

TALKING POINTS: IMPROVE REIMBURSEMENT FOR IN-HOME & CDS

Home based care is the lowest, most cost-effective setting of care versus a nursing home or hospital stay. As the Medicaid system grapples with high costs and expenditures, home care's efficiency could support the goal of high-quality, patient centered low-cost care.

- **In-Home and CDS providers will NOT benefit from Medicaid Expansion** (*see attached for details*).
- Data shows that on average, one months' worth of HCBS costs less than 1 day in the hospital. (average cost per day/per person in hospital = \$2,000; average cost per month/per person of HCBS = \$992.92).
- Communicate the value and cost-effectiveness of home and community-based services. It is the most cost-effective option for Missouri seniors and disabled. (FY21 projected annual cost: HCBS = \$11,915; Nursing Home = \$42,254)
- Unnecessary ER visits and Hospital readmissions is a nationwide epidemic. HCBS providers are sought out by hospitals to help alleviate this costly issue.
- From the onset of the coronavirus outbreak, home care workers have been on the frontlines providing care in people's homes, not only the safest and most cost-effective location, but their preferred setting!
- **Recent minimum wage increases have resulted in an unsustainable challenge for providers without increased reimbursement - Low reimbursement equals workforce shortage and high staff turnover.**
- The average rate increase for HCBS providers since 2000 (20 years) has been 2%/year!
 - Stagnant and fluctuating rates (minimal increases and then reductions and withholds) prove difficult for providers to maintain when any rate increase was used to:
 - increase direct caregiver wages
 - help offset the unfunded EVV mandate implemented in 2015 and the Federal 21st Century Cures Act additional EVV location requirement
 - assist in paying travel time and overtime due to the repeal of the companionship exemption also in 2015
- Every year clients and consumers of HCBS have more complex care needs which only increases costs. In state fiscal year 2018, providers saw a decrease in rates that took them back to FY14 rates, however, the providers cost of doing business and providing needed care did not change. **Currently providers are working on FY17 rates!**
- Discuss the additional cost factors unique to Home Care (gas, mileage, drive time, overtime, EVV, workers comp) and the unknown impact resulting from the new Level of Care determination tool.
- Discuss the ongoing struggle home care providers face due to staff shortage and high turnover which adds to the high training and recruiting costs.
- Responsibility for adapting to the cost of new policies/regulations should not fall entirely on individual home care agencies.
- **The Governor's FY22 budget recommendations include targeted market-based provider rate adjustments (*Mercer Rate Study*); however, any increases are solely funded off the backs of other HCBS providers and does not take minimum wage expenses into account. No new monies are provided!**
- It's not all about the money - Seniors have worked all their lives and deserve the right to live and receive care in the least restrictive setting.
- Most have no family support. Who will help them?

Medicaid Expansion WILL NOT Benefit Home & Community Based Providers

Additional funding is necessary to sustain and protect HCBS services. HCBS providers **WILL NOT** see an opportunity for an increase in providing services to the expanded population.

MO Expansion Population Details Related to HCBS:

- Participants are not eligible for Expansion if they have Medicare.
- Expansion coverage will not include CDS or waivers services – only state plan agency model.
- **The only group that would benefit from switching to expansion managed care plan would be those that have state plan agency model only and a spenddown.**
 - A very small percentage of HCBS population is authorized for only state plan agency model and do not have Medicare (around 4,700)
 - For those individuals, an even smaller number have a spenddown. No Medicare (of any kind) and has spenddown = 87 participants