## UNITED STATES SENATE COMMITTEE ON FINANCE

Chairman Ron Wyden

Chairman Bob Casey

## A Historic Investment in the Care Economy

### Expanding Medicaid Home and Community-Based Services

President Biden's American Jobs Plan includes a \$400 billion investment in Medicaid home and community-based services. This funding will expand access to good-quality care, lead to better pay and benefits for workers, enhance the quality of life for families and help to create middle-class jobs.

### We Must Expand Access to Good-Quality Services

The COVID-19 pandemic devastated older adults and people with disabilities. As of April 2021, more than 183,000 residents and workers in nursing homes and other congregate settings died from COVID-19, representing almost one in three deaths nationwide. The pandemic's toll in these settings highlighted enduring shortcomings in our Nation's long-term care system and reinforced the urgent need to ensure all Americans have the option to receive long-term care in the setting that best meets their needs and preferences.

Most older adults and people with disabilities <u>prefer</u> to receive those services and supports in their homes. Over <u>3.5 million older adults and people with disabilities</u> currently receive Medicaid home and community-based services, but <u>more than 800,000 Americans</u> languish on wait lists, sometimes for years. A bold investment in good-quality home and community-based services would make it possible for more people with disabilities and older adults to live in their own homes or with their families and participate in their communities.

#### We Must Create Good-Paying Jobs

The President's investment also prioritizes wage and benefit increases for the home health and home care workers who provide these services, promoting recruitment and retention for one of the fastest growing occupations in the country. Home care workers nationwide earn a median wage of roughly \$12 per hour. As a result, these essential workers, the majority of whom are women of color, are more likely to live in poverty and many have few or no benefits. Our country has a duty to recognize and value the critical services these workers provide.

#### We Must Support Family Caregivers

An investment in the caregiving workforce must also include family caregivers. Most long-term care is provided at home by family, and most family caregivers are unpaid. This can place a substantial financial burden on families as people forgo jobs, hours at work and wages to provide care at home. Over 21 percent of Americans are unpaid family caregivers who provide vital assistance to family members, including children, adults with disabilities, aging parents and more. The President's investment will help support the over 43 million caregivers who currently provide this work unpaid and without adequate supports.

### We Must Deliver for Families—Today and in the Future

A significant investment in good-quality home and community-based services through Medicaid now will improve the lives of people with disabilities, older adults, family caregivers and workers. Nearly three in four Americans (73 percent) support the President's \$400 billion investment, including 88 percent of Democrats, 72 percent of Independents and 55 percent of Republicans. To truly live up to America's values, Congress must invest in our Nation's caregiving infrastructure.

## State-by-State

# Medicaid Enrollment of Individuals with Disabilities and Older Americans (FY 2018)<sup>1</sup>

Medicaid covers one in three persons with disabilities<sup>2</sup> and provides coverage to 7.9 million low-income seniors, including five in eight nursing home residents.<sup>3</sup>

State	Enrollees with Disabilities Under Age 65	Enrollees Ages 65 and older
Alabama	228,000	130,000
Alaska	18,000	13,000
Arizona	183,000	168,000
Arkansas	154,000	79,000
California	1,023,000	1,410,000
Colorado	119,000	87,000
Connecticut	74,000	145,000
Delaware	27,000	19,000
District of Columbia	38,000	27,000
Florida	674,000	685,000
Georgia	379,000	232,000
Hawaii	25,000	35,000
Idaho	54,000	29,000
Illinois	326,000	285,000
Indiana	214,000	110,000
Iowa	84,000	49,000
Kansas	81,000	42,000
Kentucky	235,000	105,000
Louisiana	226,000	135,000
Maine	74,000	56,000
Maryland	154,000	102,000
Massachusetts	372,000	220,000
Michigan	386,000	196,000
Minnesota	125,000	91,000

