ANCOR is...
A national nonprofit trade association advocating and supporting

- Over **1,400 private providers** of services
- **52 State Provider Associations**
- Over **1m people with intellectual and developmental disabilities** and their families
- And employing a workforce of over **600,000 direct support professionals** (DSPs) and other staff
- **Great diversity**: agencies established in the 1800s to recent startups, faith-based organizations, Arc chapters, every UCP affiliates, Easter Seals, Goodwill, and more.
Our mission is to advance the ability of our members in supporting people with intellectual and developmental disabilities to fully participate in their communities.
Affordable Care Act on Day 1

On January 20, President Trump issued his first Executive Order, directing government agencies to scale back as many aspects of the ACA as possible.

This permits agencies to delay, waive, or refuse to enforce provisions of the ACA prior to repeal by Congress.
Affordable Care Act Repeal and Replace
Dawn of a New Day
or...
“It’s an unbelievably complex subject. Nobody knew health care could be so complicated.”

President Trump, 2/27/17
ACA Repeal and Replace
Block Grants/Per Capita Caps
ACA Repeal & Replace

What’s at stake?

• Permanent change to the structure of Medicaid funding - *no guarantee* that money brought in under disability rate will be required to be spent on disability services.

• HCBS waivers and state plans, along with many other services that people with disabilities depend on, are *optional* services within Medicaid; states may be forced to cut them first.

• As states make hard choices about what to cut and where to find efficiencies, pressure will be on providers to do more with less.

• All other federal, state, and local laws and rules still must be complied with – with less funding to do so (OIG, *Olmstead*, HCBS, FLSA), setting up conflicts between what is required, what is desired, and what is possible.
# Medicaid Reform

## Block Grants and Per Capita Caps

<table>
<thead>
<tr>
<th>Current System</th>
<th>Block Grants</th>
<th>Per Capita Caps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open-ended entitlement, federal match of state funds (50 – 73%).</td>
<td>Set dollar amount allocated to states based on as-of-yet undetermined criteria.</td>
<td>Fixed dollar amount allocated per person eligible for Medicaid.</td>
</tr>
</tbody>
</table>

**Current System**

- Medicaid program must cover certain populations and meet certain requirements to qualify for funding.

**Block Grants**

- Regardless of the level of state spending, states receive a fixed pot of money. Any shortages are the responsibility of the state.

<table>
<thead>
<tr>
<th>State spending</th>
<th>Federal contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher state spending</td>
<td>$$$ Fixed level of federal funding</td>
</tr>
<tr>
<td>Lower state spending</td>
<td>$$$</td>
</tr>
</tbody>
</table>

**Per Capita Caps**

- Most capitated proposals do not tie payment increases to actual cost increases.

<table>
<thead>
<tr>
<th>Fewer enrollees</th>
<th>Less federal funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>More enrollees</td>
<td>More federal funding</td>
</tr>
</tbody>
</table>
Medicaid Reform

Block Grants and Per Capita Caps

Projected Annual Reduction in Federal Medicaid Spending
Under a Block Grant vs. Per Capita Cap

Source: Avalere Health
Timeline and Current Status

• The American Health Care Act (AHCA) passed the House May 4, 2017 (with amendments the growth rate for disability providers would be CPI-M+1% into perpetuity but base year FY16)

• The Senate failed to advance their version, the Better Care Reconciliation Act (BCRA) late in the night July 25, 2017 with Rs Collins, Murkowski and McCain voting no (BCRA had CPI-M+1 until 2026 then CPI-U, base years FY14-17)

• Graham/Cassidy gained steam in mid-September (CPI-M plus 1% until 2026 then CPI-M, base years FY140-17)

• Hearings 9/25 in Senate Finance, vote expected before end of month (Reconciliation process Senate needs to pass by simple majority expires then)
ACA Repeal & Replace

Graham-Cassidy
Inside the Beltway: What’s Going on in DC?

The Federal Budget Process

Upcoming Budget Fights:

- Debt Ceiling
- Tax Reform
- Health Care Reform?
ACA Repeal & Replace
What does the future look like?

Expect that Medicaid will continue to be on the table during future tax reform conversations.

We will stay vigilant.

Disability advocates, including ANCOR and state associations like ARRM will keep up grassroots advocacy, and public awareness efforts.
Inside the Beltway: What’s Going on in DC?

