

ASSISTED LIVING - HCBS - PERSONAL ASSISTANCE

HB 2 - Status - March 2, 2011

These are the cuts from our current levels of reimbursement facing community services programs in the upcoming biennium based on the Governor's budget and legislative subcommittee actions to date:

Cuts proposed include (all funds) and are biennial:

Amounts not included in Governor's budget:

80 HCBS waiver slots	-\$ 4.0 M	
2% rate decrease	-\$ 4.4 M	
Assisted living rate decrease	-\$.5 M	
Direct care wage funding	<u>-\$ 5.0 M</u>	
Total Governor's cuts		-\$13.9 M over the biennium

Amounts cut by Joint Appropriations Subcommittee:

5% cuts - HCBS waiver	-\$ 1.4 M	
Restored by subcommittee - 80 slots	\$ 4.0 M	
Added by subcommittee - 100 slots to serve individuals removed from nursing home budget	\$5.0 M	
5% cuts - Personal Assistance	-\$1.5 M	
Restored by subcommittee	-0-	
Total subcommittee cuts		-\$ 1.5 M over the biennium

Current status - total cuts - Governor's budget and subcommittee action	-\$15.4 M over biennium (all funds)
--	--

Rates. Home and community based services providers will have their rates cuts below their current level of reimbursement if the 2% rate cuts and the additional assisted living rate cut are not restored - these cuts amount to nearly \$5 M over the biennium.

Direct care wages. Care givers in the home and community services programs will see a \$5 M cut in their compensation over the next biennium if the direct care wage cut is not restored.

Assisted Living Issue. Assisted living facilities are largely a private service with most clients paying for their own care. However, assisted living facilities serve a small number of Medicaid beneficiaries under the Medicaid waiver program. The rates to assisted living facilities are so low that the facilities limit the number of Medicaid residents they are willing to take. Interestingly enough, the need to serve individuals in settings other than nursing homes through the home and community based waiver program is being stressed by DPHHS and the legislature. Half of the people on the waiting list of HCBS and many of those who move to community based settings through the nursing home transition program need assisted living services - yet there are access problems because of the low rates. The 2009 legislature appropriated funds to help increase access to assisted living services by waiver clients. These funds have been cut. Any cut in rates for assisted living is likely to reduce access to assisted living services for waiver clients and all but insure that the department is unable to move individuals from nursing homes as envisioned in the development of the budget.

Rose M. Hughes, Executive Director
 Montana Health Care Association
 36 S. Last Chance Gulch - Helena, MT 59601
 Tel 406.443.2876 ♦ Email rhughes@mthealthcare.org