

# CAADS FIRST 40 YEARS: THE HIGHLIGHTS

11/3/2017

- 1974 ▪ An 1115 Waiver Demonstration is approved which encourages California to make **ADHC** a Medi-Cal benefit
- 1975 ▪ AB 1810 by Assembly Member Leo McCarthy authorizes five (5) pilot **ADHC** centers to “start-up.” *Base rate is set at \$19.07 per day*
- 1977 ▪ Pilot sites form “California Association for Adult Day Health Services” and become incorporated as a non-profit
  - Chel introduces AB 1611 to make **ADHC** a Medi-Cal benefit and AB 1612 to provide start-up funds. Both are enacted in spite of objections from CA Dept of Finance
- 1978 ▪ **ADHC** regulations are drafted by CA Dept of Health Care Services under leadership of Dr. Ruth Von Behren and are enacted
  - **Community Care Licensing** moves from CA Dept of Health Services to CA Dept of Social Services
- 1979 ▪ Six (6) **ADHC** Centers serve 250 participants
- 1980 ▪ **ADHC** becomes an Optional State Plan Medi-Cal benefit with the passage of AB 2378 (Torres), and \$500,000 for start-up grants is allocated with the passage of AB 2992
- 1981 ▪ CA Dept of Health Care Services conducts **ADHC** financial audits to establish cost based rate methodology
- 1982 ▪ Association name changes to “California Association for Adult Day Services”
- 1983 ▪ **ADHC** transfers from CA Dept of Health Services to newly formed CA Dept of Aging
- 1986 ▪ Senator Mello successfully champions start-up grant funding for **ADHC** over several years
  - CAADS sponsors SB 2496 to establish grants for “**social day programs;**” vetoed by Governor
  - CAADS supports SB 2497 to create **Alzheimer’s Day Care Resource Center** program and start-up grants
- 1989 ▪ CA Dept of Education Adult Day Care Food Program begins
  - CAADS succeeds in obtaining several **ADHC** rate increases from Legislature. *Rate is \$45.85*
- 1990 ▪ CAADS sponsors SB 504 to change the term “**Adult Social Day Care Center**” to “**Adult Day Support Center**”
- 1991 ▪ CAADS sponsors SB 2429 to create a rural **ADHC** program, define maintenance therapy and allow for a “dual” social day and adult day health license
- 1992 ▪ Medi-Cal claims function switches from CDA to EDS
  - CAADS obtains pro bono legal counsel to sue the state of California over its failure to comply with state law establishing a cost-based rate setting methodology for **ADHC**. Settlement agreement ties rate to Intermediate Care Facility (ICF) rates.
- 1993 ▪ CAADS sponsors AB 2342 to reduce licensing fees for **adult day support programs**
  - For profit **ADHCs** are authorized under SB 1492. By 1999, 197 centers are licensed and certified.
- 1994 ▪ **ADHC** Medi-Cal rate steadily increases after a 3-year freeze due to CAADS’ legal settlement.
- 1997 ▪ 100 **ADHC** centers in 24 counties compared to estimate of 600 needed

