

# Opportunities and Obstacles for Young Adults Seeking Medicaid Services

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# Medicaid: An Overview

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- Jointly funded by state and federal government
  - Federal Medical Assistance Percentage (FMAP)
- Administered by the State's Medicaid agency
- Overseen by the federal Centers for Medicare & Medicaid Services (CMS)
- “If you’ve seen one State’s Medicaid program, you’ve seen one State’s Medicaid program”

# Medicaid: An Overview

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- Provides health care for low-income individuals
  - Children
  - Parents/families
  - Individuals with disabilities (including individuals dually enrolled in Medicare)
  - Elderly (including individuals dually enrolled in Medicare)
  - Non-parent adults (Affordable Care Act)
- Medicaid as a huge program
  - October 2019: 71 million people enrolled in Medicaid\*
    - Covers nearly half of all children in the United States (35 million children enrolled in Medicaid)
  - Largest payor of long-term services and supports (LTSS)

\*Including CHIP. Source: CMS.

# Medicaid: An Overview

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- Medicaid fee-for-service
  - State pays private providers directly for Medicaid-covered services to Medicaid-enrolled individuals
- Medicaid managed care
  - State pays a capitated payment to a private managed care company, which manages care and pays providers for Medicaid-covered services to Medicaid-enrolled individuals

# Medicaid: An Overview

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## 1. “State plan” services

- Federally mandated services (e.g., hospital services, nursing facility services, physician services)
- Optional services (e.g., clinic services, dental, private duty nursing, home- and community-based services)

## 2. Early and Periodic Screening, Diagnostic and Treatment (EPSDT)

## 3. Section 1915(c) home- and community-based services (HCBS)

# Transitioning to Adulthood: Will You be Eligible for Medicaid?

- Eligibility for children v. eligibility for adults\*

	Least generous state (percentage of FPL)	Most generous State (percentage of FPL)
Children	138%	324%
Non-parent adults	No eligibility (16 States)	215%

- BUT: special eligibility categories for individuals with disabilities
  - Individuals eligible for SSI
  - Individuals who meet the institutional level of care

\*Including CHIP eligibility. Source:  
Kaiser Family Foundation.

# Transitioning to Adulthood: Young Adults in the Community Who Are Eligible for Medicaid

1. End of daily educational services

2. End of Medicaid EPSDT

3. End of Section 1915(c) waiver for children only



Medicaid state plan services for adults

Medicaid Section 1915(c) program for adults?

# Medicaid Services for Young Adults

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## 1. State plan services

- Immediately entitled to all state plan services
- Must include hospital services, physicians services, nursing facility services, lab and x-ray, among others
- Also always includes prescription drug coverage (though technically optional)
- *May* include: outpatient behavioral health services, dental, some home- and community-based services, among many others

## 2. Section 1915(c) services

# Section 1915(c) HCBS

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- While States can provide HCBS as a state plan service, the overwhelming majority of HCBS for adults are delivered through Section 1915(c) “waivers”
- Provided in both residential settings and non-residential settings (e.g., day programs)
- Section 1915(c) services and programs are optional for States
- Most States have multiple waivers, targeted at various populations
  - For example: waiver for adults ages 19-64 with intellectual disability; waiver for children with serious mental health disorders

# Section 1915(c) HCBS

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- Optional services: case management, homemaker/home health aide services, personal care services, adult day health services, habilitation services, respite care
  - Federal funds cannot be used for “room and board”
- Eligibility: (1) financial; (2) meet the “institutional level of care”; and (3) other criteria imposed by the Section 1915(c) program
- Does not need to comply with Medicaid “comparability” and “statewideness” requirements
- Enrollment caps and waiting lists
- Section 1915(c) waivers as a pathway to Medicaid eligibility

# Where Do Individuals Receiving 1915(c) HCBS Live?

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- Wide range of settings: family homes, private homes (with and without roommates), group homes, intentional communities
- Before the 2014 Settings Regulation, States had significant flexibility regarding the “settings” in which individuals receiving Section 1915(c) services lived

# HCBS “Settings Rule”

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- 42 C.F.R. 441.301
- “The setting is integrated in and supports full access of individuals receiving Medicaid HCBS to the greater community . . . to the same degree of access as individuals not receiving Medicaid HCBS.”
- Additional requirements for “provider-owned or controlled residential settings”. For example:
  - Privacy in sleeping unit, included lockable doors
  - Access to food at any time the person chooses
- Exceptions permitted under certain circumstances, if documented in the plan of care

# HCBS “Settings Rule”

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- Settings that are not permitted: Hospital, NF, ICF, IMD, and “[a]ny other locations that have qualities of an institutional setting, as determined by the Secretary”
  - Any setting located in, on the grounds of, or adjacent to a facility providing inpatient services “will be presumed to be a setting that has the qualities of an institution unless the Secretary determines through heightened scrutiny”
- Applies to HCBS delivered in both residential and non-residential settings

# HCBS “Settings Rule”

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- Significant frustration with the Settings Rule
- Efforts to amend and relax the Settings Rule
- Split in the advocacy community
  - Individual choice and autonomy v. “integration” in “the community”

# QUESTIONS?