

# OCCUPATIONAL THERAPY IN HOME AND COMMUNITY-BASED SERVICES (HCBS) 1915(C) WAIVERS

# Medicaid Home and Community-Based Services (HCBS) 1915(c) Waivers

State-based programs that allow individuals with chronic or disabling conditions to receive services and care in the home and community environment instead of an institution.

Waivers allow states to yield certain Medicaid eligibility requirements, creating an opportunity to diminish the gap in services and provide access to more individuals.

For the past decade, Medicaid has invested the majority of funding of long-term services and supports (LTSS) in HCBS.

Waivers can provide a range of medical and non-medical services (transportation, meal preparation, personal care assistance, respite care, transportation, medical equipment, etc.).

# History of HCBS Waivers

- HCBS waiver program authorized under Section 1915(c) of the Social Security Act in 1981.
- In the early 1980s a disproportionate amount of Medicaid funding was used for institutionalized care.
- HCBS waivers created the opportunity to provide long-term support and services to individuals in their homes and communities at no higher cost than institutionalized care.

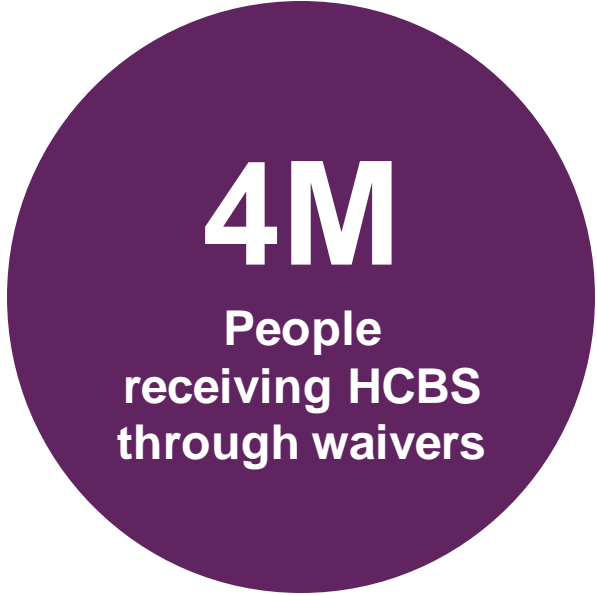
# Policies That Support HCBS: History

- Americans with Disabilities Act (ADA) of 1990
  - Prohibits discrimination against people with disabilities in employment, transportation, housing, communication, and access to state programs and services.
- Olmstead vs. L.C. (1999)
  - U.S Supreme Court case that states are required to eliminate unnecessary segregation of people with disabilities and ensure individuals receive services in the most integrated setting appropriate to their needs.
  - People have a right to live in the least restrictive environment (people should be able to stay, live, or transfer to the community if they want).
- HCBS waivers are part of an ongoing effort to eliminate the institutional bias in LTSS, and the healthcare system.

# Who do HCBS Waivers Serve?

HCBS waivers address many target population groups by age or diagnosis category:

- Autism
- Behavioral health
- Brain and spinal cord injury (ABI, TBI)
- HIV/AIDS
- Intellectual and developmental disabilities (I/DD)
- Medically fragile or technologically dependent
- Older adults
- Physical disability



**4M**  
People  
receiving HCBS  
through waivers

Currently, 257 active HCBS 1915(c) waiver programs nationwide

# What do Occupational Therapy Practitioners do in HCBS?

## Occupational therapy is highly person-centered and consumer directed.

Practitioners identify individual goals, engage around strengths, and address the areas of deficit in a manner that informs community participation.

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### Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs):

Identify barriers and enable skill development in activities such as taking medication, completing self-dressing tasks, and participating in activities that foster independence at home.

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### Adaptive Equipment/Assistive Technology:

Assess, educate, and train clients on the use of high, and low-tech assistive technology.

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### Environmental and Home Accessibility Modifications:

Assess home set-up to address safety concerns to match clients' needs in the environment and provide recommendations.

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### Family/Caregiver Training:

Educate caregivers as a way to enhance a client's quality of life in the home and community environment.

