

Better Care Better Jobs Act (S. 2210/H.R. 4131)

BACKGROUND

Medicaid home- and community-based services (HCBS) enable seniors and people with disabilities to remain in their homes, stay active in their communities, and lead independent lives. The COVID-19 pandemic has highlighted anew how critical these services are for beneficiaries' and their families' well-being and safety. The home has long been the most desired site of care, and Medicaid HCBS recipients consistently report high satisfaction with these services. Care in the home is also the most cost-effective and fiscally responsible setting for care delivery. HCBS may include home health care, durable medical equipment, personal care services, and hospice care, as well as human services such as adult daycare, meal delivery, transportation, and home modifications.

Data demonstrates that nearly five million Medicaid beneficiaries are enrolled in HCBS programs, with some 2.4 million workers providing these services. However, some states cap enrollment, leading to approximately 820,000 medically fragile and disabled individuals on waitlists for critically needed care.

ISSUE

While these waitlists have been an ongoing problem, the growing direct care workforce shortage was exacerbated by the COVID pandemic. Medicaid has long been an underfunded program, and many providers around the country have elected not to participate in it due to its low reimbursement rates. In some cases, providers struggle to cover their own expenses, including workforce payroll, with what they receive in current Medicaid payment rates. The challenges created are twofold: beneficiaries, already challenged with accessing care, have limited options of providers available to choose from, and home care companies are severely limited in what they can offer as compensation, leaving these providers at an even greater disadvantage in competing for a workforce that is already at critically low levels.

The average home care aide wage in 2020 was \$12.98 per hour. Recent reporting in the Washington Post reveals approximately 80 percent of employers are paying employees at least \$15 per hour. Home care work is both physically and emotionally challenging for caregivers, a combination not common in many other occupations. Caregivers frequently pursue different career options that provide greater compensation with fewer demands. The direct care worker shortage cannot be addressed without first addressing compensation; compensation can only be addressed through a permanent increase in funding for HCBS.

Congress must commit to major funding investments in Medicaid HCBS in order to even begin creating the human infrastructure necessary to meet the high and growing demand for quality care in the home.

WHAT CONGRESS CAN DO

Approve the *Better Care Better Jobs Act* (S. 2210/H.R. 4131) as introduced by Senator Casey and Rep. Dingell. This legislation would make key improvements to the Medicaid program addressing both patient and caregiver challenges. Specifically, it would:

- Permanently increase the Federal Medical Assistance Percentage (FMAP) by 10% for HCBS.
- Expand HCBS to require personal care services, family caregiver supports, and respite care.
- Address and annually update HCBS payment rates with an opportunity for public input.
- Update and develop training opportunities for the workforce.
- Require a maintenance of effort mandating that new funds supplement and not supplant current outlays.
- Make permanent spousal impoverishment protections for recipients of HCBS.
- Make permanent the Medicaid Money Follows the Person program.



For more information
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