



KEY COALITION *of Alaska*

Advocating for Alaskans with Developmental Disabilities

PRIORITY 1 - REDUCE THE WAITLIST

- Medicaid's standard coverage mandates institutionalization for people with intellectual and developmental disabilities (IDD) instead of home and community-based services (HCBS). Services for individuals who live at home or on their own, or who want to be served in their home communities are not required.
- The State of Alaska Automated Budget System, Final Auth 19 report recognizes that institutional care is much costlier than HCBS for people with the same level of need led to the creation of federal Medicaid rules, which *waive* the requirement that services be provided in institutions and allow states to establish Medicaid HCBS waiver programs. The average annual cost per person with an IDD waiver is \$88,769 compared to an average annual cost of \$214,423 for institutional placement.
- Medicaid allows States to maintain waiting lists for HCBS waiver services when demand exceeds resources. *In Alaska, only individuals with IDD are impacted by a waitlist.* They wait - sometimes for years for their number to be called.
- In FY16, SDS cut the number of annual draws from the waitlist from 200 to 50. As a result:
 - ✓ The number of people on the waitlist grew from 535 in FY16 to 702 (9/19)
 - ✓ 14 individuals are in out-of-state institutions and 13 children and youth are being served in Residential Psychiatric Treatment Centers (11/19)
- The longer people sit on the waitlist, the more costs increase.
 - ✓ Young people sit at home and lose the skills they developed in school
 - ✓ Family members neglect their own health and forego income trying to "do it all,"
- Individuals and families are not asking for a handout; by the nature of their disabilities, individuals with IDD require individualized, comprehensive and life-long services to live successfully in the community.
 - ✓ Families contribute to the cost of care for their children with IDD – far beyond what they contribute to the care of their children without a disability
 - ✓ More than 70% of individuals with IDD live at home with a family member, many of whom are aging and may need long-term services and supports themselves
- **Return on Investment:** Federal law says *costly institutional services must be provided if requested by the individual and/or family.*
 - ✓ Average annual cost per IDD waiver person is \$87,718, compared to \$171,904 in nursing homes, \$214,423 in out-of-state institutions and \$531,312 at the Alaska Psychiatric Institute

- **Offsets and Cost Savings Recommendations:**
 - ✓ Using technology to reduce the need for direct staff support
 - ✓ Establishing Medicaid waiver billing codes for 1) companion services; and 2) a semi-independent living option that allows some shared staffing supports
 - ✓ Developing an alternative approach to funding supported employment services;
 - ✓ Fully implementing the durable medical equipment re-use and the Alaska ABLE programs

RECOMMENDATION: REDUCE THE WAITLIST

As of January, 2020, 730 Alaskans with disabilities are on the waitlist for waiver services. Only 50 people each year are selected from the waitlist, when it used to be 200. Savings from Medicaid Reform SB74 (2016) are available to help Alaskans who wait.

- **Our ASK:** Use the savings from SB74 to increase the waiver waitlist draw to a minimum of 100 people per year, in addition to filling open slots from death or moving out of state, to make sure the baseline of people getting services goes up by 100 people per year. Work with stakeholders to develop updated criteria for waitlist draws.