

# This Moment in HCBS History

A National Overview  
Alliance Summit – Breckinridge, CO  
September 16, 2021



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# Biden's Two-Part Infrastructure Plan

## Part 1: Traditional infrastructure

e.g., bridges, roads, broadband, etc.



## Part 2: Human Infrastructure

e.g., climate, health and social priorities



# The Human Infrastructure: American Jobs Plan ~ \$400B Proposal for HCBS

- President **Biden's plan** will expand access to home and community-based services (HCBS)
- Create an “infrastructure” under which caregiving jobs pay higher wages,



# Advocacy: Care is Infrastructure

- ANCOR advocates to equitably fund Medicaid HCBS while holding existing Medicaid funded programs harmless.
- ANCOR advocates to utilize the \$400B to
  - improve DSP wages/recruitment/retention and
  - work to eliminate waitlists for those needing services or are underserved.
- ANCOR has and continues participation in multiple stakeholder groups.



# Better Care Better Jobs Act: A Historic Investment in the Care Economy

- Federal Medical Assistance Percentage (FMAP) increase/bump of 10%.
- An additional 2% FMAP bump...for 12 months...
- States receive \$100 million for planning
- Assures a review of rates every 2 years
- Medicaid authorities continue to receive the current +10 percent HCBS FMAP bump (\$12.7 billion) for the entire planning period

# Why is this so critical???





# Our Workforce Crisis



# 2020 DSP Survey:

- Fielded for a five-week period beginning in February 2020
- 805 responses across the nation
- Data indicating:
  - The quality and availability of services for people currently leveraging community-based long-term services and supports.
  - The prospects of minimizing the number of people on states' waiting lists for Home and Community Based Services (HCBS). This is specifically compelling given that the Kaiser Family Foundation reports there were nearly 590,000 people on states' HCBS waiting lists as of 2019.
  - The fiscal impact of the direct support workforce crisis, including costs associated with overtime, training and onboarding, and more.



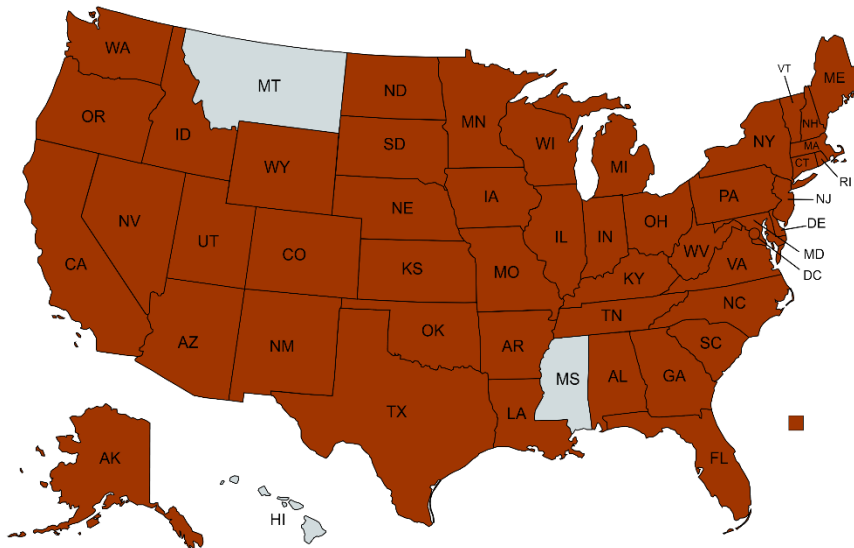
# Just for you...



**SNEAK  
PEEK**

# 2021 Survey Respondents

- Survey responses solicited August 6-September 8, 2021
- 449 verifiable respondents
  - 488 total responses
  - 39 duplicate or invalid responses
- Number of 2021 respondents was 55.8% of 2020 survey ( $n = 805$ )



# FACT: 66% of Providers are Turning Away New Referrals 2020

Two-thirds of the 805 respondents indicated that they had turned away or stopped accepting new referrals due to insufficient staffing.

Many respondents turned away referrals for people with higher support needs (medical, behavioral, etc.) or those that require 1:1 staffing.

**In 2021: That number jumped to 77%**

# FACT: 34% of Providers are Discontinuing Programs and Services

Fully one-third of respondents indicated that they had discontinued programs or service offerings due to insufficient staffing.

Several respondents have waiting lists for services due to a lack of staff. Even with approved services and sufficient program capacity, many people lack support because there's no one to support them.

**In 2021: That number jumped to 58%**

# FACT: 65% of Providers are Delaying the Launch of New Programs or Services

Just under two thirds of respondents indicated that they had delayed the launch of new programs or service offerings due to insufficient staffing.

