

HOME AND COMMUNITY-BASED SERVICES (HCBS):

Background; Need in Florida; & Federal Opportunity



Background:

What is HCBS?

Medicaid home and community-based services (HCBS) programs provide services that are not typically available through Medicare or standard medical insurance, such as personal care aides, home-delivered meals, and private duty nursing to low-income individuals who require significant assistance with basic activities of daily living. Well over half of the funding comes from the federal government. [\[1\]](#)

Who receives HCBS in Florida?

Most of Florida's HCBS are provided through either the Medicaid iBudget Waiver for people with developmental disabilities or the Medicaid Long-Term Care (LTC) Waiver for seniors and adults with significant disabilities. These HCBS services are provided as an alternative to institutionalization. [\[2\]](#)[\[3\]](#) Unlike all other Medicaid services, including institutionalized care, both of these programs have long wait lists. [\[4\]](#)[\[5\]](#)[\[6\]](#)

Why is HCBS important?

Not only do most people prefer receiving long term services and support at home and in their community, HCBS is also much less expensive than institutionalization. [\[7\]](#)[\[8\]](#) health outcomes are also adversely affected by institutionalization, as the COVID-19 pandemic dramatically demonstrated. [\[9\]](#) For example, as of May 2021, (the last month of publicly available data), more than 11,000 residents of long-term care facilities in Florida died from COVID. [\[10\]](#)

What are workforce issues?

The 2022 Florida Legislature should be commended for their efforts to increase the minimum wage for direct care employees of Medicaid providers to \$15 per hour. [\[11\]](#) However, direct care workers are still very much underpaid, most do not have benefits, and shortages continue. [\[12\]](#) Thus, getting off the waitlist and enrolling in an HCBS waiver program does not guarantee receipt of needed care, as our underfunded and understaffed workforce cannot meet the needs of all enrollees. [\[13\]](#)[\[14\]](#)[\[15\]](#)

How does Florida compare?

Florida is ranked 43rd on the most recent AARP Long-Term Services and Supports Scorecard. [\[16\]](#)

Why is Increased HCBS Funding Especially Critical for Florida?

Cost Savings:

HCBS programs cost far less than nursing facility care. In Florida, HCBS programs are approximately 3.5 times cheaper than the alternative nursing facility care. [\[17\]](#)

Rapidly Increasing Senior Population:

More than 27% of the states' population is over the age of 60 and the proportion of older adults relative to younger populations is projected to increase through the year 2045. In five Florida counties, 40% of the total population is age 60 or older, the highest being 61% in Sumter County. While life expectancy is expected to increase through the year 2045, the ratio of available caregivers is expected to drop from 4.4 to 2.8 by 2030. [\[18\]](#) Many in this age group are at risk for institutionalization and could benefit from HCBS. [\[19\]](#)

High Poverty Levels and Need for Services:

More than 1.2 million Floridians age 60 and older received services from the Department of Elder Affairs through the Older Americans Act in 2019. Of the clients screened and served, 43% were below the Federal Poverty Level and clients who were low-income minorities were 30% of the service population compared to 5% in the general population of people age 60 and older. [\[20\]](#)

The cost of living in Florida has increased exponentially in recent years, with more than double the national inflation rate (4%) in the Miami-Fort Lauderdale-West Palm Beach areas (9%) and Tampa-St. Petersburg-Clearwater at 7.3%. [\[21\]](#) The cost of renting in Florida has doubled across the state since 2014, [\[22\]](#) and nearly half of those that own their homes are spending more than 30% of their income on their mortgage. [\[23\]](#) The increasingly challenging housing market and insurance costs continue to place Florida seniors at risk of homelessness. Additional HCBS funding will help alleviate the burden of high housing costs and associated housing instability.

Long Waitlist Concerns:

As of July 2023, there are 48,547 Florida residents on the LTC waitlist. [\[24\]](#) Increased funding is essential to allowing more individuals off the waitlist to receive needed services at home and avoid institutionalization. If enacted, the HCBS Access Act would over time eliminate the waitlists and provide states with continuous funding to place HCBS on equal footing as nursing facility care.