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Mississippi	<u> </u>	
Missouri	207,000	107,000
Montana	25,000	17,000
Nebraska	41,000	25,000
Nevada	68,000	53,000
New Hampshire	29,000	19,000
New Jersey	183,000	162,000
New Mexico	73,000	51,000
New York	675,000	809,000
North Carolina	373,000	204,000
North Dakota	13,000	10,000
Ohio	422,000	234,000
Oklahoma	119,000	73,000
Oregon	58,000	65,000
Pennsylvania	627,000	302,000
Rhode Island	42,000	33,000
South Carolina	182,000	97,000
South Dakota	21,000	13,000
Tennessee	277,000	152,000
Texas	747,000	553,000
Utah	50,000	21,000
Vermont	70,000	23,000
Virginia	202,000	126,000
Washington	195,000	131,000
West Virginia	99,000	49,000
Wisconsin	190,000	149,000
Wyoming	12,000	9,000

<sup>&</sup>lt;sup>1</sup> MACStats: Medicaid and CHIP Data Book, Exhibit 14: Medicaid Enrollment by State, Eligibility Group, and Dually Eligible Status, FY 2018. Medicaid and CHIP Payment and Access Commission (MACPAC), <a href="https://www.macpac.gov/wp-content/uploads/2015/01/EXHIBIT-14.-Medicaid-Enrollment-by-State-Eligibility-Group-and-Dually-Eligible-Status-FY-2018-thousands.pdf">https://www.macpac.gov/wp-content/uploads/2015/01/EXHIBIT-14.-Medicaid-Enrollment-by-State-Eligibility-Group-and-Dually-Eligible-Status-FY-2018-thousands.pdf</a>.

<sup>&</sup>lt;sup>2</sup> Kaiser Family Foundation. (2019). Medicaid in the United States. KFF.org. https://files.kff.org/attachment/fact-sheet-medicaid-state-US.

<sup>&</sup>lt;sup>3</sup> Kaiser Family Foundation. (2019). Medicaid in the United States. KFF.org. https://files.kff.org/attachment/fact-sheet-medicaid-state-US.

## Estimated Additional Federal Funding for Home and Community-Based Services from the American Rescue Plan<sup>4</sup>

In March 2021, Congress provided nearly \$12.7 billion to states to support Medicaid home and community-based services during the pandemic. The American Jobs Plan will build on that investment.

State	Estimated Additional Federal Dollars	
Alabama	\$87,127,000	
Alaska	\$37,465,000	
Arizona	\$179,766,000	
Arkansas	\$117,810,000	
California	\$2,169,474,000	
Colorado	\$153,993,000	
Connecticut	\$194,473,000	
Delaware	\$37,261,000	
District of	\$89,250,000	
Columbia Florida	\$319,587,000	
Georgia	\$155,587,000	
Hawaii	\$27,513,000	
Idaho	\$53,487,000	
Illinois	\$177,089,000	
Indiana	\$139,586,000	
Iowa	\$93,102,000	
Kansas	\$140,078,000	
Kentucky	\$96,842,000	
Louisiana	\$90,619,000	
Maine	\$60,197,000	
Maryland	\$234,418,000	
Massachusetts	\$409,243,000	
Michigan	\$139,141,000	
Minnesota	\$488,609,000	
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Mississippi	\$53,855,000	
Missouri		
	\$228,636,000	
Montana	\$32,383,000	
Nebraska	\$48,471,000	
Nevada	\$60,586,000	
New Hampshire	\$43,320,000	
New Jersey	\$172,693,000	
New Mexico	\$83,662,000	
New York	\$1,260,957,000	
North Carolina	\$182,328,000	
North Dakota	\$31,600,000	
Ohio	\$434,450,000	
Oklahoma	\$66,064,000	
Oregon	\$124,044,000	
Pennsylvania	\$729,136,000	
Rhode Island	\$33,872,000	
South Carolina	\$84,765,000	
South Dakota	\$20,282,000	
Tennessee	\$156,980,000	
Texas	\$862,112,000	
Utah	\$46,834,000	
Vermont	\$48,280,000	
Virginia	\$213,363,000	
Washington	\$253,024,000	
West Virginia	\$62,695,000	
Wisconsin	\$336,944,000	
Wyoming	\$19,758,000	

