



# West Virginians with Disabilities and Medicaid

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## Facts to Consider

The Medicaid program was created as a federal-state partnership over 50 years ago. West Virginians have significant flexibility to design the state Medicaid program to meet the unique needs of our population. The federal government matches every dollar spent on health care services for the “traditional” Medicaid population with \$2.74. The traditional or regular Medicaid population includes children, seniors, blind and/or disabled West Virginians, and low-income West Virginians.

The 2010 Affordable Care Act allowed states to expand coverage to individuals ages 19 to 64 who make up to 138% of the Federal Poverty Level (FPL) or up to \$16,400 a year for an individual and \$27,800 for a family of three. In 2013, West Virginia took advantage of this option to expand its Medicaid population, and these individuals started receiving Medicaid services in January 2014. The federal government provides a higher match on the state’s spending for this population.

*As Medicaid cuts are being debated at both the state and federal level, it is important that policymakers understand how important Medicaid is to our state and to those of us with disabilities.*

## People with Disabilities in West Virginia

- West Virginia has the highest number of people with disabilities in the U.S. According to the West Virginia Developmental Disabilities Council, 1.8% of the population or 33,192 people are classified as disabled.
- West Virginia has the highest rate of beneficiaries receiving Social Security Disability Insurance benefits in the nation at 8.9% of working-age residents.

- West Virginia has the highest percentage of working-age people on disability benefits in the country.
- In 2014, the prevalence of disability for working-age people (ages 21 to 64) with disabilities in WV was 26.7 percent.

## West Virginians with Disabilities and Medicaid

- West Virginia Medicaid served as the primary health insurance provider for more than 546,000 West Virginians, or about 30 percent of the total population in state fiscal year 2015.
- In West Virginia, people with disabilities account for 15% of total Medicaid enrollees.
- Medicaid services for West Virginians with disabilities are diverse and include primary health care, specialist care, services to help West Virginians with disabilities be able to work, long-term care services in general, and supports to keep West Virginians in their homes and communities rather than in nursing home or institutional care settings.
- While people with disabilities are only 15% of Medicaid enrollees, they account for 42% of costs. The higher cost per enrollee is due to the increased need for more and more expensive health care services. In particular, the cost of long term care services in the community or in nursing homes increases the average cost of Medicaid services for people with disabilities. Long-term care services are generally not available through private insurance or private pay due to high cost. West Virginians with disabilities who need long-term care services must rely on Medicaid as their life-line.
- The large share of Medicaid spending directed towards the disabled population occurred even though West Virginia had one of the lowest per capita spending levels for people with disabilities - ranking 6th lowest nationally - at \$12,993 in 2011 compared to the national average of \$18,518, and the highest spending state at \$33,808.

## Medicaid Eligibility Paths for West Virginians with Disabilities

- **Through Social Security Supplemental Security Income (SSI) eligibility:** About 59,000 West Virginia adults age 18-64 with severe physical and/or mental disabilities, and who are unable to work, are eligible for Supplemental Security Income (SSI), a federal assistance program designed to provide income to aged, blind, or disabled people who have limited assets to support themselves. In West Virginia, people who receive SSI automatically become eligible for Medicaid.
- **Through functional assessments and income eligibility:** West Virginians with disabilities are also eligible to receive Medicaid services based on income and functional assessments of the degree of severity of their disability. West Virginia has some of the most restrictive Medicaid eligibility requirements in the country with many services available to only those who qualify for an institutional level of care. While many West Virginians with disabilities have needs for supportive services, they have not been eligible to receive them through the traditional or regular Medicaid program. A significant number of these West Virginians with disabilities who need supportive services and may work - but do not have high earnings - gained coverage through the Medicaid expansion.
- **Through Medicaid Waiver and Demonstration Programs** described below.

### Three Critical Medicaid Waiver Programs Serve People with Disabilities in West Virginia

There are a number of programs serving West Virginians with disabilities including three very important waiver programs. Medicaid Waiver programs help provide services to people who would otherwise be in an institution, nursing home, or hospital to receive long-term care in the community. Prior to 1991, the Federal Medicaid program paid for services only if a person lived in an institution. In West Virginia, these include:

1. ***The IDD (Intellectual and Developmental Disabilities) waiver*** provides community-based supports and services for individuals with intellectual and/or developmental disabilities. The services are diverse and include: professional behavioral support, dietary therapy, physical therapy, occupational therapy, speech therapy, respite, service

coordination, person centered support, crisis services, skilled nursing, facility-based day services, habilitation, pre-vocational training, supported employment electronic monitoring and job development.