High Percentage of Disabled Seniors and Health Concerns:

Over 17% of persons over the age of 60 in Florida have reported mobility limitations and are living outside of nursing institutions. [\[25\]](#) Additionally, Florida has the second highest number of people over the age of 65 living with Alzheimer's disease or related dementias in the nation (580,000) and is expected to increase by 24.1% by 2025 (720,000).

FEDERAL CALL TO ACTION

Home and Community-Based Services (HCBS) Access Act Opportunity

2023-2024



Background:

[The HCBS Access Act \(HAA\)](#), which was introduced on March 9, 2023 to the Senate by Senator Robert Casey Jr. (D-PA) and House by Representative Debbie Dingell (D-MI-6), provides for increased access and quality for Medicaid HCBS. [\[26\]](#) It would provide permanent enhanced federal funding to ensure eligible older adults and people with disabilities are able to live at home and connected to their communities by placing HCBS on equal footing as institutional care. Overtime, the bill would eliminate HCBS waiting lists and improve the direct care workforce shortage.

Benefits of the HCBS Access Act include:

- Eliminating the waitlist and enrollment caps for the HCBS program;
- Creating a more uniform and expansive eligibility criteria based on income and health function;
- Providing caregiver resources to allow for additional training and support, in addition to a living wage; and
- Removing the administrative barriers for continued HCBS funding by eliminating the need for states to apply for multiple waivers.

HCBS Access Act Structure and Funding Scheme:

The HAA would mandate states to treat HCBS as an entitlement under the Medicaid program, providing an equal right to HCBS or institutional care. Federal funding would be provided to support states for 100% of HCBS costs for 10 years. [\[27\]](#)

Current Polling Support:

An [April 2022 survey](#) of over 1200 likely voters shows that 87% of all respondents and 85% of Republicans support federal investments in affordable long-term care for seniors and people with disabilities. [\[28\]](#)

Endnotes

[1] The split between state and federal funds is based on the Federal Medical Assistance Percentage (FMAP) which is calculated separately for each state and is updated annually. For Florida, the FMAP for 2024 is 57.96%. This means every dollar spent on Medicaid services, including HCBS, is funded with approximately 58 cents from the federal government and 42 cents from the State of Florida. <https://www.kff.org/medicaid/state-indicator/federal-matching-rate-and-multiplier/>

[2] Developmental Disabilities Individual Budgeting (iBudget) Waiver, Agency for Health Care Administration https://ahca.myflorida.com/Medicaid/hcbs_waivers/ibudget.shtml

[3] Long-Term Care Waiver, Agency for Health Care Administration https://ahca.myflorida.com/medicaid/Policy_and_Quality/Policy/federal_authorities/federal_waivers/LTC.shtml

[4] As of September 7, 2023, there are over 48,000 individuals on the waitlist for the Statewide Medicaid Long-Term Care waiver. https://fcoa.starchapter.com/images/waitlistreport_07242023.pdf

[5] As of January 2022, there are over 22,000 individuals on the waitlist for the Florida Medicaid Developmental Disabilities Individual Budgeting (iBudget) Home and Community-Based services (HCBS) waiver. <http://ddwaitlist.cbcs.usf.edu/about.html#:~:text=22%2C718%20people%20>

[6] The HCBS Access Act would eliminate this issue by eliminating the waitlist by mandating states to place HCBS on “equal footing” as institutional care. See FHJP post explaining how Floridians can contact their representatives.

