January 26, 2023

Interviews with Experts on Challenges for States Administering Medicaid Home- and Community-Based Services and Access Barriers for Beneficiaries

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Overview

- Background on home- and community-based services (HCBS)
- Methodology
- Interview findings
- Takeaways and next steps

Background on HCBS

- Designed to support people with an LTSS need to live in their home or a home-like setting and be integrated into the community
  - Includes a wide range of services such as personal care services, supported employment, caregiver support, etc.
- Medicaid beneficiaries who use LTSS are a diverse group
- Over 7.5 million people used Medicaid HCBS in 2019[1]
- Eligibility for Medicaid LTSS depends on financial and functional eligibility criteria

[1]Kim, M., E. Weizenegger, and A. Wysocki. 2022. Medicaid beneficiaries who use long-term services and supports: 2019. Chicago, IL: Mathematica. https://www.mathematica.org/publications/medicaid-beneficiaries-who-use-long-term-services-and-supports-2019.

Statutory Authorities Used for Medicaid HCBS

Type of authority	Authority	Description
Waiver	Section 1915(c)	Allows states to forego certain Medicaid requirements to target HCBS benefits to specific populations, cap the number of beneficiaries who receive these benefits, or create waiting lists for people who cannot be served under the cap.
	Section 1115	Not specific to HCBS, Section 1115 demonstration waiver authority is a broad authority that allows states to test new delivery models.
State plan	Section 1905(a)(24)	Allows states to cover personal care services under the state plan, but does not give beneficiaries using self-direction the authority to manage their own individual service budget.
	Section 1915(i)	Allows states to offer HCBS under the state plan to people who need less than an institutional level of care, the typical standard for Medicaid coverage of HCBS. States can also establish specific criteria for people to receive services under this authority.
	Section 1915(j)	Gives authority for self-directed PAS, providing beneficiaries with the ability to hire and direct their own PAS attendant. States may also give beneficiaries the authority to manage their own individual service budget.
	Section 1915(k)	The Community First Choice option, established in the Patient Protection and Affordable Care Act (P.L. 111-148, as amended) provides states with a 6 percentage point increase in the federal medical assistance percentage for HCBS attendant services provided under the state plan.

Notes: HCBS is home- and community-based services. PAS is personal assistance services.
Source: Sections 1115, 1905(a)(24), 1915(c), 1915(i), 1915(j), and 1915(k) of the Social Security Act.

Methodology

- MACPAC contracted with the Center for Health Care Strategies (CHCS) to conduct stakeholder interviews
- CHCS, and its subcontractor RTI International, conducted 18 interviews between September and November 2022
- Interviewees included federal and state officials, beneficiary advocates representing a range of HCBS populations, and national experts
- Themes from these interviews are summarized in the following slides

Interview Findings

Barriers for Beneficiaries Accessing HCBS

Knowledge Gaps

- Interviewees told us that information on available HCBS options and access to services is lacking, despite state efforts to establish no wrong door systems
  - One issue is lack of training for and high turnover rates among information counselors
- We heard that information on state websites is varied and difficult to navigate, and a lack of accessible information creates more barriers for beneficiaries

Complex Eligibility Requirements

- Interviewees emphasized that navigating different waiver eligibility pathways creates confusion for beneficiaries
- They also said that income and resource eligibility criteria can deter individuals from accessing HCBS
- Interviewees noted that functional and financial assessment processes can result in lengthy eligibility determination
  - In one state, individuals with intellectual and developmental disabilities (ID/DD) have to be determined eligible twice to access waiver services
  - States have been working to link their functional and financial eligibility systems and reexamine their assessment tools

Enrollment Caps and Waiting Lists

- Interviewees said that states can control costs by establishing enrollment caps and waiting lists, but this may create access barriers for beneficiaries
  - One interviewee shared that some individuals with traumatic brain injuries pass away prior to accessing services
  - We heard from interviewees that beneficiaries may apply to several waiver programs to increase their likelihood of accessing HCBS
- Previous MACPAC work found wide variation in wait times to enroll in a waiver
  - Louisiana transitioned from a first-come, first-served basis to a priority-based system for management of its ID/DD waiting list
  - State funding and support from the governor or state legislature are important factors that may help reduce waiting lists