Individual choice is significantly hindered due to lack of staff when providers can't launch new services.

**In 2021: That number jumped to 84%**

# FACT: 69% of Providers are Struggling to Achieve Quality Standards

Nearly 7 in 10 respondents indicated that they had experienced difficulties in achieving quality standards due to insufficient staffing. In some cases, compliance with the final HCBS Settings Rule is at stake.

As a result, hiring standards are forced to be lower, and people leveraging supports have limited choice when it comes to who they live with and where.

**In 2021: That number jumped to 81%**



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# FACT: 40% of Providers are Seeing Higher Frequencies of Reportable Incidents

Four in 10 respondents indicated that they had experienced higher frequency of reportable incidents due to insufficient staffing.

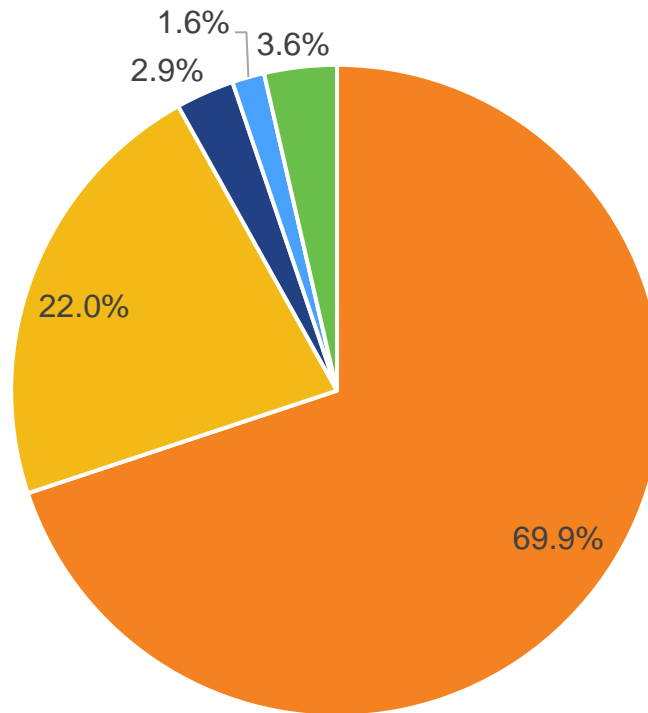
In a constant cycle of hiring and orientation, provider organizations struggle to focus on quality because too many of their resources are directed to onboarding and required training.

**In 2021: That number increased to 41%**



# New in 2021: Lingering Effect of COVID-19

**92% of respondents** said they “agreed” or “strongly agreed” that the pandemic continues to significantly impact recruitment and retention.



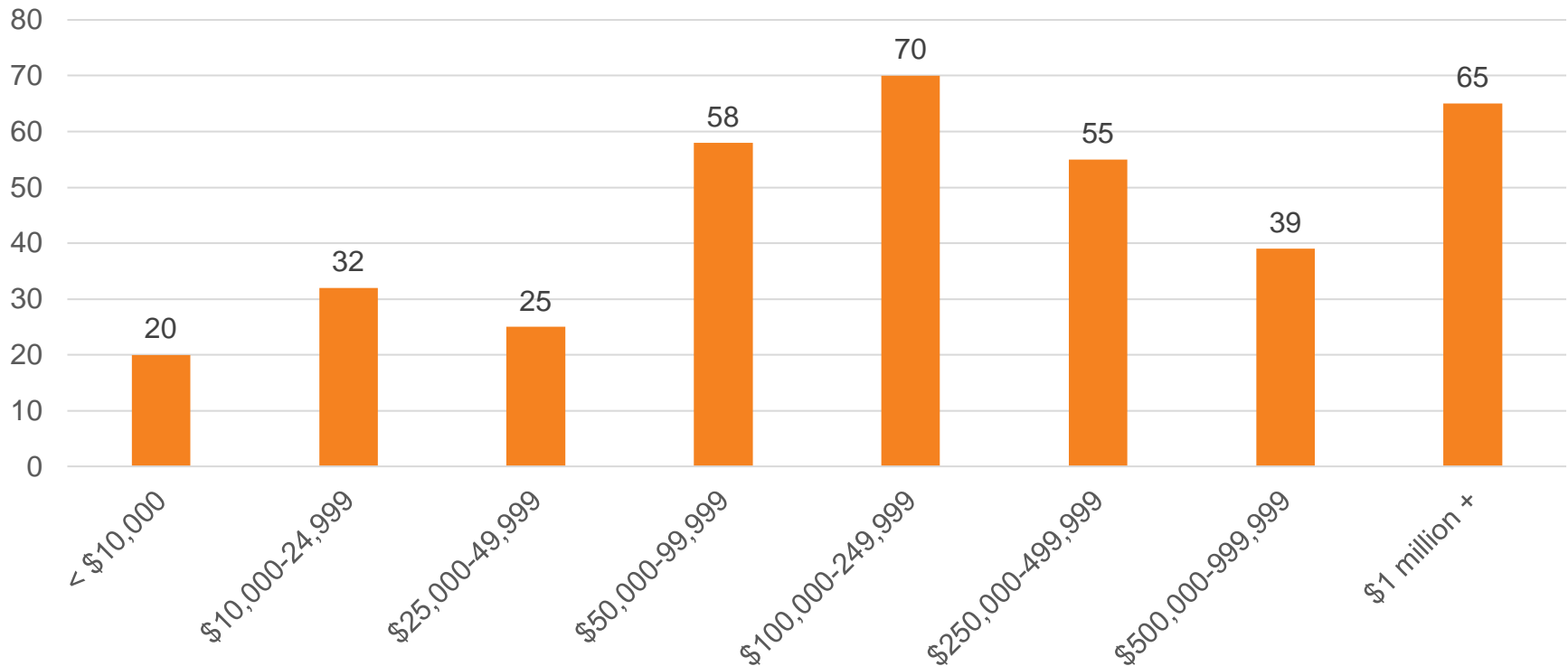
# New in 2021: Impact of Ongoing Pandemic