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### Habilitative Services:

Services that support a person to keep, learn, or improve skills and function in daily living.

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### Vehicle modifications and training:

Evaluate for functional ability to drive, provide recommendations for vehicles, adaptive equipment, and provide vehicle training.



# Evidence-based OT Practice and Interventions

## Benefits of OT Services

With occupational therapy services, the healthcare system and individuals experience less acute care costs, hospitalizations, and clients overall experience better functional outcomes (Leland et al., 2017).

## Community-Based Interventions

Over 12 weeks of community OT, clients with dementia had improvement in quality of life, decrease in depressive symptoms, and caregivers' competence in their roles.

Improvement in community mobility and decrease in risk of falls for community-dwelling older adults (Estrany-Munar et al., 2021).

# Why OT in HCBS Waivers?

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Improve day-to-day independent living skills, functional capacity, and provide compensatory strategies and accommodations based on individual needs.

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OTPs have vast experience working with individuals and target populations being serviced by HCBS waivers.

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Waivers are an opportunity to achieve what our mission as an OT field is—health and wellness, participating and engaging in meaningful activities in the community.



# Importance of OT in HCBS Waivers

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Practitioners bring unique skills, capabilities, and perspectives to addressing behavioral and medical domains.

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OTPs value engagement and can effectively promote the participation of activities in a client's natural environment (home and community).

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Practitioners understand how various conditions and diagnoses impact people's functioning within their daily lives.

# The Value of Covering OT in HCBS Waivers

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**Engaging in meaningful treatment sessions**

**Advancing employment and education opportunities**

**Developing wellness and health promotion**

**Promoting participation in independent community living**

**Supporting aging in place**

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# Current Challenges

Medicaid reimbursement rates for OTPs (currently significant variance between states reimbursement rates from \$36-129)

Multi-year-long waitlists for HCBS waiver services

Widespread workforce shortages

Unclear documentation and application processes

Final Settings rule establishes new requirements for HCBS settings, including full integration of individuals into the community and rights of privacy and autonomy for people receiving services

# Potential Solutions

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The American Rescue Plan Act of 2021 (ARPA) included a 1-year, 10% boost in the federal match for HCBS services; states can spend those funds until March 31, 2025.

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\$37 billion dollars invested in HCBS across all 50 states.

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Increase inclusion of occupational therapy practitioners as service providers to address workforce shortages and demand for care.

# Examples of Successful OT Advocacy in Waivers

**Increase in competitive Medicaid reimbursement rates.**

**No active waitlists for a brain injury waiver in Kansas.**

**Longstanding partnerships and built trust with state agencies and managed care organizations.**

**Transitions from institutional settings to community living for older adults, individuals with acquired brain injuries, individuals with intellectual and developmental disabilities, etc.**

# FEATURED STATE-SPECIFIC WAIVER EXAMPLES

# Illinois

## OT practitioners:

OT is one of the professions that can complete the Determination of Need assessment (assess the ability to live safely outside of an institution and the level of care an individual may need in the community).

OT services are directly mentioned in 4/9 HCBS 1915(c) waivers to work with individuals with HIV/AIDS, brain injury, developmental disability, or physical disability.

## Overview of Illinois' Waiver System

Illinois is one of eight states that does not screen for eligibility prior to placing an individual on a waiting list.

Illinois has one of the longest waitlists in the country (5-7 years).

Recently, increased competitive Medicaid reimbursement rates across 1915(c) waivers ~\$111/hour consistent with PT, SLP reimbursement rates.

## OT practitioners:

OT habilitation and rehabilitation goals are directly mentioned in the Brain Injury waiver for clients to develop the necessary living skills to increase their independence and therefore enhance self-satisfaction and quality of life.

OT services are directly mentioned in 1/7 HCBS 1915(c) waivers to work with individuals with brain injuries which is the only rehabilitative waiver in the state.

# Kansas

## Organization Highlight: Minds Matter

Minds Matter, LLC is an organization that uses occupational therapy as a service provider to support the greater Kansas community. It is helping individuals who have experienced a brain injury live independently at home.