Disparities in Access

- Additional data are necessary to better identify inequities but interviewees shared some examples:
  - **Race and ethnicity.** Response to nursing facility closures differed across communities, where assisted living facilities were established in white communities while communities of color experienced a reduction in services
  - **Geography.** Rural regions have fewer HCBS providers as compared to urban areas
  - **Age.** Individuals supporting care plan development may not engage in person-centered planning for older adults by not accounting for their preferences and needs
  - **Individuals with multiple disabilities.** Beneficiaries who qualify for several waivers may have a hard time finding one that best meets their needs
  - **Assessment tools.** Functional assessment tools may not capture the particular LTSS needs of certain HCBS subpopulations

State Challenges Administering HCBS

Complexity of Administering HCBS

- HCBS can be offered through a range of Medicaid statutory authorities, each with different reporting and renewal requirements
  - One interviewee shared that in some states HCBS waivers are managed by different state agencies
- Several interviewees noted that budgetary constraints limit state efforts to enhance HCBS access

Complexity of Administering HCBS, cont.

- Interviewees suggested several areas to consider when thinking about administrative complexities:
  - **Rethinking the structure of HCBS authorities.** To streamline the process, interviewees suggested consolidating authorities, aligning reporting and renewal requirements, and allowing for tiered benefit packages within Section 1915(c) waiver programs
  - **Increasing HCBS access for individuals with behavioral health conditions.** Explore the association between the institutions for mental diseases exclusion and the provision of HCBS via Section 1915(c) waivers to individuals with behavioral health conditions

Workforce Limitations

Limited state staff capacity

- We heard the need for improved education on HCBS options and the needs of particular subpopulations
- Interviewees pointed to the importance of stakeholder engagement in state HCBS initiatives to generate buy-in

Limited HCBS workforce

- HCBS provider expertise and capacity is limited
- Direct care worker shortage is a barrier to expanding services

HCBS Core Benefit

Feedback on the Concept of a Core Benefit

- Most interviewees expressed general support
  - However, they cautioned that the success of the core benefit depended on benefit design, implementation, and state policy environments
    - One state official expressed apprehension related to current state staff capacity to implement a new benefit
- Some interviewees were more ambivalent
  - Raised concerns related to design and implementation, and if the core benefit would create further complexity
- Nearly all interviewees agreed that for a core benefit to have an effect on streamlining complexity or increasing access to HCBS it would need to be mandatory

Considerations for the Development of a Core Benefit

- **Standard set of services.** Interviewees generally supported a standard benefit design across states, with one set of services for all beneficiaries
  - On the other hand, state officials expressed value in design flexibility
- **Service inclusion criteria.** Interviewees suggested that services should promote person-centeredness, community integration, and focus on outcomes
- **Core benefit as a tiered budget-based model.** Interviewees mostly expressed support for a budget based-model, with the core benefit as the first tier and additional tiers based on per capita amounts

Considerations to Operationalize a Core Benefit

- **Workforce availability.** A primary concern of states in expanding access to HCBS is workforce shortages
- **Increased financial support.** Interviewees shared that states would need additional federal support, particularly if the benefit was mandatory
  - Low take-up of Section 1915(k) may suggest states require greater support
- **State capacity.** States may have difficulty enhancing current infrastructure to accommodate new enrollees
- **Time.** States would need time to engage stakeholders and secure funding from their state legislatures
- **Beneficiary supports.** Beneficiary supports should be considered to help avoid disparities in access, such as providing options counselors

Takeaways and Next Steps

Takeaways

- Beneficiaries may face barriers trying to access HCBS
  - Due to lack of awareness about HCBS options, complex eligibility requirements, lengthy eligibility determinations, and state enrollment caps and waiting lists
- States experience challenges administering HCBS
  - Primarily related to management of several HCBS programs, limited state staff capacity, and HCBS worker shortages
- Interviewees had mixed responses to the concept of a core benefit
  - Most agreed that it would need to be mandatory, states would require additional federal financial support, and states currently have limited capacity to implement new initiatives

Next Steps

- Areas of future work:
  - Descriptive chapter for the June report
  - Additional work to better understand the complexities of the HCBS system for beneficiaries
- Staff would appreciate Commissioner feedback on areas of focus for the June chapter, as well as our planned work

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