

# Medicaid and Employment

## How Best to Utilize Medicaid Funds and Authorities to Support Employment

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# 1915 (c) Waiver Technical Guidance Revisions

- Underscores CMS's commitment to the importance of work for waiver participants
- Supports States' efforts to increase employment opportunities and meaningful community integration for waiver participants.
- Provides further clarification of CMS guidance regarding several core service definitions and adds several new core service definitions.

# Key Updates to CMS Waiver Guidance: continued

- Articulates best practices and highlights self direction options for employment support
- Explains that Ticket to Work Outcome and Milestone payments are not in conflict with payment for Medicaid services rendered

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# Key Updates to CMS Waiver Guidance:

- Provides a strong preamble that highlights the importance of competitive work and CMS's goal to promote more integrated employment options in waivers
- Emphasizes the critical role of person centered planning in achieving employment outcomes

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# Key Updates to CMS Waiver Guidance: continued

- Clarifies that pre-vocational services are not an end point, but a time limited (but no specific limit given) activity to help someone obtain competitive employment
- Describes that volunteer work and other work type activities that are not paid, integrated community employment are appropriately classified as pre-vocational, not supported employment services

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# Key Updates to CMS Waiver Guidance: continued

- Splits supported employment into two core service definitions- individual and small group
- Adds a new core service definition for career planning currently used by several States

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# Sharing Updates

- CMS is not changing policy, but clarifying and strengthening guidance around permissible waiver options to promote employment for people with disabilities and individuals who are elderly.
- CMS issued an Informational Bulletin with these updates on 9/16/11 (<https://www.cms.gov/CMCSBulletins>)
- These changes will also be included in version 3.6 of the Waiver Technical Guide to be released at a later date

# 1915(c) reimbursement methodologies to incentivize integrated employment

- Using the core service definitions in the Employment Supports Informational Bulletin for group versus individual supported employment, States can establish higher rates to incentivize individual supported employment.

# Paying for Career Planning

- Local education agencies (for youth under 21)
- VR
- One Stop Career Centers
- Medicaid- 1915(i) or 1915 (c) under prevocational, supported employment, or “other” category. (\*see CMS’ Employment Supports Informational Bulletin 9/16/2011)

# Paying for Work Incentives Planning

- States could opt to provide this service through a 1915(i) or in the case of a 1915(c) waiver service, by including it in the definition of Supported Employment services, Prevocational Services, Day Services or by adding it under an “other” category.
- CMS would want to see a statement that the service is not otherwise covered through another source of federal funding, such as the SSA.

# Medicaid Infrastructure Grants (MIG)

- The Medicaid Infrastructure Grant (MIG) program is an 11-year grant program which provides funding to States to strengthen the infrastructure necessary to assist individuals with disabilities who work or who want to work through employment promoting and supporting policies and services.
- States have used MIG resources and expertise to obtain authority to implement Medicaid Buy-In (MBI) programs, build linkages between State Medicaid agencies and Vocational Rehabilitation agencies and integrate employment supportive policies into key Affordable Care Act provisions.

# Medicaid Infrastructure Grants (MIG) cont'd

- April 26, 2012 Update: **CMS announced that the 10% limitation of use of MIG grant funding for Work Incentives Planning activity has been lifted for the use of 2012 NCE funds.**

# Provisions of The Affordable Care Act: Section 2403: Money Follows the Person

- Money Follows the Person (MFP)  
Demonstrations are active in 47 States and the District of Columbia.
- MFP provides opportunities for States to promote and support employment through program administration, policies and services.
- States also have opportunities within their rebalancing funds to support employment related services and activities.

# Money Follows the Person

## State Investments Using Rebalancing Funds

- Increase in Waiver slots
- Development of needs-assessment tools
- Increase community service capacity, including employment services
- Employment Specialists

# Provisions of The Affordable Care Act: Section 10202: Balancing Incentive Program

- Effective October 1, 2011
- Balancing Incentive Program offers a targeted FMAP increase to States that undertake structural reforms to increase access to HCBS.
- The enhanced matching payments are tied to percentage of State's long-term services and supports offered through HCBS.

# Provisions of The Affordable Care Act: Section 10202: Balancing Incentive Program cont'd

- Requires States to implement structural changes including: no wrong door–single entry point system, conflict-free case management services, and core standardized assessment instruments.
- Provides a strong financial incentive to stimulate greater access to non-institutionally-based long-term services, including employment supports.

# 1915 (i) State Plan Option for Home and Community Based Services

- Section 1915 (i) State Plan Option to provide home and community based services was modified through Section 2402 of the Affordable Care Act to allow States to expand access to home and community based services without requiring institutional level of care for enrollees.
- There are 6 States with an approved 1915(i) HCBS in their State plans.
- Services can include employment supports.
- MIG Grantees are working with States as they develop 1915(i) options to integrate employment supportive policies and supports.

# Provisions of The Affordable Care Act: Section 2401: Community First Choice Option

- Adds Section 1915(k) to the Social Security Act
- Includes 6% enhanced FMAP
- Statewide – in community (not institutions)

# Provisions of The Affordable Care Act: Section 2401: Community First Choice Option (cont'd)

- CFC is an optional State plan benefit which utilizes a person-centered plan and allows for provision of services to be self-directed under either an agency-provider model or a self-directed model with a service budget.
- The benefit can be used to support an individual's employment goals.

# Trend towards Managed Long Term Services and Supports and Employment

- Managed Long Term Services and Supports – What does this mean?
- Different Managed Care Authorities (1115, 1915(b), etc.)
  - States should remember when operating a 1915(b)(c) concurrent waiver that the (c) regulations and policies continue to apply.

# Additional Information

[www.medicaid.gov](http://www.medicaid.gov)

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