

**Private Providers Association of Texas Response to Request for Information:
House Human Services Committee Interim Charge 4 ~ September 25, 2020**

INTERIM CHARGE 4:

Examine the long-term services and support system of care in Texas. Study workforce challenges for both institutional and community services, with a focus on home- and community-based services in the state's STAR+PLUS program. Review what impact funding provided by the 86th Legislature to increase the base wage for community attendant services and the increased funding for rate enhancements have on workforce retention and quality. Consider options to both stabilize and expand the workforce. Review the long-term care programs and services available to Texas' seniors, including community alternatives to institutional care available through programs like the Program of All-Inclusive Care for the Elderly. Examine the adequacy of current funding mechanisms, including Medicaid reimbursement rates and supplemental or add-on payments, to incentivize high-quality care. Consider mechanisms to promote a stable, sustainable and quality-based long-term care system to address current and future needs of the state.

Impact of Funding Provided by the 86th Legislature to Increase Base Wages and Funding for Rate Enhancements

As this committee has heard on numerous occasions and from all provider types, the wages built into the Texas Medicaid program rates afford little opportunity for providers to offer competitive wages and benefits. This is compounded by the responsibilities placed upon direct support staff, such as overly burdensome regulatory and documentation requirements which add no value to the services delivered and, in many cases, take staff away from providing needed services and supports). The lack of adequate resources to ensure direct support staff are able to meet the needs of persons under their care (in particular, persons who have high behavioral and or complex medical support needs) creates further challenges. These and other contributing factors make it hard for IDD providers to attract and retain direct support staff when they can earn more money in less demanding work settings such as fast-food restaurants, grocery stores and other retail businesses.

Last session, however, the Texas Legislature (via Riders 44 and 45, Appropriations Act) appropriated long awaited funds for the community-based Intermediate Care Facilities (ICF/IID) program and the Home and Community-based Services (HCS) waiver for which the Association and its members are most appreciative. The funds were to provide rate increases to ICF/IID and HCS service providers with the intent that the funds be spent for the benefit of direct support staff, including direct support staff wages. Not only did the Riders fund rate increases to these programs, but they also provided full funding for the IDD Attendant Compensation Rate Enhancement (ACRE) program and directed restructuring of ACRE to ensure that the funds benefitted direct support staff wages in programs with a daily, rather than hourly service rate (specifically ICF/IID and HCS residential and day habilitation services).

Though the funds and directive to restructure ACRE are appreciated more than we can express and have, to some extent, assisted in addressing direct support workforce shortages, assessing the full impact or benefits the funds have provided is difficult at this time. This is largely due to COVID-19 which drastically changed operations for all IDD providers-- the most salient change being the ability to retain during a pandemic, but also because the restructuring of ACRE just took effect September 1, 2020.

Recommendations

Recognizing that the Texas Legislature will be facing tough budget decisions when it convenes in January 2021, the Association respectfully requests that:

- Reduction of IDD provider rates are not implemented or included as part of any cost containment measures. Not only is the future still unknown about any 'full' reopening of the State, the

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anticipated ongoing challenges providers will have with attracting direct support staff (regardless of whether the pandemic ends) requires that, at a minimum, IDD providers rates be maintained at their current levels.

- Consideration be given to expanding access to mental health and behavioral intervention services (including crisis services) to persons with IDD. One outcome of the 'lock-down' necessitated by COVID was an increase in behavioral health services and supports needs for persons with IDD. Unfortunately, these needs were difficult to be met given the demand for these services, but, more importantly, given the limited access to/availability of these services for persons with IDD. Efforts to ensure these services are available to persons with IDD are thus critically needed.

Mechanisms to Promote a Stable, Sustainable and Quality-Based Long-Term Care System to Address Current and Future Needs of the State

Late last fall HHSC convened a workgroup comprised of IDD providers, Local IDD Authorities and advocates to reform the HCS program (policy and reimbursement). As stated in the Project Charter, "the workgroup is charged with developing and implementing solutions to improve the HCS program, aligning regulatory and reimbursement policy and operations to ensure high quality services and positive outcomes for people enrolled in HCS." The workgroup's goal was to have a product or set of recommendations that would delineate those initiatives which HHSC would move forward with and those which would require legislation or appropriations to complete.

As identified by the workgroup, topics for review and discussion included the HCS Billing Guidelines, cost reporting processes, Medicaid eligibility and enrollment issues, services and supports for persons with high medical and behavioral needs, and a host of other HCS policy and operational barriers requiring improvements and administrative simplification.

Unfortunately, the onset of COVID resulted in postponement of the workgroup's discussions. Though HHSC and IDD stakeholders are still immersed in COVID-related activities, the Association (and other external workgroup members) strongly support the workgroup reconvening and continuing its work. Not only will its efforts and recommendations, if approved and implemented, improve the quality of and access to needed services, but many will reduce longstanding administrative burdens and costs for both providers and the State.

Recommendations

Though anticipated HHSC will resume this workgroup at some point, the Association respectfully requests the House Human Services Committee to:

- ~ Support the ongoing efforts of the HCS Reform Workgroup and consider requesting reports from HHSC on the status of the projects the workgroup is addressing. The report should include the workgroup's recommendations which require legislative consideration and intervention.
- ~ Consider recommending to HHSC that either a similar workgroup be convened to explore reform of the community-based ICF/IID program or that the current workgroup expand its charge to include ICF/IID.