Which of the following do you perceive to be contributing to ongoing pandemic-related recruitment and/or retention challenges?

- 92.5% indicated “Industries that previously paid comparable wages now pay employees more than my organization can afford to do.”
- 86.2% indicated “DSP wages are lower than income provided by unemployment or other state or federal safety net benefits.”
- 47.7% indicated “DSPs who left their positions temporarily due to the pandemic are not yet able to return (e.g., because their children’s schools remain closed, because of fear of contracting COVID-19, etc.).”
- 18.6% indicated “DSPs who were transferred from day programs to residential settings prefer to continue working in these settings.”

# New in 2021: Financial Costs

**Nearly 3 in 10 respondents (29%)** reported spending more than \$500,000 annually in costs related to high turnover & vacancy rates.



# Hard story to tell.....



## ...but if not now.....WHEN?

# Now....back to Congress!



# Updates:

**Last month, the Senate passed the bipartisan hard infrastructure bill**



**Also last month....**

**The Senate began the budget resolution process and quickly recessed. \$3.5T**





**And then...**

**House passed \$3.5T reconciliation bill!**



# Congress' September To Do List:

- **Want to do:** Committee markups of the human infrastructure bill by 9/13
- **Must do:** funding the government to avoid a shutdown by 9/30
- **Need to do:** House floor vote on the Senate passed bipartisan infrastructure bill by 9/27
- **Want to do:** Democrats want to address the federal debt limit so they can focus on the reconciliation bill.

# So how's it going?



# The Energy & Commerce Committee released a Fact Sheet with topline number of \$190B for HCBS

## ■ Key differences:

- The HCBS FMAP bump for each quarter was reduced from 10 percentage points to 7 percentage points;
- The maintenance of effort provision now includes specific direction to supplement not supplant, including prohibition against reducing payment rates for HCBS;
- Nurses have been included in the definition of "direct care worker";
- The requirement for reimbursement rate review was expanded from every 2 years to every 3 years; and
- The benchmark for demonstrating improvement criteria requiring "evidence that a majority of direct care workers receive competitive wages and benefits" was removed

# The latest:

- Neither Committee passed any amendments offered by Republicans to the titles that passed. All titles passed, except for drug pricing in the Energy & Commerce Committee.
- House Democrats came into the month intending to move the reconciliation package and the bipartisan infrastructure package in tandem by the end of September. That timeline was exceedingly hopeful to begin with, but now seems unlikely given the challenges Democrats have seen on display in the Energy & Commerce Committee. We see reconciliation moving into October.
- Democrats must now pivot to the continuing resolution as that has a very real September 30<sup>th</sup> deadline.
- House action on the bipartisan infrastructure is unclear as well.

# Next hurdle:



# What can we do?

- Continue advocacy, calls & Action Alert!
- Tell your stories
- Talk about why this investment matters to Coloradans
- We need the full \$400B to accomplish the President's Promise
- Need AT LEAST \$250B (Senate)



# Registration is open!





# Thank you!

Shannon McCracken, Vice President of Government Affairs



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