

Kansas Department of

Social and Rehabilitation Services

Gary J. Daniels, Acting Secretary

**Long-Term Care Services Task Force and
Legislative Budget Committee**

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**Home and Community Based Services
(HCBS) Waivers**

Health Care Policy

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Home and Community Based Services (HCBS) Waivers

Chairmen Morris and Salmans and Committee members, I am Margaret Zillinger, Director of Community Supports and Services, Department of Social and Rehabilitation Services (SRS). I am pleased to present information regarding the Medicaid Home and Community Based Services (HCBS) waivers managed by SRS, the services they fund, the number of persons waiting for services, the estimated costs of eliminating those waiting lists, and how the waivers are funded.

Persons served by HCBS waivers have been determined eligible to be served in an institution such as a nursing facility, acute care hospital, or intermediate care facility for persons with mental retardation. These Waivers from the Centers for Medicare and Medicaid allow the services these persons need to be funded and provided in their home and community. SRS manages the following five home and community-based services waivers for:

- Persons with developmental disabilities (DD),
- Persons with physical disabilities (PD),
- Persons with traumatic brain injuries (TBI),
- Children who require medical technology for life functions (TA), and
- Children with a serious emotional disturbance (SED).

PD Waiver

Currently 4,650 persons are budgeted to be served through the PD Waiver. This is an increase of 955 persons since March 2004. This increase in persons served was achieved using additional new funds recommended by the Governor and approved by the legislature for FY 2004 and FY 2005. In addition, FY 2004 funds not used by the PD Waiver were requested to be re-appropriated to FY 2005. These re-appropriated funds have also been used to add even more persons to the PD Waiver.

Currently, the PD Waiver waiting list is 603. As existing persons leave the PD Waiver new persons from the waiting list are added to services thereby maintaining the average number of persons served at 4,650. This management approach is called a "rolling waiting list." However, the number of new persons requesting PD Waiver funded services is exceeding the number that can be added through this rolling waiting list approach. As a result, when the FY 05/06 budget request was developed it was estimated that the PD Waiver waiting list would reach 741 persons by the end of FY 2005. To address this waiting list, SRS has requested an enhancement of \$11,527,000 all funds (\$4,500,000 SGF) to serve all of these individuals. Based on the pace of recent requests for services the final number of persons who will be waiting for services at the

end of FY 2005 may be higher.

DD Waiver

Currently 6,334 persons are reported as being served through the DD Waiver. This is an increase of 100 persons since March 2004. The plan is to serve an additional 364 persons in FY 2005 using additional funds recommended by the Governor and approved by the legislature and some funds re-appropriated from FY 2004 savings, similar to what occurred with the PD Waiver. However, this plan has not yet been implemented while we evaluate whether or not FY 2005 and 2006 funds are sufficient to support the cost of the plan. Community Developmental Disability Organizations are working closely with us to evaluate the situation. We hope to come to a final determination in the near future.

Currently 1,075 persons are waiting for community DD services. Once the 364 additional persons are added to services as planned, this number will be significantly reduced. However, like the PD Waiver, new persons in need of services are applying to the DD Waiver regularly. To address this growing waiting list, SRS has requested an enhancement of \$32,275,000 all funds (\$12,600,000 SGF) in its FY 2006 budget submission to serve the 996 persons projected to be waiting for services at the end of FY 2005. Current data seems to indicate this is a reasonable estimate.

There are reported to be 1,495 persons who are not receiving all of the services they need through the DD Waiver. The cost of providing additional services to these underserved individuals was estimated in March 1, 2004 to be \$24,340,465 all funds (approximately \$10,088,942 SGF.)

TBI Waiver

Currently about 160 persons are being served through the TBI Waiver. This is an increase of 40 persons above the number that was served in FY 2004. This increase was achieved through utilization of additional funding approved by the 2004 legislature. Currently no persons are waiting for TBI Waiver funded services.

TA Waiver

Forty-five persons (45) are currently being served through the TA Waiver. The TA Waiver is a waiver that primarily is designed to “waive the deeming of parental income” so the child who would otherwise not be eligible for Medicaid can be made eligible. In this way children who are dependent on technology to sustain them can have these services funded by Medicaid. The services themselves are primarily “regular medical” services, so unlike other waivers, the TA Waiver is included in the consensus case load estimating process.

There are seven persons waiting for services through the TA Waiver only because the total number of persons approved by CMS to be served on the TA Waiver is limited to 40. Possible expansion of this Waiver is being pursued.

SED Waiver

Finally, the SED Waiver is serving about 2,000 children. Like the TA Waiver, the SED Waiver is also primarily a waiver of the deeming of parental income. The services funded by this waiver are also mainly “regular medical” services so it too is in the consensus case load estimating process. The SED Waiver does not have an active waiting list.

Funding

All of the HCBS waivers are funded through the Medicaid program. The Medicaid program is a state and federal partnership that requires funding by both the state and federal government. In Kansas the percent of state funds required by typical Medicaid programs, such as the HCBS Waivers, is 39.04%. If this required match is not provided, the remaining 60.96% federal funds cannot be accessed. The required state match must come from state tax funds; it cannot come from other non-tax sources. This means there are few alternative funding mechanisms that can be used to provide the required state share. One possible source of funds that is currently being used is certified match. Certified match is where a governmental entity or instrumentality of government, such as a community developmental disability organization or community mental health center, certifies that it has the state matching funds from another source, like other SRS state grants or local county funding. Based on this certification, SRS pays the government or quasi-governmental organization the federal funds only. This approach is currently being used for a variety of federal Medicaid programs leaving few unmatched funds to draw additional federal funds.

Finally, with the legislature’s support SRS has been charging a fee to parents whose children are served by three of the HCBS Waivers (DD Waiver, TA Waiver, and SED Waiver) and whose income is higher than 200% of the federal poverty level. The fees collected from this program are placed in the SRS Fee Fund and then can be used as state match. In FY 2004 532 families paid \$315,326 in fees through this program.

This concludes my presentation on the HCBS waivers managed by SRS. I would be happy to take your questions.