- [7] See e.g. *Research and Evaluation of the Money Follows the Person (MFP) Demonstration Grants*, <https://mathematica.org/projects/research-and-evaluation-of-the-money-follows-the-person-mfp-demonstration-grants>
- [8] HCBS is approximately 3 times cheaper than institutionalization. For example, the Statewide Medicaid Managed Care (SMMC) Long-Term Care (LTC) Program Monthly Base Rates for Region 11 (October 1, 2022 through September 30, 2023) show an HCBS rate of \$2,373.03 compared to the non-HCBS rate of \$6,999.28. https://ahca.myflorida.com/content/download/20285/file/LTC_Final_Base_Rates_RY_22-23.pdf
- [9] Priya Chidambara, *Over 200,000 Residents and Staff in Long-Term Care Facilities Have Died From COVID-19*, Kaiser Family Foundation (Feb 3, 2022).
- [10] Florida Department of Health (May 27, 2021) http://ww11.doh.state.fl.us/comm/partners/covid19_report_archive/long-term-care-facilities/lcf-deaths-reports/lcf_deaths_latest.pdf. Florida led the nation in COVID long term care facility deaths for both residents and staff until June 2021 when the state Medicaid agency directed long-term care facilities to stop reporting this [data](#).
- [11] Florida Medicaid Provider Minimum Wage Fee Schedule Increases. <https://ahca.myflorida.com/medicaid/medicaid-finance-and-analytics/medicaid-program-finance/florida-medicaid-provider-minimum-wage-requirements/florida-medicaid-provider-minimum-wage-fee-schedule-increases#:~:text=The%202022%20General%20Appropriations%20Act,at%20least%20%2415%20per%20hour.>
- [12] The average hourly wage for a home healthcare worker in Miami-Dade County is less than \$14.11. <https://www.indeed.com/career/home-health-aide/salaries/Miami--FL>.
- [13] <https://archive.floridahealthstories.org/thelma>
- [14] <https://archive.floridahealthstories.org/alene-ltc-2>
- [15] <https://archive.floridahealthstories.org/shirley>
- [16] [Long-Term Services and Supports State Scorecard 2023 Edition](#), at 12-13. The LTSS scorecard is an assessment of LTSS system performance across five key characteristics: (1) Affordability and Access, (2) Choice of Setting and Provider, (3) Quality of life and Quality of Care, (4) Support for Family Caregivers, and (5) Effective Transitions.
- [17] Florida State Plan on Aging 2022-2025. Florida Department of Elder Affairs. <https://elderaffairs.org/wp-content/uploads/FINAL-Florida-State-Plan-on-Aging-2022-2025-10182021.pdf>
- [18] *Id.* at 18.
- [19] Florida State Plan on Aging 2022-2025. Florida Department of Elder Affairs. <https://elderaffairs.org/wp-content/uploads/FINAL-Florida-State-Plan-on-Aging-2022-2025-10182021.pdf>
- [20] Florida is now America's Inflation Hotspot. Bryan Mena and Alicia Wallace. CNN. July 10, 2023. <https://www.cnn.com/2023/07/10/economy/florida-inflation-hotspot-regional/index.html>
- [21] There are approximately 48,547 individuals on the LTC waitlist statewide as of September 7, 2023, https://fcoa.starchapter.com/images/waitlistreport_07242023.pdf. Thus, the 17,631 Miami Dade County residents on the waitlist comprise over 36% of the state's waitlist.
- [22] Zillow Observed Rent Index (ZORI), 2014-2023. <https://www.zillow.com/research/august-2023-rent-report-33022/>
- [23] 2021 ACS 1-Year Estimates. <https://www.census.gov/programs-surveys/acs/technical-documentation/table-and-geography-changes/2021/1-year.html>
- [24] HHS Administration for Community Living. AGID Florida State Profile for OAA Programs 2021. <https://agid.acl.gov/#StateProfile>
- [25] See U.S. Senator Bob Casey, Chairman, Special Committee on Aging HCBS Access Act. March 2023. https://www.aging.senate.gov/imo/media/doc/hcbs_access_act_one_pager1.pdf
- [26] Justice in Aging The HCBS Access Act Fact Sheet. June 2023. <https://justiceinaging.org/wp-content/uploads/2023/06/HCBS-Access-Act-Fact-Sheet.pdf>
- [27] <https://www.dataforprogress.org/blog/2022/5/3/voters-coverwhelmingly-support-bidens-investment-package>

For questions, please contact Miriam Harmatz or Megan Hesketh, Last update 10-23-23