



Findings & Recommendations Memorandum

**1915(c) Home and Community Based
Services Waiver Redesign Task Force**

December 15, 2021



Finding #1

Kentucky currently operates six 1915(c) Home and Community-Based Services (HCBS) waivers to provide care, services, and supports to approximately 26,000 individuals with disabilities. The alternative to providing these services in the home or community is institutionalized care.



Finding #2

Providing needed services in a home or community-based setting is more cost effective than providing similar care in an institutionalized setting, but Kentucky spends significantly less than the national average on HCB Services. A 10% increase in the FMAP for HCB services through March 2022 will result in approximately \$499 million in additional federal funding for Kentucky's waiver services.



Finding #3

More than 10,000 eligible Kentuckians with an intellectual or developmental disability are waiting for waiver services. Two of Kentucky's six 1915(c) waivers, the Michelle P waiver and the Supports for Community Living waiver, have extensive, multi-year waitlists.



Finding #4

There is a well-documented direct support professional and 1915(c) waiver workforce crisis. Low funding for wages combined with the emotionally demanding nature of supporting and caring for individuals with a disability has made recruitment and retention of a qualified workforce nearly impossible for waiver service providers.



Finding #5

Overly burdensome administrative regulations impact the efficiency of service delivery and often create unfunded mandates for service providers.



Finding #6

The policy recommendations put forth by the 2020 Exceptional Support Waiver Services Task Force have not been implemented. The findings and recommendations of this previous task force are still valid and have been reaffirmed by the work of this task force.



Recommendation #1

Prioritize implementation of the recommendations of the 2020 Exceptional Support Waiver Services Task Force as presented to the Legislative Research Commission in a memorandum dated November 23, 2020.



Recommendation #2

In the 2022-2024 Biennial Budget bill, appropriate sufficient funds to accomplish the following:

- a. Maintain current funding levels for SCL Residential Level 1 and ABI Residential services by making permanent the 50 percent rate increase authorized under Kentucky's Appendix K emergency preparedness and response amendments, without day service attendance exclusions, after the expiration of Appendix K;**
- b. Implement a 25 percent increase to reimbursement rates for all 1915(c) waiver services with the exception of SCL Residential Level 1 and ABI Residential services; and**
- c. Increase DSP wages.**



Recommendation #3

Enact legislation similar to HB564, which was vetoed by the Governor during the 2020 Regular Session, to establish a definition of “attendant care” and to require that attendant care be an available service in all 1915(c) waivers.



Recommendation #4

Enact legislation to establish crisis residential services within the SCL waiver and appropriate sufficient funds for these services.



Recommendation #5

Enact legislation to establish an SCL waiver service for participants with long-term support needs while also retaining an overhauled exceptional support system. Such legislation should, at a minimum:

- Establish criteria for individuals whose support needs are greater than what can be provided in SCL Residential Levels 1 and 2;**
- Establish long-term crisis services for SCL waiver participants; and**
- Retain the current exceptional supports system to be used exclusively for short-term crisis stabilization and transition.**



Recommendation #6

Enact legislation directing the Cabinet for Health and Family Services to assist waiver service providers with the costs associated with onboarding employees including required background checks and drug screenings.



Recommendation #7

Include language in the 2022-2024 Biennial Budget bill directing the Cabinet for Health and Family Services to coordinate with relevant stakeholders to implement the following:

- Regular cost of living adjustments to all waiver service reimbursement rates;**
- Regular wage analysis; and**
- Funding to support a robust and qualified workforce and true person-centered care.**



Recommendation #8

Direct the Cabinet for Health and Family Services to prepare and submit a Medicaid waiver application to establish a Serious Mental Illness waiver that includes at least the following services:

- **Supported housing;**
- **Medical respite care; and**
- **Supported employment.**



Recommendation #9

Direct the Cabinet for Health and Family Services to study SCL exceptional supports and the potential impacts of long-term crisis transition services and require the cabinet to provide its results to the Interim Joint Committee on Health, Welfare, and Family Services no later than November 30, 2022.



Recommendation #10

Direct the Cabinet for Health and Family Services to implement a training program for individuals and families who use self-directed services. Such a training program should, at a minimum, include:

- Training on the duties and responsibilities of self-directed services;**
- Training on relevant employment laws; and**
- Training on proper documentation.**



Recommendation #11

Direct the Cabinet for Health and Family Services to study the impact and effectiveness of the Family Home Provider service in the ABI and ABI Long-Term Care waivers and require the cabinet to provide its results to the Interim Joint Committee on Health, Welfare, and Family Services no later than November 30, 2022.



Recommendation #12

Direct the Cabinet for Health and Family Services to ensure continued access to cognitive rehabilitative services and continuity of care for those living with brain and spinal cord injuries and to expand the ABI and ABI Long-Term Care waivers to include:

- **Medically complex and neurobehaviorally challenged individuals;**
- **Specialized behavioral health services; and**
- **Risk-adjusted rates for services.**



Recommendation #13

Direct the Cabinet for Health and Family Services to seek federal approval to maintain all Appendix K amendments and flexibilities provided throughout the COVID-19 pandemic to ensure that waiver services providers have the ability to adequately address individuals' evolving needs in a post-pandemic environment.



Recommendation #14

Direct the Cabinet for Health and Family Services to develop a strategy to significantly reduce or eliminate the Michelle P. waiver and SCL waiver waitlist and require the cabinet to present this strategy to the Interim Joint Committee on Health, Welfare, and Family Services no later than November 30, 2022.



Recommendation #15

Direct the Cabinet for Health and Family Services to develop a plan for transitional services and to maintain continuity of care as individuals move from one waiver to another, particularly when waivers have waiting lists for new enrollees.