To qualify for this waiver, you must be age 3 or older, you must have 3 deficits in activities of daily living, you must have been diagnosed prior to your 22nd birthday, you must have less than 3 times the maximum monthly SSI benefit rate, and you must have less than \$2000 in assets.

There are currently 4,620 recipients in the program as of February 2017 and 1,290 on a managed enrollment list (commonly called a waiting list.) There has been no increase in available slots in a number of years. This does not include individuals in group homes, nursing homes or receiving personal care services - or, in other words, the count relates only to those in non-residential settings. The longest time on a waiting list is 1400 days.

2. ***The Aged and Disabled Waiver*** provides services for West Virginians 18 years of age and older who need a nursing home level of care but with supports can live safely and successfully at home. The definition of a nursing home level of care is based on 5 deficits in activities of daily living. For example, a West Virginian who needs some help dressing, eating, bathing, etc. but otherwise can stay at home safely would be eligible.

As of February 2017, 6,018 unduplicated slots have been used, and 301 were awaiting services. 15 members on the managed enrollment list are currently in a nursing home. The longest time on the waiting list is 161 days.

3. ***The Traumatic Brain Injury (TBI) Waiver*** provides services to individuals at least 22 years of age with a documented traumatic brain injury, defined as a non-degenerative, non-congenital insult to the brain caused by an external physical force resulting in the need for a nursing facility level of care.

As of February 2017, 64 individuals were receiving TBI Waiver services and 13 were on the managed enrollment list. 6 slots are saved for the Take Me Home WV program which is discussed below. There are many residents with TBI who do not qualify for

services because they do not require an institutional level of care but do need services due to deficits that require assistance.

## Other Important Medicaid Programs and Services

Those on waiver programs have different eligibility standards than the regular Medicaid program. The waivers allow eligibility to individuals who have a higher income level. Some on waiting lists are on the personal care program while they are waiting. However, these services are more limited than under the waiver programs. On occasion, a person can get personal care services when on a waiver due to greater needs that the waiver cannot meet. Other services covered by Medicaid as a basic part of the program include the following:

**Personal Care Services:** These services are medically-necessary activities or tasks ordered by a physician, which enable individuals to meet their needs in their homes rather than as a hospital inpatient or nursing home resident. To qualify, you must have deficits in three activities for daily living and qualify based on your financial eligibility for Medicaid. In state fiscal year 2015, 7,872 individuals received these services.

**Hospice:** Hospice services provide a continuum of home and inpatient care for terminally ill patients and families and/or significant others during the final stages of life and bereavement. In state fiscal year 2015, 428 individuals received services at a cost of \$26.4 million.

**Home Health:** These services are medically-necessary services such as skilled nursing; home health aides; physical, speech, occupational and other therapeutic services; and nutrition services needed on a part-time or intermittent basis. Home Health services were provided to 7,820 at a cost of \$55.3 million in state fiscal year 2015

**Private Duty Nursing:** These services are provided to members under 21 years of age who are in need of face-to-face skilled nursing that is more individualized and continuous than the nursing that is available under the Home Health benefit or routinely provided in hospital or nursing facilities. In state fiscal year 2015, 250 individuals received services at a cost of \$7.6 million.

**Behavioral Health Services:** This includes behavioral health clinics and rehabilitation services, psychiatric services, psychological services, and targeted case management provided in the community. During state fiscal year 2015, 88,965 members received these services at a cost of \$107.2 million.

**Children with Disabilities Community Services:** This program provides services to children with severe disabilities and is an alternative to institutionalization. In state fiscal year 2015, 81 children were served.

**Take Me Home, West Virginia:** This federally-funded Money Follows the Person Rebalancing Demonstration Grant program assists qualifying individuals with disabilities and/or the elderly move from a long-term care facility to a home in the community. Take Me Home participants receive supports from existing HCBS programs or the Supported Housing program operated by the Bureau for Behavioral Health and Health Facilities as well as transition services to make their return home smoother. There are approximately 100 individuals in the program.

