

## **SENIOR AND DISABILITIES SERVICES MEDICAID FUNDING** **TALKING POINTS**

- Home and Community-Based Waiver Services (HCBS) Programs are Medicaid programs that waive the requirement for services to be provided in costly institutions.
- The populations served by Medicaid waivers include individuals with intellectual developmental disabilities (IDD).
- Use of Medicaid waivers saves money over having to provide very expensive institutional services which far exceed the cost of waiver services.
- Medicaid waivers provide a way for individuals with disabilities to remain in their chosen communities.
- The services Senior and Disabilities Services (SDS) provides are vastly different from the rest of the Medicaid Services budget.
  - Treatment-based services such as Adult Preventative Dental, Behavioral Health Services and Health Care Services are intended to help individuals improve their conditions.
  - SDS provides long-term services and support (LTSS), which are provided for individuals of all ages with functional limitations and chronic illnesses who need assistance to perform routine daily activities such as bathing, preparing meals, holding down a job and living in their community.
  - LTSS served individuals rarely ever have improvements in their abilities and end up with the need for the same levels of long term care during their entire life.
  - By the very nature of their disabilities, individuals with IDD require individualized, comprehensive and life-long services in order to continue to live successfully in the community.
- Since implementing SB74 (Medicaid Reform) in 2016, SDS has controlled costs by reducing the number of individuals drawn from the waitlist annually, implementing service caps, increasing utilization control and refinancing State grant funds to maximize Federal funding.
  - SDS's budget only grew by 4.5% compared to 29.6% across all components of Medicaid Services.
  - However, during that same time period, the number of people with IDD waiting for services increased by 447.

- Medicaid allows States to maintain waiting lists for HCBS when demand exceeds resources. In Alaska, only individuals with IDD are impacted by a waitlist; a population with some of the most significant needs
- Alaskans served by SDS require specific and a bigger protections.
  - An SDS Medicaid appropriation separate from the general Medicaid Services budget will maintain stability for HCBS programs.
  - Further across the board budget reductions will result in more people going into crisis situations, which will escalate the cost of treatment-based services and shift costs to a higher levels of LTSS within the HCBS system.

**RECOMMENDATION:** That in the State of Alaska FY20 Operating Budget, Senior and Disabilities Medicaid Services funding be a separate appropriation: Move Component Senior and Disabilities (2662) from RDU: Medicaid Services (595) to RDU: Senior and Disabilities Services (487)