

NACDD Position Statement with Policy Recommendations Medicaid

Medicaid is a major funding source of long term services and supports. However, the level of state funding and scope of services each State chooses to offer varies greatly. Nationally, the demand for community-based Medicaid long term services and supports is growing and has surpassed the demand for Medicaid-funded institutional services. The Medicaid program must be improved to support the preference for community-based services over institutional services. Other aspects of the Medicaid program also must be reformed to support people who cannot afford or access private long term services and supports independently.

People with developmental disabilities need comprehensive publicly-funded healthcare and services and supports that enable them to live in their own homes rather than institutions and participate in their communities. NACDD believes that any existing entitlement to Medicaid must be protected and essential community-based long term services and supports be available to Medicaid beneficiaries.

Policy Recommendations

NACDD recommends the following policy initiatives:

Overall

- Urge the federal government to take the lead in developing a coordinated, comprehensive approach to healthcare and home and community-based long term services and supports under Medicaid;
- Maintain a full range of Medicaid healthcare and home and community-based long term services and supports for all eligible children and adults with disabilities;
- Oppose changes to Medicaid that eliminate basic protections for eligible individuals with developmental disabilities;
- Support an increase in federal Medicaid funding while ensuring that states maintain their level of fiscal effort.

Eligibility

- Encourage state implementation of the Medicaid buy-in option for families of children with disabilities who cannot access private health insurance that meets their needs;
- Encourage full implementation of options to establish state Medicaid buy-in programs for people with disabilities who are employed;
- Encourage state implementation of the TEFRA “Katie Beckett” option, through which States exclude family income in determining children with significant disabilities eligible for Medicaid coverage of home and community-based services and supports that would otherwise be provided for those children in institutional settings;

- Ensure that Medicaid eligibility rules and processes do not place undue burdens on applicants and beneficiaries who do not have access to birth or other required documentation;
- Revise Medicaid policy so that individuals are not forced to become impoverished in order to obtain needed services.

Benefits

- Prohibit implementation of policies that limit or eliminate services;
- Ensure that Medicaid-eligible children with disabilities continue to obtain health-related Medicaid services during the school day and receive necessary transportation to those services;
- Protect the entitlement to the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) program and support sanctions against states that fail to properly implement it;
- Require the Centers for Medicare and Medicaid Services (CMS) to issue guidance to states that will result in expanded coverage of appropriate assistive technology for Medicaid beneficiaries;
- Ensure Medicaid reimbursement for a 30-day emergency supply of medication in anticipation of potential disasters, epidemics, or other emergencies;
- Support the continuation and expansion of habilitation services under the Medicaid rehabilitation option and ensure that people with developmental disabilities have supports, services, and training available to teach them to achieve self-determination and increase independence, productivity, and full citizenship through greater mental, physical, and social development.

Home and Community-Based Services (HCBS)

- Adopt a “community first” policy within Medicaid to mandate home- and community-based services and to require a waiver to provide new services in large institutions;
- Change Medicaid policy so that consumers and families can better exercise control over resources to more fully meet their individual needs;
- Ensure the full implementation of the Community First Choice Option which allows states to provide comprehensive community-based services that includes an incentive of increased federal matching funds;
- Ensure full implementation of the amended Section 1915(i) Medicaid state plan option for home and community services that allows states to serve people who do not yet need an institutional level of care;

- Ensure full implementation of all long term services provisions and expansions included in the Affordable Care Act (ACA)¹ to meet the needs of people with disabilities, including the state rebalancing provisions, expansion of the Money Follows the Person demonstration program, expansion of the Aging and Disability Resource Centers, and the spousal impoverishment provisions;
- Reject efforts to block ACA implementation via budget, appropriations or continuing resolution process;
- Revise Medicaid law and policy to require states to serve all federal Medicaid eligible people with developmental disabilities and not a subset of the population under home and community based services (HCBS) ;
- Ensure that people with disabilities using HCBS waiver or optional services may live in settings of their choice that are integrated in the community rather than segregated or limited primarily or exclusively to people with disabilities;
- Enact a requirement that states provide community attendant services and supports;
- Reform current Medicaid Home and Community Based Services waiver (HCBS) and State Medicaid plan Section 1915(i) option to promote competitive, integrated employment;
- Ensure that enhanced habilitation services, including “prevocational” services (which teach such concepts as attendance, task completion, problem solving, and safety) are provided on the basis of identified individual need and reject any efforts to impose arbitrary time limits on the provision of such services; and
- Remove the institutional bias in Medicaid by providing a greater financial incentive for supporting individuals in the community and by separating the eligibility for HCBS from that of institutions.

Reimbursement Rates

- Establish an increased Federal Medical Assistance Percentage (FMAP) for home and community-based services;
- Ensure that states set and update reimbursement rates annually so that they reflect the actual cost of providing Medicaid funded services and supports, particularly adequate wages and benefits for direct support workers;
- Ensure that states increase, and annually update, reimbursement rates and fees for health practitioners and clinical specialists to reflect the cost of providing services;
- Require that Medicaid managed care programs that provide primary, acute and long term care are based on individual needs and informed choices as determined by the individuals

¹ The Patient Protection and Affordable Care Act (Public Law 111-148) as modified by the Health Care and Education Reconciliation Act (Public Law 111-152), commonly referred to collectively as the Affordable Care Act or the ACA.

and their doctors and include appropriate consumer protections and enforceable quality standards;

- Maintain the prohibition against the mandatory placement of children with disabilities into Medicaid managed care without an approved waiver; and
- Ensure effective quality assurance mechanisms, oversight, and enforcement of state implementation of Medicaid-funded long term services and supports, ensuring the involvement of people with developmental disabilities and their families in state quality assurance systems.