

State of HCBS: Impact of the State Budget/Regulatory Landscape on Home Care
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#### Rate Increases



The implementation of rate increases to Home and Community Based Services rates for Fiscal Years 2024-2025 enabled many providers to right size operations and invest in the direct care workforce following continually increasing costs of service delivery.



This helped providers to increase wages and generally increased applications and new hires.



Challenges: even with wage increases wages are still low and in competition with retail/fast food etc., turnover, benefit cliff



Benefit Cliff: some home health aides will not accept higher wages/more working hours because they will lose their benefits



### **Budget Initiatives for FY 26-27**



Need establishment of consistent rate increases tied to increasing workforce demands and costs of day-to-day operations faced by Medicaid enrolled providers.



We need additional rate increases for this budget and establishment of actuarial rate review at least every three years to ensure reimbursement rates sufficiently support the delivery of HCBS



OCHCH requested a rate increase for T1001 RN Assessment –from \$39.26 to \$50



We requested reimbursement for PCA Supervisory visits as required by 173-39-02.11 (currently there is no reimbursement)



### **EVV Requirement**



ODM made announcement on July 1st that claims would begin denying for EVV (claims adjudication) starting October 1st 2024.



OCHCH successfully worked with ODM to delay this date and continues to partner to accomplish the needed steps in information, supports, and training for agencies to be successful after implementation of claims adjudication



ODM delayed the date to "no earlier than January 1st 2025"



OCHCH is asking for reporting and consistent system functionality in place for at least 90 days before any claims adjudication goes into place



# Regulatory Complexities



Medicaid FFS (state plan) requires Medicare certification



Shifting of hours between state plan and waivers and complexities that includes

- -Medicare certified
- -Differences in rules (caregiver relationship)



ODA/Passport have implemented several reductions in regulatory burden (training hours, nursing oversight requirements etc.) but many agencies are not able to take advantage of these due to Medicare certification requirements.



# Questions