<sup>&</sup>lt;sup>4</sup> Chidambaram, P., & Musumeci, M. B. (2021, March 15). Potential Impact of Additional Federal Funds for Medicaid HCBS for Seniors and People with Disabilities. KFF. <a href="https://www.kff.org/medicaid/issue-brief/potential-impact-of-additional-federal-funds-for-medicaid-hcbs-for-seniors-and-people-with-disabilities/">https://www.kff.org/medicaid/issue-brief/potential-impact-of-additional-federal-funds-for-medicaid-hcbs-for-seniors-and-people-with-disabilities/</a>.

# Medicaid Home and Community-Based Services Waiver Waiting Lists (FY 2018)<sup>5</sup>

Most home and community-based services are provided through optional waivers. As such, many states have wait lists for these services, while some states opt not to keep wait lists.

State	Home and Community-Based Services Waiver Wait List, FY 2018	
Alabara	<u> </u>	
Alabama	7,793	
Alaska	906	
Arizona	0*	
Arkansas	3,103	
California	8,510	
Colorado	2,800	
Connecticut	3,884	
Delaware	0	
District of Columbia	0	
Florida	71,662	
Georgia	6,759	
Hawaii	0	
Idaho	0	
Illinois	19,354	
Indiana	1,514	
Iowa	6,574	
Kansas	5,230	
Kentucky	9,194	
Louisiana	64,918	
Maine	1,515	
Maryland	31,367	
Massachusetts	0	
Michigan	3,021	
Minnesota	31	

Mississippi	13,510	
Missouri	100	
Montana	2,122	
Nebraska	1,627	
Nevada	1,159	
New Hampshire	105	
New Jersey	0	
New Mexico	20,355	
New York	unknown	
North Carolina	14,397	
North Dakota	17	
Ohio	68,644	
Oklahoma	7,672	
Oregon	182	
Pennsylvania	16,532	
Rhode Island	0*	
South Carolina	11,292	
South Dakota	350	
Tennessee	7,263	
Texas	385,208	
Utah	3,335	
Vermont	0*	
Virginia	13,215	
Washington	0	
West Virginia	1,236	
Wisconsin	3,151	
Wyoming	279	

<sup>&</sup>lt;sup>5</sup> Kaiser Family Foundation. (2020, February 27). Waiting List Enrollment for Medicaid Section 1915(c) Home and Community-Based Services Waivers. KFF. <a href="https://www.kff.org/health-reform/state-indicator/waiting-lists-for-hcbs-">https://www.kff.org/health-reform/state-indicator/waiting-lists-for-hcbs-</a>

 $<sup>\</sup>underline{waivers/?currentTimeframe=0\&sortModel=\%7B\%22colld\%22\%3A\%22Location\%22\%2C\%22sort\%22\%3A\%22asc\%22\%7D.}$ 

<sup>\*</sup>Arizona, Rhode Island and Vermont do not have Section 1915(c) waivers; they provide similar services in Section 1115 demonstration waivers.

### Median Home Health Worker Wages (May 2019)<sup>6</sup>

Providing care as a home health worker is one of the fastest growing occupations in the United States, but the workforce's wages and access to benefits remain low.

Nationwide, the median wage for home health workers is roughly \$12 per hour.

State	Hourly Median Wage for Home Health Worker May 2019**	
Alabama	\$9.21	
Alaska	\$16.43	
Arizona	\$12.02	
Arkansas	\$10.45	
California	\$12.58	
Colorado	\$12.54	
Connecticut	\$12.77	
Delaware	\$11.30	
District of Columbia	\$14.66	
Florida	\$11.22	
Georgia	\$10.90	
Hawaii	\$12.96	
Idaho	\$11.14	
Illinois	\$12.25	
Indiana	\$11.31	
Iowa	\$12.54	
Kansas	\$10.82	
Kentucky	\$11.52	
Louisiana	\$9.03	
Maine	\$12.66	
Maryland	\$12.87	
Massachusetts	\$15.01	
Michigan	\$11.58	
Minnesota	\$13.49	

