

## Realizing the Vision of Medicaid-funded HCBS:

### A Framework for Enhancing Access and Advancing Quality in HCBS Provision in Managed Medicaid LTSS (Executive Summary)

#### Overview

***The COVID pandemic shed light on the need for more integrated, individualized home and community-based services (HCBS) options to assure that people can live, work, and thrive in the greater community based on their own individual preferences, interests, and needs.*** Recognizing the critical importance of strengthening the HCBS delivery system in meeting the growing demand of the nation’s care economy, the federal government has advanced several proposals forward that represent significant funding and policy changes in 2021, including the [American Rescue Plan Act of 2021 \(ARPA\)](#) and the [Build Back Better Act of 2021](#). As these efforts continue to roll out, it is imperative that the national dialogue around HCBS modernization address gaps in both access to and quality of HCBS.

#### Key Principles of the Framework

***The National MLTSS Health Plan Association offers a framework for states who have managed LTSS programs to assure that state HCBS systems have a first-class provider network and HCBS direct care workforce to successfully meet the support needs of individuals with disabilities and older adults requiring long-term services and supports (LTSS) in the least restrictive setting.*** Preliminary recommendations were embedded into the [Association’s 2017 quality framework](#). Building on those initial recommendations, the MLTSS Association offers the following principles in establishing a common vision and framework for managed HCBS in the future:

1. Prioritization of person-centered planning processes	6. Prioritization of outcomes related to SDOH, quality of life, independent living, socioeconomic advancement, and full community inclusion
2. Highly-qualified network of providers and services	7. HCBS delivery in the most integrated setting
3. Ongoing investments from state and federal governments	8. Greater autonomy for plans in determining which providers are included in their networks
4. Balance between access and quality	9. Funding incentives for plans to produce prioritized outcomes
5. Flexibility in service delivery	10. Greater collaboration between states, plans, providers, and consumers to pilot and evaluate new models and strategies

#### Operational Challenges

With respect to assuring an adequate network of providers capable of delivering evidence-based, high quality HCBS, several challenges persist including the following:

- Defining value (adequacy + quality) is difficult and varies across states, systems, and provider types.
- Network adequacy standards seldom include a focus on quality.
- States’ lack of commitment to individualized, integrated approaches to HCBS delivery limits the effectiveness of plans.
- Front-line direct care workforce shortages further perpetuate challenges to assuring access to high-quality services.

# Looking Ahead: Policy Recommendations for Congress and The Biden Administration

The MLTSS Association suggests a three-tiered approach for a new vision for network adequacy:



## 1. Recommendations to Assure Network Adequacy is Aligned with Quality

- Require state Medicaid agencies to increase the standards required of providers to be licensed and credentialed to provide HCBS to, at a minimum:
  - align with the 2014 federal HCBS regulation; and
  - demonstrate provider readiness to adequately provide any HCB-specific service that it is being licensed to provide.
- Allow health plans to:
  - incorporate additional requirements for provider enrollment and participation in plan network beyond state licensing requirements;
  - count self-direction DSPs/providers as part of their network adequacy projections; and
  - contract and terminate providers or determine what providers should be in-network v. out-of-network, as defined by the quality standards defined by the health plans.

## 2. Recommendations to Support Direct Care Workforce Development & Capacity

- Ensure direct care workers and front-line supervisors have opportunities for needed training, mentoring and professional development.
- Provide credentialing opportunities, career pathways, and ongoing competency-based training and mentoring, embedded in public policy and sufficiently funded.
- Provide MLTSS health plans latitude in working with providers to improve the quality of direct care workers.
- Require States to incorporate costs associated with ongoing training of direct care workers within capitated rates negotiated with health plans.
- Require states to revisit reimbursement rates to assure direct care workforce labor rates consistent with the labor market.

## 3. Recommendations to Incentivize Innovative Solutions to Meet Ongoing Increased Demand

- Allow states to reimburse plans for virtual communications and technologies to support service provision and address direct care workforce shortages.
- Provide additional federal guidance and incentives for supporting HCBS participants in self-directing services under managed HCBS.
- Establish innovation grants to support new models of provider transformation and direct care workforce development and career advancement.