Appointments: Health and Human Services

Tom Price – Secretary, HHS
• Served as U.S. Representative for GA’s 6th District
• Former Chair of House Budget Committee
• Sworn in on February 10, 2017

Seema Verma – Administrator, CMS
• Founder/CEO of SVC Inc., health policy consulting
• Instrumental in crafting Healthy Indiana Plan, other state Medicaid plans
• Sworn in on March 14, 2017

Brian Neale – Director, CMCS
• Former healthcare policy director for Mike Pence
• Worked with Pence, Verma on Healthy Indiana Plan
Quick Summary

• Rule Finalized January 2014, effective March 2017
• States began submitting their statewide transition plans in 2014
• The Trump Administration delayed implementation 3 years to 2022
• Pushback has mostly been from presumed isolating settings or facility based settings – Trump Administration has shared they want to avoid unintended consequences but support the rule
• HHS/CMS has revealed they are relooking at the HCBS Rule but their work has not begun yet
CMS Home and Community Based Settings Rule

FINAL RULE: **CMS HCBS Rule**

**Finalized:** January 16, 2014, effective March 17, 2014 ([RIN 0938-AO53/0938-AP61](#))

**Purpose:** To define and describe requirements for HCBS-funded programs and settings

**Key Provisions**
- Person-centered planning/conflict of interest provisions (in effect 3/17/2014)
- Characteristics for settings, including additional criteria for provider-owned
- States have until March 2022 to come into compliance on residential and day settings

Visit [hcbsadvocacy.org](http://hcbsadvocacy.org) for state-by-state info
All HCBS settings must:
• Be integrated in the community
• Be selected by the individual among setting options
• Respect privacy rights
• Ensure coercion and restraint are not used
• Optimize independence and autonomy

If provider-controlled, residential settings also:
• Written lease or residency agreement
• Additional privacy requirements (door locks, roommates, decorating)
• Individual control of schedules, access to food, and visitors
• Must be physically accessible
• Modification only with specific assessed need justified in person-centered plan
CMS’ Expectations

• The rule is a floor not a ceiling – states may set standards exceeding minimum requirements of the rule
• Large, congregate, and/or potentially isolating settings will be a “heavy lift” to meet heightened scrutiny
• Reverse integration and/or individual choice does not automatically mean a setting will comply with rule
• CMS issued an extension from original date of 2019 to give states more time to comply
• CMS expects states to obtain final approval on STPs by March 17, 2019, and complete transitioning by March 17, 2022
• ANCOR has developed a Technology briefing paper and is working with Congress to encourage CMS to work with states to have more HCBS/ICF-IID funding go towards use of technology

• ANCOR held a briefing on Capitol Hill on September 19 to address the topic, the briefing was sponsored by Chairman Hatch of the Senate Finance Committee – which has jurisdiction over Medicaid issues
DESTINY'S CHILD
BILLS BILLS BILLS
ENACTED: 21\textsuperscript{st} Century Cures
Comprehensive Funding Package for Medical Research  (enacted December 13, 2016)

Electronic Visit Verification (EVV)
- Imposes penalty in the form of FMAP (federal match) reduction for states that do not implement EVV by certain dates
- Personal Care Services: .25% in 2019 $\rightarrow$ 1% after 2023
- Home Health Services: .25% in 2023 $\rightarrow$ 1% after 2027
Oversight – EVV
Department of HHS/CMS

• The 21\textsuperscript{st} Century Cures Act (HR 34) passed December 2016 was an enormous bill addressing mental health, pharmaceutical and other medical research.

• It also included Section 12006 on requiring electronic visit verification (EVV) of services in all states including for many waiver services (this provision is known as a pay-for)

• States must have systems in place by 2019 or face reductions in Medicaid payments

• CMS is required to issues guidance to states by January 2018, states are required to take into account a stakeholder process (ANCOR is working with CMS on this!)
Additional Legislation

Legislation on Our Minds

• The Direct CARE Act (**HR 3778**) – Rep. Bobby Scott (D-VA)
  • ANCOR helped to draft text, grants to help with retention and recruitment, requires work with state provider associations
• The ADA Education and Reform Act (**HR 620**)
  • ANCOR opposes, bill weakens the ADA
• The DD Improvement Act (To be intro’d by Sen. Murphy (D-CT))
INTRODUCED: **ADA Education and Reform Act**

- Introduced by Rep. Ted Poe (R-TX) on January 24, 2017
- Requires notification of ADA violation to be sent to a business prior to initiating lawsuit
- Places burden on individual encountering access barrier rather than on business
- Gives business owner 60 days to respond, then additional 120 days to remedy
- Does not change damages allowed by states; the ADA currently does not allow damages
- Disability groups are overwhelmingly **opposed** to this bill!
How many people supported in the community were victims of abuse and neglect in 2015?
SUFFERING IN SECRET:

Flawed investigations ignore victims of neglect
**Pending: DD Improvement Act**

- Currently being developed by Sen. Chris Murphy (D-CT). ANCOR continues to work with the office to provide input.

