Dedicated Home- and Community-Based Services Funding to Support People with Disabilities during the COVID-19 Pandemic

Joe Caldwell, Sandy Ho, and Michael Atkins • February 2021

Introduction

COVID-19 has had a devastating effect on people with disabilities and older adults who need long-term services and supports. Although there has been a focus on people residing in nursing homes, only about 1.5 million of the estimated 12 million people with disabilities and older adults in the US who need long-term services and supports live in nursing homes and institutional settings.[1] Emerging research indicates that people who receive home- and community-based services (HCBS) are also at significant risk of contracting COVID-19 and becoming severely ill.

What are HCBS, and who receives them?

HCBS are essential supports that help people with disabilities stay in their communities—and out of institutions and other congregate settings. These supports include personal assistance, day services, supported employment, case management, caregiver supports, transportation, home-delivered meals, assistive technology, and home modifications.

Medicaid is the primary payer of HCBS; however, not everyone who qualifies for Medicaid HCBS receives them. First, HCBS are optional for states to provide. Second, states vary widely in eligibility requirements, types of services available, amount, and delivery. Finally, most states have extensive waiting lists for Medicaid HCBS that predate COVID-19. Over three-quarters of states report waiting lists totaling more than 820,000 people with an average wait time of more than three years[2] *(see Table for data on state waiting lists)*.

How has COVID-19 affected people receiving HCBS?

Studies have found that HCBS recipients die of COVID-19 complications at a higher rate than the general population.[3] Secondary health conditions and unmet needs and services contribute to those risks. Moreover, people who rely on in-person supports or services in congregate settings, such as group homes and day programs, are also at higher risk of dying of COVID-19.

During the pandemic, people with disabilities and older adults have struggled to

- Maintain access to direct-care workers
- Obtain accessible information, testing, personal protective equipment, and vaccinations
- Use technology to stay connected to health professionals and their communities

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As formal services have eroded, unpaid family caregivers have also experienced increased demands and strain.[4]

What is the COVID HCBS Relief Act?

Senator Bob Casey (D-PA) and Representative Debbie Dingell (D-MI) have introduced the COVID HCBS Relief Act (S. 151, H.R. 525) to provide a dedicated increase in HCBS funding for states during and after the COVID-19 public-health emergency. Under the proposed legislation, states would temporarily receive enhanced federal funding for HCBS*. *(See Table for annual estimates of what states could receive.)*

What would this additional HCBS funding help support?

States would be required to submit applications to CMS outlining how they plan to use the additional funding with input from aging and disability community partners. They must assure that funding is used to supplement, and not supplant, current HCBS.

States could use this funding for a variety of activities, including:

Strengthening the Direct-Care Workforce:

- Increasing workers' wages
- Providing paid leave
- Covering workers' travel expenses
- Recruiting new workers
- Providing COVID-19 resources, training, and protective equipment

Providing Additional HCBS:

- Providing HCBS to people on waiting lists
- Providing additional HCBS to reduce institutional placements
- Supporting family caregivers

Increasing Access and Accessibility:

- Providing assistive technology and American Sign Language interpreters
- Creating accessible COVID-19–related materials

Recovery:

- Helping people who were relocated return home
- Providing mental-health services and rehabilitative services to regain lost skills

Summary

The COVID HCBS Relief Act (S. 151, H.R. 525) would provide states with a temporary increase in dedicated funding for HCBS. States could use funding to strengthen direct-care work, provide additional HCBS, enhance access and accessibility, and recover after the public-health emergency. This increase would help both those already receiving HCBS and people who need services but are on waiting lists.

The pandemic has exerted significant economic pressures on state governments. Increasing dedicated funding for HCBS would help states shift from institutional services to more cost-effective HCBS; moreover, it would also help prevent cuts in HCBS where they are needed most.

*The COVID HCBS Relief Act would provide a 10% FMAP increase based on state HCBS spending for about two years. Language in the House Energy and Commerce Committee markup as of February 11 provided a 7.35% enhanced FMAP for one year.

Waiting Lists for HCBS and Annual Estimates of Additional Federal Funding States Could Receive*

State	*Number of People on Waiting List for HCBS	**Estimated Additional Annual Federal Funding State Could Receive
Alabama	7,793	$76,359,938
Alaska	906	$3,302,117
Arizona	N/A	$167,439,034
Arkansas	3,103	$105,851,188
California	8,510	N/A
Colorado	2,800	$102,390,189
Connecticut	3,884	$202,419,779
Delaware	0	$28,646,479
D.C.	0	$57,087,456
Florida	71,662	$252,756,149
Georgia	6,759	$142,514,187
Hawaii	0	$26,203,277
Idaho	0	$44,433,323
Illinois	19,354	N/A
Indiana	1,514	$146,061,785
Iowa	6,574	$83,104,062
Kansas	5,230	$116,504,383
Kentucky	9,194	$89,318,459
Louisiana	64,918	$77,883,758
Maine	1,515	$67,540,302
Maryland	31,367	$217,022,478
Massachusetts	0	$496,112,610

Waiting Lists for HCBS and Annual Estimates of Additional Federal Funding States Could Receive (Continued)

State	*Number of People on Waiting List for HCBS	**Estimated Additional Annual Federal Funding State Could Receive
Michigan	3,021	$168,336,661
Minnesota	31	$478,801,824
Mississippi	13,510	$52,008,329
Missouri	100	$205,990,846
Montana	2,122	$28,072,251
Nebraska	1,627	$50,085,393
Nevada	1,159	$53,136,211
New Hampshire	105	$38,123,732
New Jersey	0	$139,714,267
New Mexico	20,355	$79,048,330
New York	Unknown	N/A
North Carolina	14,397	N/A
North Dakota	17	$26,570,217
Ohio	68,644	$517,102,171
Oklahoma	7,672	$63,176,413
Oregon	182	$240,311,066
Pennsylvania	16,532	$700,565,992
Rhode Island	NA	$15,329,858
South Carolina	11,292	$76,439,334
South Dakota	350	$18,338,998
Tennessee	7,263	$130,352,796
Texas	385,208	$706,976,466

Waiting Lists for HCBS and Annual Estimates of Additional Federal Funding States Could Receive (Continued)

State	*Number of People on Waiting List for HCBS	**Estimated Additional Annual Federal Funding State Could Receive
Utah	3,335	$38,567,803
Vermont	N/A	$37,705,994
Virginia	13,215	N/A
Washington	0	$249,131,732
West Virginia	1,236	$57,261,126
Wisconsin	3,151	$320,181,376
Wyoming	279	$15,273,816
Utah	3,335	$38,567,803

*Estimated additional annual funding based on 10% FMAP increase

Sources

*KFF Medicaid HCBS Programs FY 2018. "Waiting List Enrollment for Medicaid Section 1915(c) Home and Community-Based Services Waivers." https://www.kff.org/health-reform/state-indicator/waiting-lists-for-hcbs-waivers/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

*NA: Not applicable. No Section 1915(c) waiver offered for enrollment group or waiting list indicated.

** CMS. Medicaid Long-Term Services and Supports Annual Expenditures Report: Federal Fiscal Years 2017 and 2018. Table C.15. January 7, 2021.

**States listed as NA (not available) are California, Illinois, North Carolina, New York, and Virginia.

Endnotes

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