

Home and Community Based Services (HCBS)

Joe Caldwell, PhD
Director of Community Living Policy Center

What are Home and Community Based Services?

Broad range of services and supports that assist individuals with disabilities and older adults to live at home and engage in community life

Allow individuals to exercise choice and control and age with dignity

Prevent undesirable nursing home and other institutional placements

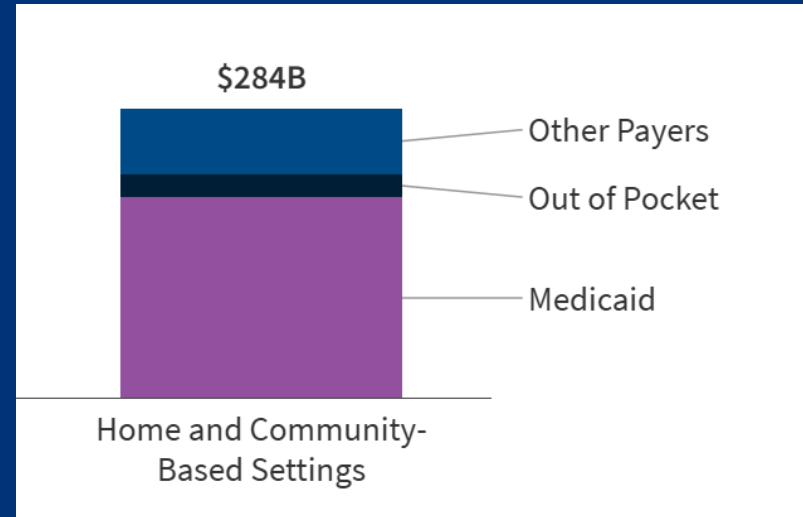


How are HCBS Provided?

Vast majority of individuals who need HCBS rely on support from unpaid family caregivers

- 63 million family caregivers
- Economic value of over \$1 trillion

Medicaid is the primary payer of formal HCBS



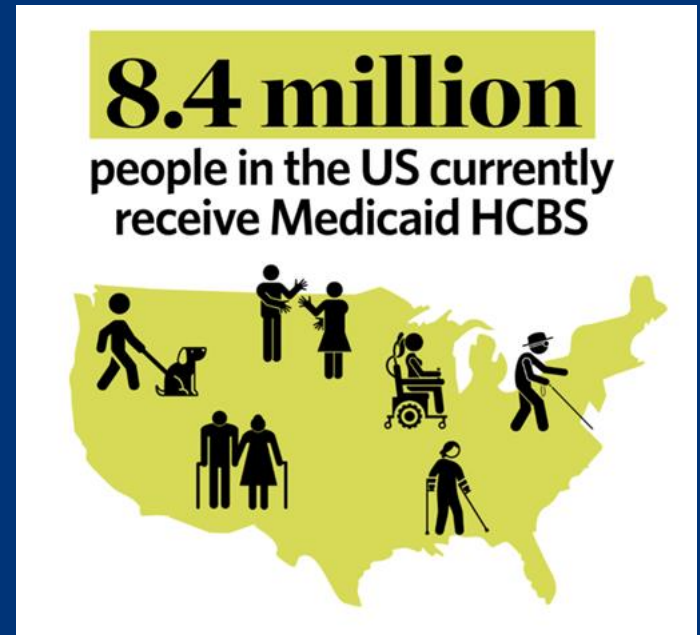
Data source: Kaiser Family Foundation

How many people receive Medicaid HCBS?