- In response to OIG reports showing incidents of death/abuse of individuals with IDD. Reports from NY, CT, MA, and ME have emerged, PA may be in progress, other states across U.S. are expected.

- Would create uniform definition of “critical incident” that must be reported.

- Would create federal law for who is a “mandatory reporter” of critical incidents.

- Would create mandatory online training curriculum on abuse and neglect.
INTRODUCING:
ANCOR Certificates of Achievement

3 CERTIFICATE TRACKS
Develop Baseline Knowledge

Provide Training and Technical Assistance

Convene an Action Learning Collaborative

Engage Integrated Care Entities
Pop Quiz!
What was the #1 issue for ANCOR members in 2016?

• Managed Care
• Complying with the HCBS Community Settings Rule
• DOL Overtime Exemption Rule
Workforce Issues
ANCOR’s National Advocacy Campaign

• Meet Forrest Austin, ANCOR’s National 2017 DSP of the Year
• NAC Launched in 2001
• Mission: To enhance the lives of all people with disabilities who rely on long-term supports and services by obtaining the resources to **recruit, train and retain** a highly qualified and sustainable workforce.
DIRECT SUPPORT PROFESSIONAL RECOGNITION WEEK

ANCOR RELIAS LEARNING

September 10-16, 2017
National DSP Recognition Week:
9/10-9/16

• Federal Recognition
  – Unanimous, bipartisan Senate Resolution designating the week enacted 10 consecutive years
  – Led by Senators Collins (R-ME), Cardin (D-MD)
ANCOR’s DSP Of the Year Awards

• Fabulous award ceremony each year at our Annual Conference in April (New Orleans this year!)

• Notification to Governors and Members of Congress

• Nominations are due Dec 11th.

This is about recognition and celebration, but it is also a chance to educate our leaders about the challenges in our field.

....And propose solutions.
44.8% Turnover
NASDDDS/National Core Indicators Wage Stability Survey (2015 data)

• Independent validation!
• Initial 2 state pilot (UT, OH)
• 2nd year nine states participated
  – AZ, GA, ME, DC, OH, UT, KY, SC, TX, VT (KY made participation mandatory)
• 2016 : 17 States - AL, AZ, DC, GA, IN, KY, MN, OH, OR, PA, SC, SD, TN, TX, UT, VT
• 2017: 22 states participating
NASDDDS/National Core Indicators Wage Stability Survey (2015)

• Avg wages across all states:
  – $10.23 Average starting wage
  – $11.11 Average hourly wage
2016 DOL Labor Comparison

• Prompted by Overtime Rule advocacy pressure
• Weighted Average of Alternative Occupations:
  – $11.29 (retail, food prep, janitorial, etc)
    • Fast food prep and serving: $9.47
• Home Health Aides: $11.00
• Personal Care Attendants: $ 10.48
• Accessed here
  [https://www.dol.gov/whd/homecare/laborcosts-directworkers.htm](https://www.dol.gov/whd/homecare/laborcosts-directworkers.htm)
Five Million Direct-Care Workers Needed by 2020

- Registered Nurses: 3.4 m
- Fast Food and Counter Workers: 3.6 m
- Law Enforcement/Public Safety: 3.7 m
- Teachers from K-12: 3.9 m
- Direct-Care Workers: 5.0 m

Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005

Larson, Edelstein, 2006

© 2012, PHI
ANCOR Report: **Addressing the Disability Workforce Crisis of the 21st Century**

Recommendations:

- Continue work at the state level to ensure sufficiency of rates
- Need additional visibility for workers and the value they add
- Provide tools and training for supervisors
- Utilize technology
- Think creatively about how to expand workforce
- Urge BLS to create new classification for DSPs
Workforce - SOCs
Department of Labor/Bureau of Labor Statistics
We Need SOCs!

• The 2010 Standard Occupational Classification (SOC) system is used by Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.

• Having accurate SOC data is important because it helps with policymaking and is used in setting state reimbursement rates!

• Currently Direct Support Professionals (DSPs) are melded in with personal care aide and home health aide data

• We are working with BLS to create a DSP SOC!
KEEP CALM AND TAKE ACTION
SAVE MEDICAID
Hill Day and Rally
And that Yopp....
That one small, extra Yopp put it over!
Finally, at last! From that speck on
that clover

*Their voices were heard!* They rang out
clear and clean.

And the elephant smiled. “Do you see what I mean?”
Questions?

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