No current waitlist for HCBS 1915(c) Brain Injury Waiver, which supports 950 people. Minds Matter provides care to 400 of these individuals.

Success of Minds Matter has been longstanding connections and built trust with local managed care organizations, providers, state agencies, and community members.



# Massachusetts

## OT practitioners:

OTPs are one of the highest utilized service providers in the Adult Residential Waiver supporting 350 clients.

OT services are directly mentioned in 4/10 HCBS 1915(c) waivers to work with individuals with brain injury, physical disability, and individuals with mental illness.

## MassHealth (Massachusetts' Medicaid Plan)

Massachusetts has the lowest percentage of uninsured adults across the United States. MA utilizes a waiver mandate where a waiver is the first funding source for individuals who are or can become eligible for the waivers. This allows MA to use state funds on services for individuals not covered under a waiver.

*Hutchinson vs. Patrick* was a class action lawsuit brought on by Medicaid-eligible individuals with ABI qualifying for LTSS in nursing or rehab facilities for the creation of a HCBS waiver for individuals with brain injuries. By 2021, 1,200 institutionalized individuals with brain injuries have transitioned to the community.



# LOOKING FORWARD TO FUTURE INVOLVEMENT IN HCBS WAIVERS

# Opportunities to Expand OT's role in HCBS

Consistently include occupational therapy practitioners as named service providers in the language of HCBS waivers.

Expand opportunities for occupational therapy practitioners by addressing HCBS workforce shortages.

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Occupational therapy practitioners can provide vital services to support meaningful engagement for clients within the home and community. OT is not included in some waivers where it could be valuable, and it is sometimes underutilized in waivers where it is covered.

Increase Medicaid reimbursement rates for occupational therapy practitioners.

# Advocacy Resources

+ Occupational therapy within the HCBS waiver program promotes a community-based lifespan model of care.

## Resources to support advocacy within Medicaid:

### AOTA's Everyday Advocacy Decision

Guide: Supporting OTPs with tips on how to engage in daily advocacy, and AOTA's Promoting the Profession.



### AOTA's Medicaid and Occupational Therapy:

Overview of Medicaid's payment policy



### Medicaid and CHIP Payment and Access

Commission (MACPAC) MACPAC is a non-partisan agency providing policy and data analysis to make recommendations to Congress, the Department of Health and Human Services, and state agencies involving issues with Medicaid and CHIP.



# How to Apply to Become an HCBS Waiver Provider



Applying to provide services under HCBS waivers varies from state to state and waiver to waiver.

Contact your state-specific Medicaid agency or state agency that oversees the waiver program for specific application processes and reimbursement policies.



Case Study Example Massachusetts: Under ABI waivers in Massachusetts, OTPs must be enrolled as Massachusetts Medicaid providers. Additionally, if you are providing services under the ABI-Residential Habilitation or ABI-Non-residential waivers, then you need to be contracted through Department of Developmental Services (DDS). If you are completing vehicle modifications, home accessibility adaptations, or transitional assistance services, you require contracting through the Massachusetts Rehabilitation Commission (MRC).



American  
Occupational Therapy  
Association

# Finding HCBS Waivers in Your State

Medicaid's State Waiver Search Engine: Ability to filter by state and waiver type to access a list of approved waivers, including waiver descriptions and approved waiver applications.

Where Can People Get Help with Medicaid and CHIP?: Resource to find State-specific Medicaid Agency information

**Medicaid.gov**  
Keeping America Healthy

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## State Waivers List

Section 1115 demonstrations and waiver authorities in section 1915 of the Social Security Act are vehicles states can use to test new or existing ways to deliver and pay for health care services in Medicaid and the Children's Health Insurance Program (CHIP). All current and concluded state programs authorized under these authorities may be accessed using the below dynamic list. Learn more about the section [1915\(b\)](#), section [1915\(c\)](#), and section [1115 authorities](#).

Search State Waiver List

REFINE YOUR SEARCH:

Filter by State

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