8.4 million people in the US receive Medicaid HCBS

- Children and adults with Intellectual and Developmental Disabilities (IDD)
- Individuals with physical, mental and other disabilities
- Older adults

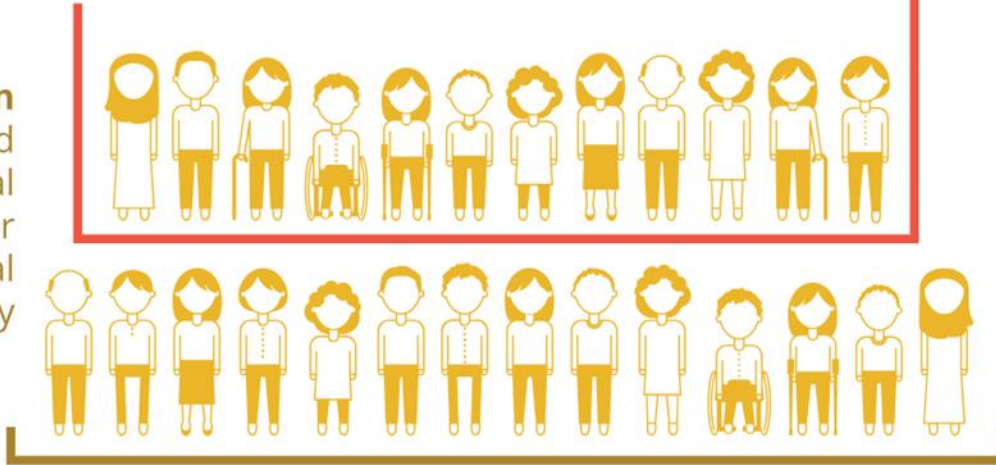
Number is growing due to aging of the population and unmet needs



Most people with IDD do not receive formal services form state IDD service systems

45% of adults were known to state IDD agencies

2.25 million adults had an intellectual and/or developmental disability



Where do people with IDD receiving services live?

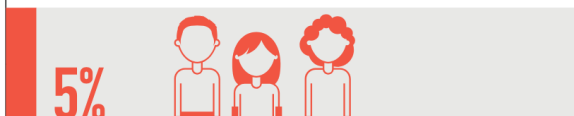
Family Home | a residence shared by a person with IDD and their related family members.



Own Home | a home owned or rented by one or more adults with IDD



Host or Foster Family Home | a home owned or rented by an individual or family that provides supportive services to one or more people with IDD



Group Home | a residence of six or fewer people owned, rented or managed by the organization or agency that provides services to the people in the home



Institution | a residence of seven or more people owned, rented, or managed by the organization or agency that provides services to people in the facility



Data source: University of Minnesota RISP

Institutional Bias within Medicaid

Nursing Homes are **mandatory** within Medicaid, while **Home and Community-Based Services (HCBS) are optional**

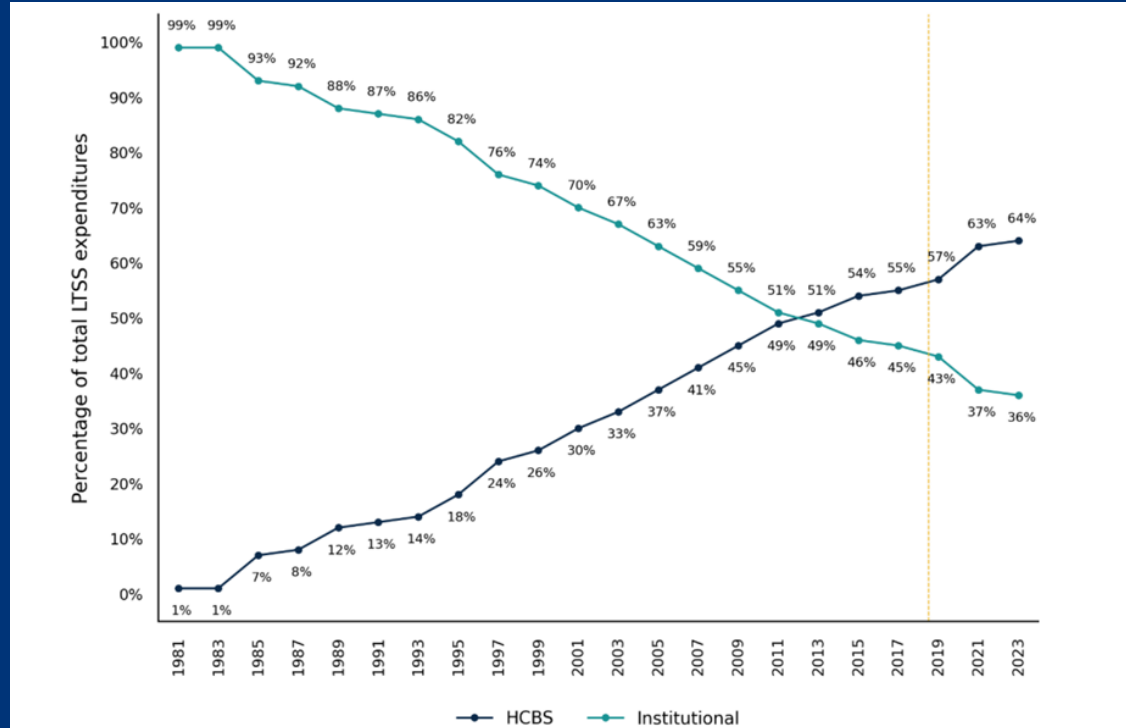
- States can limit availability of HCBS
- Services vary from state to state
- Long waiting lists in many states
- Forces people into more costly, undesirable nursing homes and other institutions
- Vulnerable to cuts during budget shortfalls



