the Governor's office and the State Medicaid program to ensure services for the five medically fragile people living at the Baker location. After four long months of reconstruction the home has reopened effective November 12, 2018.

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). These tiered rate system changes also incorporated transportation costs, which had previously been reimbursed to the Agency separately. As a result of these changes Mainstream's HCBS – ID group settings have had to consolidate, where more members are being served at fewer locations. In addition, the inclusion of transportation costs as a part of the daily SCL rate significantly impacted services for the organization as additional staff had to be hired to transport individuals and vehicles had to be acquired.

Additionally, the 21st Century Cures Act, which was signed into law in December 2016, requires each state to institute Electronic Visit Verifications (EVV) by January 1, 2020 (pushed back a year), or they will be faced with reduced government payments. The Iowa Medicaid Enterprise is working in collaboration with the MCOs to develop and implement the EVV program. EVV will be required for personal care and home health services to monitor the delivery and utilization of the services in non-traditional settings and will provide verification of the visit with location

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information and a time stamp to insure quality and program integrity. Mainstream is still assessing the effect of the future EVV implementation on its financial statements and operations.

Mainstream is projecting \$17.4 million in gross revenues for FY19/20 (\$1.5 million less than actual FY17/18 due to the sale of some of their operations in December 2017, which also included about a \$900,000 gain on sale). The FY19/20 projected gross revenue is nearly \$2.5 million less than proposed FY18/19, reflecting the sale's ongoing effect on operations. The amount of services requested for ASSET funding of \$68,082 is less than 1% of this amount, but quite necessary as no other funding is readily available for these services for persons not covered by Medicaid. The Agency's main source of income is Medicaid at approximately 95%.

Internal Management Practices. The Agency has good Board representation from the counties it serves and includes persons with family members utilizing Mainstream services as well.

President/CEO, Bill Vaughn, has served 38 years with the Agency, holding his current position since April 1, 2013. He is supported by, Jon Zellweger, a 33-year employee, as Chief Operating Officer and 10-year employee Stuart Ambrose as the Chief Financial Officer.

Agency Suggestions/Comments. Mainstream 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. Mainstream is one of the major service providers in Story County of persons with disabilities) effectively offering a full spectrum of services to many individuals and, thus, their families. Their CARF accreditation is evidence that they care about the quality of their programs and level of service to their clients. Per the Ames Economic Development Commission's website, Mainstream is also one of the top 45 employers in Ames. The Agency has stable, seasoned management and staff and a diverse Board.