



## 1915(c) Home and Community Based Services Waivers: Appendix K Service Summary and Utilization Data Report

**Kentucky Department for Medicaid Services**

August 2021

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# BACKGROUND

## What is Appendix K?

Appendix K is the emergency preparedness and response portion of the 1915(c) Home and Community Based Services (HCBS) waiver application. States may utilize this standalone appendix during emergencies to request amendments to an approved waiver. It includes actions that states can take under the existing Section 1915(c) HCBS waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.

This appendix may be completed retroactively as needed by the state. The Centers for Medicare and Medicaid Services (CMS) approved Kentucky's original Appendix K submission from March 6, 2020, to March 5, 2021. Kentucky's second Appendix K submission is approved from March 6, 2021, until six months after the declared end of the federal public health emergency. This will allow for a transition period back to normal operations.

# KENTUCKY'S APPENDIX K FLEXIBILITIES

The temporary updates in Appendix K are designed to help 1915(c) HCBS providers and participants cope with changing service needs due to the COVID-19 pandemic and to address and/or prevent participant health and welfare issues. Kentucky's approved flexibilities include:

- Adjustments to service limits, such as increases on the amount and/or duration of some services
- Increased rates for residential providers serving participants who are experiencing behavior changes, increased support needs, or who are staying in the residence 24-hours per day due to the COVID-19 pandemic
- Addition of home delivered meals to all waivers, except Model II Waiver (MIIW)
- Allowing telehealth services
- Waiving the immediate family member approval process for participant directed services (PDS)
- Allowing employees to start work while background and screening results are pending
- Adding community mental health centers as PDS case management providers in the Home and Community Based (HCB) waiver
- Allowing waiver services in hospital settings when the hospital is not able to meet the individual's non-medical support needs
- Allowing an extra unit of case management for participants with increased support needs or who need assistance securing a COVID-19 vaccination appointment

# APPENDIX K UTILIZATION

The following statistics provide details service utilization and paid claims by waiver between March 2020 and June 2021. It is important to note some participants chose not to utilize services during this period to reduce their chance of exposure to COVID-19. The average paid per member per month is inclusive of all services even Appendix K.

## Acquired Brain Injury – Acute (ABI)

Current Total Waiver Enrollment: 364

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### Average Number of Individuals Who Utilized Services

- 247

### Number of Individuals Who Utilized Appendix K

- 197

Total Enrolled and Accessing Services Pre-Pandemic: 263

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### Average Amount Paid Per Member, Per Month Pre-Pandemic (2019)

- \$8,112

### Average Amount Paid Per Member Per Month During Pandemic

- 2020: \$7,047
- 2021: \$8,240

## ABI Long-Term Care (ABI LTC)

Current Total Waiver Enrollment: 407

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### Average Number of Individuals Who Utilized Services

- 306

### Number of Individuals Who Utilized Appendix K

- 158

Total Enrolled and Accessing Services Pre-Pandemic: 286

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### Average Amount Paid Per Member, Per Month Pre-Pandemic (2019)

- \$6,203

### Average Amount Paid Per Member Per Month During Pandemic

- 2020: \$5,637
- 2021: \$6,713

## Home and Community Based (HCB)

Total Waiver Enrollment: 13,674

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### Average Number of Individuals Who Utilized Services

- 10,578

### Number of Individuals Who Utilized Appendix K

- 3,621

Total Enrolled and Accessing Services Pre-Pandemic: 10,652

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### Average Amount Paid Per Member, Per Month Pre-Pandemic (2019)

- \$1,189

### Average Amount Paid Per Member Per Month During Pandemic

- 2020: \$1,162
- 2021: \$1,488

## Michelle P. Waiver (MPW)

Current Total Waiver Enrollment: 10,467

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### Average Number of Individuals Who Utilized Services

- 9,944

### Number of Individuals Who Utilized Appendix K

- 242

Total Enrolled and Accessing Services Pre-Pandemic: 10,118

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### Average Amount Paid Per Member, Per Month Pre-Pandemic (2019)

- \$2,657

### Average Amount Paid Per Member Per Month During Pandemic

- 2020: \$1,728
- 2021: \$2,623



## Supports for Community Living (SCL)

Current Total Waiver Enrollment: 4,858

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### Average Number of Individuals Utilizing Services

- 4,775

### Number of Individuals Who Utilized Appendix K

- 3,219

Total Waiver Enrollment Pre-Pandemic: 4,833

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### Average Amount Paid Per Member, Per Month Pre-Pandemic (2019)

- \$6,353

### Average Amount Paid Per Member Per Month During Pandemic

- 2020: \$5,286
- 2021: \$6,414

## Total Paid by Waiver by Calendar Year

Waiver	Total Paid: 2019	Total Paid: 2020	Total Paid: 2021
ABI	\$26,780,931	\$27,451,228	\$10,791,344
ABI LTC	\$23,491,319	\$26,316,460	\$11,014,800
HCB	\$159,472,370	\$193,742,500	\$84,447,494
MPW	\$342,560,987	\$334,688,011	\$124,691,581
SCL	\$387,182,546	\$380,518,410	\$150,174,376

\*\* Includes payments for all services including Appendix K

## Total Paid for Each Service in Appendix K

Service	Total PD Mar 2020- June 2021	Programs
Case Management	\$621,490	All except MWII
Personal Care/Home Services	\$635,395	All except MWII
Home Delivered Meals	\$6,208,785	All except MWII
Residential	\$195,045,768	ABI, ABI LTC, SCL

## Conclusion

The flexibilities allowed in Appendix K have helped support 1915(c) HCBS waiver providers and given participants access to additional services, however, simply incorporating the flexibilities from Appendix K into waiver redesign efforts will not solve the rate and workforce issues going forward. We have learned valuable lessons and have incorporated some changes based on Appendix K in the recent HCB waiver renewal. We plan to include these changes in the other waivers either through redesign or at each waiver's designated renewal date. All changes will require waiver application and Kentucky Administrative Regulation updates. In regards to residential services, providers indicated they appreciated the enhanced rate of up to 1.5 times the allowable rate, however, this increase was reactive to the pandemic and not based on typical provider costs or person-centered needs. Medicaid believes rates need to be based on objective data that includes an evaluation of provider operating costs, specific regional trends, and cost to serve participants based on their individual needs, available supports, and person-centered service plan.