US Supreme Court *Olmstead* Decision ruled people have a right to live in the community

Have made significant progress in “rebalancing”

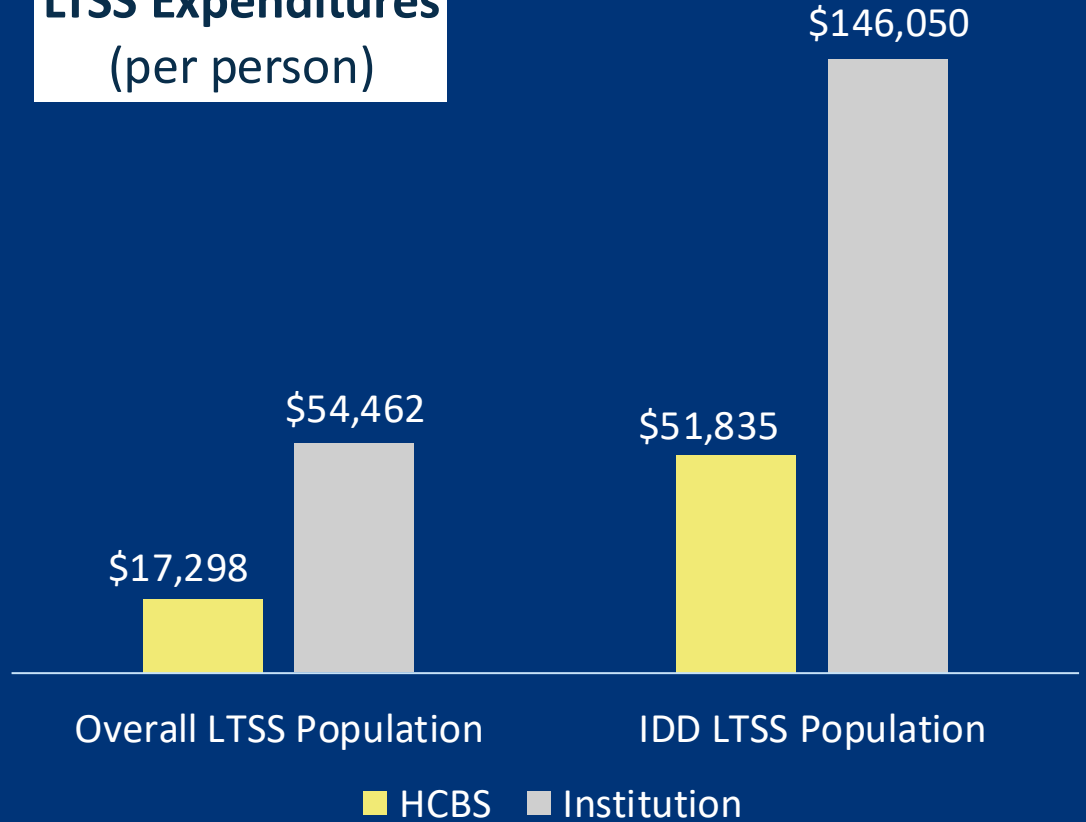
Shifting away from institutions and expanding access to HCBS