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- 2000** ▪ CAADS obtains \$100,000 from CDA to publish first of its kind County by County LTC Data Book
- 2001** ▪ Former CAADS 501c3 becomes Alliance for Leadership and Education; CAADS becomes 501c6
  - SB 1982 (Perata) consolidates **ADC** and **ADSC** into new **Adult Day Program** Community Care Licensing category
- 2002** ▪ Worked with **DSS** and State Fire Marshal on secured perimeter regulations
- 2004** ▪ Defeated Worker's Comp Rating Bureau attempt to reclassify ADS, preventing double digit increase
  - Number of new **ADHC** sites explodes to 361 setting a record. Fraud and abuse allegations begin to surface leading to center suspensions
  - Moratorium on **ADHC** Medi-Cal certification for new centers enacted after several years of successful advocacy by CAADS to avoid completely halting growth
  - CAADS initiates federal strategy with seven (7) other states to prevent **ADHC** being removed as a State Plan Benefit
- 2005** ▪ CAADS obtains exemption for CCL **ADPs** from new CA Uniform Food Facilities Law (CURFFL) requirements
- 2006** ▪ Rate of **ADHC** center closures increases as CAADS negotiates SB 1755 (Chesbro) with the Administration to conduct rate studies, define core services and create more flexibility
- 2007** ▪ DSS issues stand-alone regulations package for **ADP** providers, as a result of CAADS advocacy
- 2008** ▪ CAADS opposes AB 2593 (Adams) that would impose a \$15 fee on **ADP** centers for every background check
  - State Budget Emergency session called and Medi-Cal rate cut 10%. CAADS joins with other provider groups to file a federal lawsuit enjoining the rate cut
  - CAADS develops **ADHC** Guidance for Separately Billable Services, later adopted by DHCS and published in the Provider Manual in anticipation of unbundling the rate
- 2009** ▪ State budget proposes elimination of **ADHC**, which CAADS defeats. Three-day cap on days per week imposed
  - DRC files federal lawsuit and succeeds in stopping the **ADHC** three-day cap and tighter medical necessity criteria
  - Number of **ADHC** centers decreases to 328
- 2010** ▪ SB 177 (Corbett) delays implementation of **ADHC** unbundling
  - Governor proposes to eliminate **ADHC**. Legislature fails to act
- 2011** ▪ Governor Brown takes office in January and Legislative leaders agree to eliminate **ADHC** as a Medi-Cal benefit in March
  - Lewin Group Report on Economic Benefit of **ADHC** released by the Congress of California Seniors
  - AB 1415 (Blumenfield) seeks to convert **ADHC** to a waiver but is vetoed by the Governor
  - Public interest groups amend federal lawsuit to stop elimination of **ADHC** as a Medi-Cal benefit
  - Negotiations with the state result in a settlement in late 2011 that halts **ADHC** participant discharges and creates **Community Based Adult Services** as a benefit through the 1115 Bridge to Reform Waiver, administered by Medi-Cal Managed Care

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- 2012**
  - 100% review of **ADHC** participants begins with state nurses and contractors using standard tool negotiated with DRC
  - Transition of **CBAS** participants to county organized managed care plans begins in July
  - CAADS collaborates with ALE to Build a Community Based Health Home with \$2 M grant from SCAN Health Plan
- 2013**
  - CAADS raises funds and contracts with pmpm Consulting to assist CAADS **ADHC** members in quickly learning and responding to the managed care environment
- 2014**
  - CAADS sponsors AB 1552 (Lowenthal) to codify **CBAS**. Governor vetoes
  - CAADS successfully opposes last minute legislative bill to change CCL **ADP** civil penalty fines
  - *Darling v Douglas* settlement expires in August
  - CMS approves **CBAS** Standards of Operation and Special Terms and Conditions
- 2015**
  - CAADS supports increase of CCL **ADP** inspections to every 3 years
  - CAADS sponsors AB 1261 (Burke) to codify **CBAS** eligibility. Governor vetoes
  - CAADS supports restoration of AB 97 Medi-Cal rate reduction. Governor vetoes
- 2016**
  - CAADS engages with DHCS to prepare for the state's Section 2703 Health Home Project
  - Laurel Mildred Consulting prepare an Impact Report on the Minimum Wage Increase
  - Federal Home and Community Based Settings Regulations are released, triggering state work groups for implementation
  - CAADS weighs in on AB 2231 (Calderon) sponsored by CA Dept of Social Services to increase civil penalties for serious injury and harm in **CCL** facilities
  - CAADS is invited to join DHCS work group to develop core MLTSS questions for the managed care plans Health Risk Assessment to assist with making referrals to **CBAS** centers
  - CAADS Quality Work Group meets to develop industry standards for **ADHC** and **ADP** providers
  - CAADS engages with state officials to discuss financing and public-private partnerships, and with legislators to discuss policy priorities
- 2017**
  - CAADS works with Mazars USA to conduct survey of California's managed care plans and large medical groups on perceptions of **ADHC** and **ADP**
  - CAADS rallies members and supporters of adult day services to advocate against Congressional efforts to create Medicaid per capita block grants to the states
  - CAADS supports Legislative efforts during state budget process to discontinue the Medi-Cal provider rate cuts enacted in AB 97. Vetoed by Governor
  - CAADS supports full restoration of adult dental and vision benefits for adult Medi-Cal recipients, beginning January 1, 2018, as approved by the Governor
  - AB 1500 - Elders Living with Dignity, Empathy, Respect, and Serenity (ELDERS) Bond Act of 2018 – is introduced in February as a two-year bill, with technical support provided by CAADS and the California Council of the Alzheimer's Association
  - The number of Pre-licensed ADHC memberships in CAADS begins to grow due to the end of the moratorium on new **CBAS** centers