

Allow for Individual Medicaid Budget Modifications for Services that Support an Individual to Obtain or Maintain Employment

- **Most individuals with intellectual and developmental disabilities want to work in the community and some need support to obtain or maintain employment.**
- **Community Supported Employment (CSE) services are available to individuals who are eligible for the Medicaid HCBS developmental disability waiver.**
- **Individuals who use CSE services may be reducing the number of hours needed for developmental therapy or some other kind of day service.**
- **In 2011, House Bill 260 created a restriction for the department to only respond to requests for budget modifications when health and safety issues have been identified.**
- **Cuts to individual budget allocations and budget request restrictions have resulted in a significant reduction in access to CSE services to support employment.**

People with intellectual and developmental disabilities want to work at jobs in their communities and already experience a number of barriers to employment. It is unfortunate that not being able to request funds for support to be successful at work is one of them.

With reductions to individual budgets for Medicaid services in recent years, data shows a significant reduction in the number of people who are using Community Supported Employment (CSE) to support them to maintain employment. This means that some individuals have lost, or are at risk of losing, their job in the community because they are not able to get the job coaching support they need in the workplace.

In 2011, the Legislature passed House Bill 260 limiting the department's response to requests for budget modifications only when health and safety issues have been identified. One unintended consequence was that individuals who had been able to use some of their Medicaid service budget to pay for employment support in the past are no longer able to request a budget modification to continue using those services. Without at least a limited amount of support some individuals have been unable to keep their job.

A workgroup of members from the Idaho Employment First Consortium and the Collaborative Workgroup on Adult Developmental Disability Services has been meeting with policymakers and Medicaid to discuss amending Idaho Code 56-255 (3) (e) (ii) that describes when the department will allow budget modifications. We would like to amend the law to include language that would allow budget modifications not only to protect health and safety, but also "to obtain or maintain employment."



Background:

Medicaid can pay for Community Supported Employment (CSE) services which are specialized training and support for a person with a developmental disability in a job setting. Services are provided on the jobsite to help an individual learn work skills, understand daily tasks, and build relationships with supervisors and co-workers to be successful in employment. These services are provided by employment specialists (or job coaches) through Community Rehabilitation Providers. Often job coaching provided is more intensive at first, then is reduced over time as the person becomes more independent on the job or as natural supports may be developed, however, some individuals may have a need for long term employment support.

Idaho Code 56-255 (3) (e) (ii) describes Medicaid services for people with developmental disabilities. The total amount of Medicaid developmental disability services a person can receive is limited by an individual budget amount, determined by a formula based on individual assessments. In 2011, House Bill 260 added language to this section which limited individual budget modifications to only those services needed to protect the health or safety of the person.

One unintended consequence of this change was that it prohibited budget modifications that would allow the person to obtain or maintain employment. The effect of this limitation was to reduce the number of people getting on-the-job training and support from 275 people in 2010 receiving CSE services costing \$1,663,805 to 182 people in 2013 with services costing \$970,019. That is a 33% decrease in the number of individuals using the service and 41% decrease in expenditures. During the same time period, the waitlist for the state-only funded Vocational Rehabilitation Extended Employment Services program increased by approximately 191 individuals from around 363 in September of 2011 to 561 in September 2013. This bill would allow people with developmental disabilities to modify their individual budgets by adding CSE services to their plan, when these services are needed to obtain or maintain employment. Any such modifications would still be subject to Department rules.

If services were restored to the level they were in 2010, it would cost Medicaid a total of \$693,784. If we assume that there could be a 10% increase in services over the 2010 level, the cost would be \$810,164. Because approximately 71% of the total cost is paid by the federal government, **the total fiscal impact to the State General Fund would not exceed \$235,000.** It would likely be much less since it will take some time to build back up to the 2010 level of participation, and in many cases the CSE services would reduce the need for other Medicaid services such as developmental therapy.

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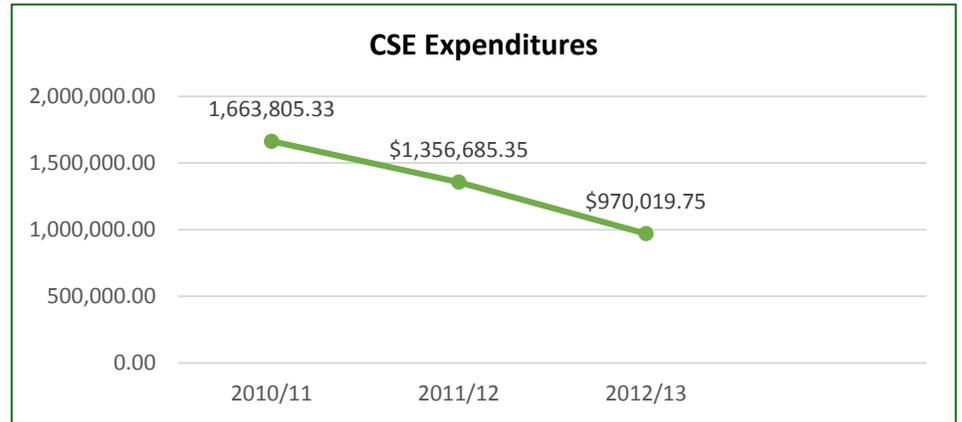
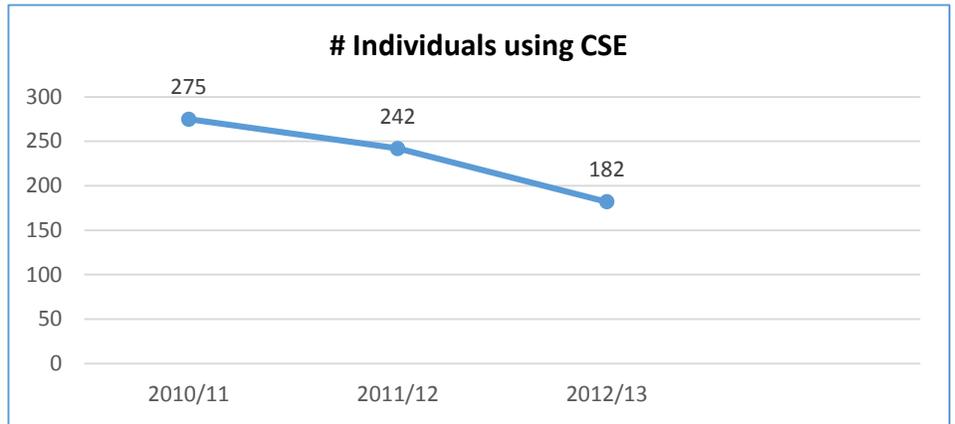
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From March 2010 to March 2011 there were 275 individuals using CSE services. This was before the July 2011 implementation of law limiting budget modifications to protect health and safety.

A snapshot from the two years after implementation shows a marked decrease in the number of individuals using the service to support employment and the related expenditures.



The chart below shows the change to the waiting list for **state-only funded** Extended Employment Services provided through Vocational Rehabilitation during the same period.

