



## Cuts to Home- and Community-Based Services for Florida Seniors and People with Disabilities Inevitable if Capped Medicaid Funding Becomes Law

A recent report from the Center on Budget and Policy Priorities highlights how capped Medicaid funding puts at risk Florida's home- and community-based services. These services are vital to keeping Floridians out of residential care institutions.

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Thanks to Medicaid, thousands of ailing Floridians are able to remain in their homes and out of institutions. Medicaid covers a broad range of popular home- and community- based services (HCBS), including: nursing; home health aides; medical equipment and supplies; help with eating, dressing, bathing, chores and other activities of daily living; transportation; adult day care; and respite care for caregivers.

But states are not required to provide these services under Medicaid; they are considered "optional."

Why does this matter? A recent report<sup>1</sup> from the Center on Budget and Policy Priorities (CBPP) explains how optional HCBS risk being first on the chopping block if the U.S. House health reform bill – the American Health Care Act (AHCA)- becomes law. Notably, states spend more on HCBS than any other optional service.<sup>2</sup>

The AHCA would cap Medicaid funding starting in 2020. The cap would be based on 2016 per enrollee spending within discrete beneficiary groups, including seniors and persons with disabilities. These are the groups receiving HCBS. Data included in the report<sup>3</sup> show that Florida's per enrollee spending for these populations is already lower than most other states.

The following shows Florida's annual per enrollee spending compared to national averages:

- children with disabilities: \$13,373 in Florida vs. \$16,758 nationally. Only eight states spend less per capita than Florida.

- non-elderly adults: \$15,584 in Florida vs. \$18,982 nationally. Only 11 states spend less per capita than Florida.
- seniors: \$14,253 in Florida vs. \$17,522 nationally. Only eight states spend less per capita than Florida.

Although capped Medicaid funding will cause budget pressures across all states, Florida will be disproportionately impacted. Under this new funding formula, the state will be locked into an unsustainable funding cap, which will grow worse over time. The already low per-enrollee Medicaid spending and Florida's exploding population of aging adults and people with disabilities<sup>4</sup> would substantially disadvantage the state.

Over 105,000 beneficiaries in Florida receive HCBS.<sup>5</sup> In addition to seniors, thousands of other highly vulnerable residents rely on HCBS, including persons with developmental disabilities, brain and spinal cord injuries, HIV/AIDS and cystic fibrosis.

Even a cut of just a couple of hours per week of in-home care could force a caregiver to choose between institutionalizing their relative or abandoning employment to provide full-time care.

Florida waitlists for HCBS are already too high. This is no time for the state to reverse course and leave institutional care as the only option.

There is still an opportunity for policymakers to reject any health care proposals capping Medicaid funding and putting HCBS at grave risk.

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<sup>1</sup> Solomon, J., Schubel, J., Medicaid Cuts in House ACA Repeal Bill Would Limit Availability of Home and Community Based Services, Center on Budget and Policy Priorities, 2017. Accessed via: <http://www.cbpp.org/>

<sup>2</sup> Supra at p. 7.

<sup>3</sup> Supra at Appendix Table 2.

<sup>4</sup> Dadi, E., American Health Care Act Threatens Access to Coverage for Millions of Florida Seniors and Adults with Disabilities, p. 3, Florida Policy Institute, 2017. Accessed via: <http://www.fpi.institute/american-health-care-act-threatens-access-to-coverage-for-millions-of-florida-seniors-and-adults-with-disabilities/>

<sup>5</sup> Solomon, J., Schubel, J., Medicaid Cuts in House ACA Repeal Bill Would Limit Availability of Home and Community Based Services, Appendix Table 1, Center on Budget and Policy Priorities, 2017. Accessed via: <http://www.cbpp.org/>