**Many West Virginians with Disabilities are Parents**  
Common images of people with disabilities often fail to recognize that like other adult populations, many West Virginians with disabilities are parents. The continued provision of Medicaid for parents with disabilities is critical to support the development of healthy children. For these friends and neighbors who are parenting, Medicaid health care coverage is essential.

The disabilities of parents include the following:

- 14,000 reported a hearing loss
- 9,800 reported a vision loss
- 30,700 reported a mobility disability
- 18,600 reported a cognitive disability
- 9,800 reported a significant difficulty performing a key daily activity

## Devastating Impact of Medicaid Cuts to West Virginians with Disabilities

*Today, our community faces threats of Medicaid cuts from both the state and federal levels.*

- Under current federal Medicaid law, the federal government matches state dollars spent on Medicaid at a rate of at least \$2.74 for every \$1.00.

- Thus, cutting state Medicaid spending is leaving federal dollars on the table that pay for services that West Virginians will still need and the state will have to fund. In addition, federal Medicaid dollars support West Virginia hospitals and other health care providers as well as stimulate our economy and create jobs.
- The West Virginia Medicaid state budget has growing shortfalls due to past tax cuts, reductions in coal and gas severance tax revenue, our slow recovery from the recession, and the aging of our population. The solution is new revenues not cuts to vital services that make a difference in the quality of life and productivity of people with disabilities.
- Federal caps on Medicaid funding or block granting Medicaid will ultimately create huge additional financial burdens on our state budget with an increasing risk of less money for enrollees, reduced critical services, and a reduction in eligibility. Eligibility for West Virginians is already more limited than many states.
- Cuts to federal Medicaid spending on the table in Congress will create chaos in the disabilities community. To qualify for most programs designed for those with disabilities, recipients must meet an “institutional level of care.” Federal Medicaid cuts could force West Virginia to reduce or eliminate Medicaid waiver programs or services; as a result, many participants will be forced to enter institutions. West Virginia has worked hard to eliminate the unnecessary use of care in institutional settings. Medicaid cuts are likely to force our state to take a huge step backwards by forcing more West Virginians into institutional care when alternatives in the home and community provide a better quality of life for the individual and save the state money.
- Home and community-based services are much less expensive than costly institutional services. In 2015, long term care services for approximately 9025 West Virginians cost the state \$661,802,100. By comparison, Home and Community Based Services (HCBS) for approximately 18,500 cost \$546,362,313.
- It is wrong to think that state or federal cuts to Medicaid can be absorbed without harming the West Virginians who rely on the program. In fact, the Medicaid program is an efficient and cost-effective provider of services to West Virginians with disabilities. There are no “magic bullets” that will produce Medicaid savings without cutting eligibility, critical services, or provider reimbursement levels.
- The Medicaid program has more experience and better outcomes providing services to people with disabilities than private insurance based on usage of services and follow up health status.
- Cutting the Medicaid budget – whether state or federal - is a matter of life or death. West Virginians with disabilities who rely on Medicaid programs will be forced to step back in history to a time when they were not treated with respect and equally with other populations. West Virginians must have the right to the services and supports that allow us to function and be productive members of our West Virginia communities.

### **The Affordable Health Care Act Improves the Lives of People With Disabilities**

- The ACA prohibits discrimination by insurance companies against people with pre-existing conditions. This has enabled thousands of people with disabilities to access care.
- The ACA expands access to mental health and substance abuse services by making those services “essential health benefits” requiring plans to cover them.
- The ACA established the Community First Choice Option (CFCO), a Medicaid option that incentivizes states to provide home and community-based services. The CFCO provides extra federal matching funds to states to provide community-based services that help individuals with disabilities and seniors remain in or return to their own homes.
- The ACA extended Money Follows the Person (MFP), a New Freedom Initiative (under the George W. Bush administration) that is allowing thousands of people with disabilities to move out of institutions and receive home and community-based services instead. Without MFP, there is no viable mechanism to transition individuals with disabilities out of expensive institutional settings (nursing homes, state hospitals, etc) into their own homes.