	Toughty \$12 per hour.	
Mississippi	\$9.85	
Missouri	\$11.10	
Montana	\$12.12	
Nebraska	\$12.39	
Nevada	\$11.44	
New Hampshire	\$12.87	
New Jersey	\$12.21	
New Mexico	\$10.39	
New York	\$13.42	
North Carolina	\$10.31	
North Dakota	\$15.93	
Ohio	\$11.08	
Oklahoma	\$9.69	
Oregon	\$13.47	
Pennsylvania	\$11.99	
Rhode Island	\$13.84	
South Carolina	\$10.55	
South Dakota	\$12.49	
Tennessee	\$10.45	
Texas	\$9.68	
Utah	\$12.22	
Vermont	\$14.39	
Virginia	\$10.14	
Washington	\$14.41	
West Virginia	\$9.82	
Wisconsin	\$11.80	
Wyoming	\$13.07	

<sup>&</sup>lt;sup>6</sup> U.S. Bureau of Labor Statistics. (2020, July 6). 31-1120 Home Health and Personal Care Aides. U.S. Bureau of Labor Statistics. https://www.bls.gov/oes/2019/may/oes311120.htm.

<sup>\*\*</sup> The wages used in this table are pre-pandemic because they represent the wages these workers would earn in more typical economic conditions.

## Percent of Medicaid Long-Term Services and Supports Spending By Setting (FY 2018)<sup>7</sup>

Home and community-based services are provided as an optional Medicaid benefit. Over the last several decades, states have worked to increase spending on these services and supports to reflect the growing demand for care in home and community-based settings.

State	FY 2018 % Spending on HCBS	FY 2018 % Spending on Institutional Care
Alabama	42.8	57.2
Alaska	62.3	37.7
Arizona	75.2	24.8
Arkansas	51.9	48.1
California	N/A	N/A
Colorado	55.3	44.7
Connecticut	55.5	44.5
Delaware	47.5	52.5
District of Columbia	61.6	38.4
Florida	37.1	62.9
Georgia	48.5	51.5
Hawaii	45.5	54.5
Idaho	60.0	40.0
Illinois	N/A	N/A
Indiana	34.8	65.2
Iowa	41.5	58.5
Kansas	67.0	33.0
Kentucky	42.8	57.2
Louisiana	34.2	65.8
Maine	57.6	42.4
Maryland	60.9	39.1
Massachusetts	71.1	28.9
Michigan	42.7	57.3
Minnesota	77.4	22.6

Mississippi	32.6	67.4
Missouri	60.2	39.8
Montana	56.1	43.9
Nebraska	52.7	47.3
Nevada	61.3	38.7
New Hampshire	46.6	53.4
New Jersey	34.4	65.6
New Mexico	75.7	24.3
New York	N/A	N/A
North Carolina	N/A	N/A
North Dakota	41.7	58.3
Ohio	57.7	42.3
Oklahoma	48.0	52.0
Oregon	83.4	16.6
Pennsylvania	58.7	41.3
Rhode Island	30.0	70.0
South Carolina	47.2	52.8
South Dakota	49.8	50.2
Tennessee	52.1	47.9
Texas	60.5	39.5
Utah	51.4	48.6
Vermont	55.8	44.2
Virginia	N/A	N/A
Washington	70.0	30.0
West Virginia	41.4	58.6
Wisconsin	75.3	24.7
Wyoming	50.3	49.7

<sup>&</sup>lt;sup>7</sup> Murray, C., Tourtellote, A., Lipson, D., & Wysocki, A. (2021, January 7). *Medicaid Long-Term Services and Supports Annual Expenditures Report*. Medicaid.gov. p.77-78. <a href="https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltssexpenditures-2017-2018.pdf">https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltssexpenditures-2017-2018.pdf</a>.