Introduction

Veteran-Directed Home and Community-Based Services (VD-HCBS) is a consumer-directed program that gives veterans who need nursing home level care but wish to live at home the opportunity to direct their long-term services and supports to achieve that goal. Veterans are provided a budget for their services and supports which they manage, deciding for themselves which services and supports best meet their needs. This consumer-directed approach gives veterans the opportunity to ensure they receive the care they need—where, when and how they prefer it.

The VD-HCBS program was established by the Administration for Community Living (ACL) and the Veterans Health Administration in 2008. Participants in the program are supported by Veterans Administration (VA) Medical Center staff who refer participants to partners such as Area Agencies on Aging (AAAs), Aging & Disability Resource Centers (ADRCs) and Centers for Independent Living (CILs). The VA staff oversee the quality and satisfaction with service delivery, while the partners help with tasks such as assessment and care planning, securing services and workers within the provided budget, and arranging fiscal management services if needed.

This issue brief provides data on how AAAs are involved in the VD-HCBS program, how their involvement has changed or grown over time and shares data on funding levels. Data for this report was gathered through the 2014 AAA National Survey.¹ Data from the 2016 AAA National Survey, to be published in summer 2017, was included when possible. Additional resources on this program are referenced at the end of this issue brief.

AAA Involvement in VD-HCBS

Nearly two-thirds of AAAs (63 percent) are involved in at least one initiative involving integrated care. Integrated care is an approach that combines the delivery and management of services related to diagnosis, treatment, care, rehabilitation and health promotion across multiple systems such as acute care, primary care, long-term care and behavioral health care. Based on results of the 2016 AAA National Survey, 25 percent of AAAs were involved in VD-HCBS, making it the second most common integrated care program.

¹ http://www.n4a.org/files/AAA%202014%20Survey.pdf
AAAs Have Significant Involvement with Consumer-Directed Options

Since AAA involvement with VD-HCBS may be related to their expertise and involvement with other consumer-directed services, it is also helpful to examine AAA involvement in consumer directed options, overall. The chart below represents how AAAs classify their level of involvement with consumer direction.

Approximately 57 percent of AAAs in 2016 reported that they have made progress offering consumer-directed options to clients or have a consumer-directed program in place. When the portion of AAAs that plan to offer consumer-directed options but have not begun are included, the percentage of AAAs demonstrating interest or commitment to this line of work increases to 81 percent. Approximately 20 percent do not plan to work on consumer-directed options or would like to pursue this work but feel they cannot.
AAAs Are Providing an Array of VD-HCBS Services

AAAs involved in VD-HCBS are providing an array of services to support veterans to remain living at home and in the community. The chart below depicts services that are offered by at least one-third of AAAs involved in the VD-HCBS program. The most common services are hands-on services including providing care management (79 percent), developing service or care plans (75 percent) and conducting intakes (60 percent).

Other services offered by at least 20 percent of AAAs that are involved in VD-HCBS, not represented in the chart, include assisting with transitions from nursing home to community (30 percent), providing fiscal intermediary services for self-directed services (27 percent), providing care transitions services (such as transitions between hospital and home or hospital and rehabilitation facilities) (24 percent) and assisting with measuring quality of systems or services (20 percent).

Increase in the Proportion of AAAs with VA Funding

AAAs report a small but steady increase in VA funding, as demonstrated in the next chart. This funding is not necessarily specific to VD-HCBS and may encompass other VA partnerships that AAAs are compensated for by the VA. In 2010 approximately 13 percent of surveyed AAAs reported VA funding. In 2013 this ticked up a percentage point, and by 2015 had increased to 16 percent of AAAs reporting receiving funding from the VA.
AAAs that indicated they have an integrated care initiative were asked specifically how their integrated care work is funded. Nearly 20 percent of these AAAs responded that the VA is a funder of their integrated care work. The VA was the third most common source of integrated care funding behind Medicaid waiver and Older Americans Act and ahead of other sources such as state general revenue, other Medicaid programs and health care payers.

In terms of funding across the AAA (not limited to integrated care), AAAs reported that VA funding was one of the most likely sources of funding to have increased over the last two years. VA funding was the fifth most likely of all funding sources to have AAAs reporting funding level increases (39 percent of AAAs reported increases in VA funding over the last two years). This put VA funding behind funding from health care payers (68 percent of AAAs with this funding reported increases in the last two years). Medicaid (47 percent), Medicaid waiver (46 percent) and fundraising through organizational drives (46 percent). In terms of budget proportions, it should be noted that while
more AAAs report receiving VA funding, VA funding comprises a small portion of their budgets—an average of three percent of the overall AAA budget.

**Case Profile**

Minnesota’s VD-HCBS Program is a partnership between the Minnesota River Area Agency on Aging, Sioux Falls Veterans Health Care System, the Minnesota Board on Aging and the Southwestern Center for Independent Living. This program was initiated through a provider agreement between the Minnesota River AAA and Sioux Falls VA to serve veterans in western MN who received their services across the border in South Dakota. This VD-HCBS program recognized that the disability community had expertise to offer on consumer-direction and contracted with the Southwestern Center for Independent Living (CIL) in Minnesota for the person-centered counseling work.

**Summary**

The Aging Network’s participation in the VD-HCBS program represents a benefit for the nations’ eligible Veterans who receive consumer-directed services to meet their needs, as well as an opportunity for AAAs and others serving veterans. Through the VAs partnership with AAAs, ADRCs and CILs in their communities, veterans have greater access to services and a greater control and empowerment over the services they receive. AAAs also benefit from partnering with the VA on this program—the VA represents a significant funder of integrated care services. AAAs also report seeing funding increases from VA over the last two years, compared to other sources of funding many of which have remained steady or declined over the last two years. Overall, AAAs continue to remain engaged in the VD-HCBS programs and participating AAAs offer an array of services to veterans in their communities to help achieve the ultimate goal of supporting nursing home-eligible veterans to live independently and with choice in their homes and communities.

**Additional Resources**

[Administration for Community Living](#)
[National Resource Center for Participant Directed Services](#)
[Sioux Falls/Minnesota Board on Aging/Minnesota River AAA](#)
Development of this report was made possible, in part, by funding from the U.S. Administration for Community Living under grant number 90UC0001. The views expressed in this material do not necessarily reflect the official policies of the U.S. Department of Health and Human Services or represent official U.S. Administration for Community Living policy.