

Support Base Wage and Targeted Provider Rate Increases

BACKGROUND

Services for people with intellectual and developmental disabilities (IDD) are primarily delivered through Medicaid Home and Community-Based waiver programs by a network of community providers. Program Approved Service Agencies (PASAs, or provider agencies) provide direct waiver services to support a variety of needs, including daily personal care (help with bathing, toileting, etc.), finding a job, taking care of the home, behavioral supports, participating in the community, and much more. Community Centered Boards (CCBs) currently provide case management as well as direct waiver services in most areas of the state.

PROVIDER RATES

The Governor's proposed FY 23-24 budget would build on base wage increases for Direct Support Professionals (DSPs), the workers who provide services directly to people with IDD. It would also provide critical targeted increases for Group Residential Services and Supports and Non-Medical Transportation, services which have experienced disproportionate hardship due to pandemic challenges and increased transportation costs.

Alliance strongly supports these proposals and Health Care Policy & Financing's approach to target those services most in need for rate increases. While many services need additional funding to be truly sustainable, we have identified two sets of services for which additional targeted increases are urgently needed this year:

Behavioral Supports: Through a variety of distinct services available through waivers and the Medicaid state plan, people with IDD can access the supports they need to help with anxiety, depression, and improved adaptive functioning. Families express increased need for these supports as they cope with lingering pandemic impacts. At the same time, providers report having waiting lists for these services due to their inability to hire and retain staff, cutting back their programs, and even closing their doors. Five behavioral provider agencies have left the state in the past year, and many more report limiting the number of Medicaid members they can serve due to discrepancies between Medicaid reimbursement and commercial insurance rates.

Massage, Music, and Movement Therapies: Massage therapy supports beneficial physiologic, mechanical, and/or psychological changes. Music and Movement therapies include music and dance therapy for the development and maintenance of behavioral, developmental, physical, social, communication, and/or gross motor skills. Providers report severe staffing shortages due to losing staff to hospitals and other employers who can afford to pay significantly more. One of only a handful of metro-area music therapy providers recently closed their doors entirely due to an inability to hire and retain staff. Because there are so few music therapy providers serving the Medicaid population, finding alternative providers has been a challenge for the people previously served by this provider. Other providers anticipate reductions and possible closure if rates are not significantly increased.

The Governor's budget proposal includes only a .5% increase for these services. Given the increasing closures and costs for these providers, additional increases are immediately needed to sustain services for Coloradans with IDD.

THE SOLUTION

The General Assembly should:

- Approve proposed targeted rate increases for base wages, Group Residential Services and Supports, and Non-Medical Transportation
- Provide additional rate increases for Behavioral Supports and Massage, Music, and Movement Therapies