Data source:
CMS/Mathematica

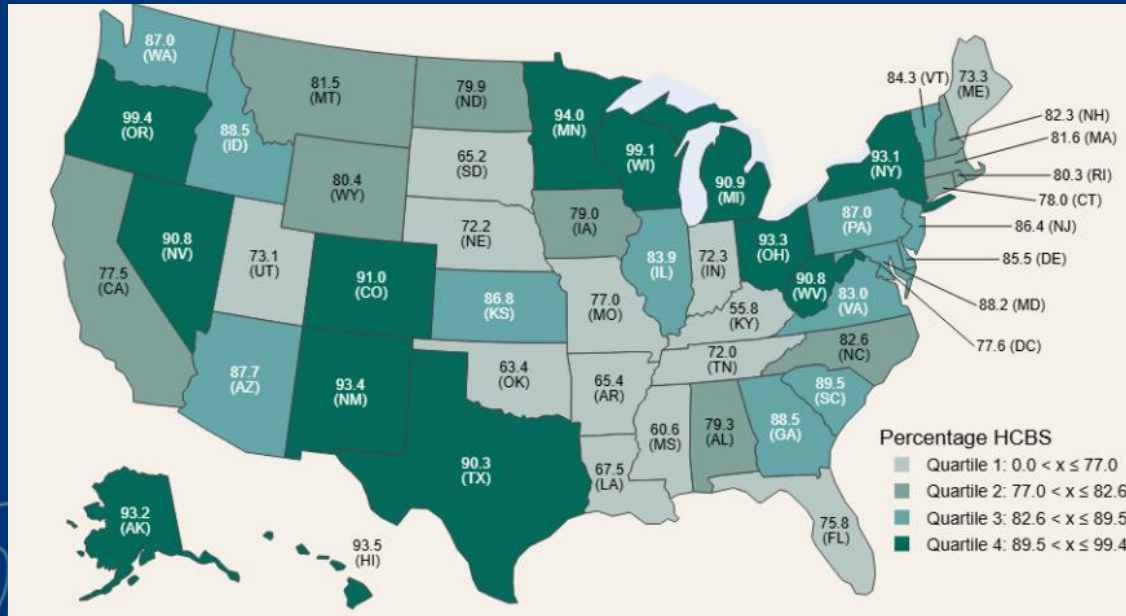
**Medicaid HCBS
cost less than
institutional LTSS.**

**LTSS Expenditures
(per person)**



Data source:
CMS/Mathematica

Rebalancing can produce cost savings over time



State investments in HCBS often result in short-term spending increases but over time lead to reductions in institutional spending and long-term cost savings.

Many states have a lot of opportunity to rebalance

HCBS can reduce overall health care costs

HCBS reduces institutional placements, hospitalizations, and emergency department visits, potentially reducing healthcare costs to states.

Unmet needs for HCBS lead to worse community living and health outcomes.



Opportunities to improve HCBS outcomes

Person-centered planning

Improved care coordination that
integrates LTSS and acute care

Self-direction



Self-direction and paying family caregivers



Self-direction is a model of service delivery

- Allows individuals to hire their workers, including family and friends
- Sometime control a budget and purchase services

States have guardrails to ensure program integrity

One of the most evidence-based models

- Improves outcomes for individuals and families
- Provides more culturally and linguistically competent supports
- Can help address workforce shortages

Key Takeaways

- Family caregivers are the backbone of our LTSS system
- HCBS improves health, social and economic outcomes
- States can save money from “rebalancing” LTSS systems away from expensive nursing home and institutional care
- HCBS can reduce avoidable ED visits, hospitalizations, and institutional placements saving states money
- Self-direction can improve outcomes and help address workforce challenges

Thank you!

Do you have any questions?

joecaldwell@brandeis.edu

Lurie.Brandeis.edu

