

Beyond the Comparison Chart:

The Ins and Outs of Medicaid Waiver Programs

A Look Ahead Mini Conference Series – August 10, 2024
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Goal for today...

Explore some of the most commonly asked questions regarding Texas Medicaid Waiver programs.



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What is a Medicaid Waiver?

Medicaid Waiver Programs...

- allow states to waive certain Medicaid requirements to develop Home and Community Based Services (HCBS) Medicaid-funded programs
- help people with disabilities access community-based long-term supports and services (LTSS) that promote community living and Medicaid health care benefits through an MCO

There are **7** Medicaid Waiver programs in Texas – [Compare](#) Texas’ Waiver Programs

CLASS – DBMD – HCS – MDCP – STAR+PLUS HCBS – TxHmL
(Texas Health and Human Services (HHS) managed programs

YES (Texas Department of State Health Services (DSHS) managed program)

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How Do I Access A Medicaid Waiver?

Get on the “Interest Lists” – must confirm interest on a yearly basis – [form 8577](#)

Waiver Program	Contact Information
CLASS	1-877-438-5658
DB/MD	1-877-438-5658
HCS	Local IDD Authority – find your LIDDA: https://apps.hhs.texas.gov/contact/search.cfm
MDCP	1-877-438-5658
STAR+PLUS HCBS	1-877-782-6440 – to get on the list Local HHSC Office https://apps.hhs.texas.gov/contact/search.cfm – to see where you are on the list
TxHmL	LIDDA - Local IDD Authority – find your LIDDA https://apps.hhs.texas.gov/contact/search.cfm
YES	Local Mental Health/Behavior Authority – find your MHA https://www.hhs.texas.gov/sites/default/files/documents/services/mental-health-substance-use/yes-waiver-inquiry-line.pdf

Review the interest list reduction [summary](#)

Don't wait... Get on the lists NOW!
Eligibility is not determined until services are offered.
You can always turn down services if they are not needed.



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HCS Crisis Diversion Slot protocol – at *imminent risk* of admission to an institution

Rider 28 – may be able to bypass the interest list if you spend some time in a nursing home (physician recommendation for length of stay in a NF)

Money Follows the Person brochure – may be able to transfer from an institution to community-based housing

Meet eligibility requirements for the STAR+PLUS HCBS Waiver

- eligible persons who receive services through the MDCP waiver program at age 21
- persons who receive Medicaid Private Duty Nursing can move into STAR+PLUS HCBS with no wait at 21
- individuals aged 21 or older who meet nursing home level of care and receive SSI automatically get STAR+PLUS waiver services with no wait

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Preadmission Screening and Resident Review (PASRR)

PASRR is a federally mandated program that requires all states to prescreen all people, regardless of payer source or age, seeking admission to a Medicaid-certified nursing facility.

The 3 Goals of PASRR...

- 1) To identify people, including adults and children, with mental illness (MI), intellectual disability (ID), or developmental disability (DD)/related conditions (RC).
- 2) To ensure appropriate placement, whether in the community or the nursing facility.
- 3) To ensure people receive the required services for mental illness and/or IDD.

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The PASRR process for Texas

- an initial PASRR Level 1 Screening (PL1) for every person applying for NF placement to identify people suspected of having MI, ID, or DD
- if the initial screening is positive (meaning that the person may have MI, ID, or DD), a PASRR Evaluation (PE) is completed by a qualified and impartial reviewer
- people who are confirmed to have MI, ID, or DD are evaluated to determine the need for Specialized Services (SS), and appropriate placement options are reviewed

[Preadmission Screening and Resident Review \(PASRR\)](#)

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What is a Cost Cap?

- To meet “budget neutrality” requirements, each waiver has an individual cost cap per member per year.
- Some waivers have the same cost cap for all individuals. Other waiver cost caps vary based on the support needs of the individual.

	STAR+PLUS HCBS	YES	MDCP	CLASS	DBMD	HCS	TxHmL
Person Annual Maximum Cost	202% of institutional average Resource Utilization Group (RUG) value	\$35,804.00	50% of the institutional average RUG value	\$114,736.07	\$114,736.07	Based on a person’s level of need – LON LON 1,5,& 8 \$167, 468 LON 6 \$168,615 LON 9 \$305,877	\$17,000

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What if you exceed the cost cap?

General Revenue (GR)

General Revenue, not Medicaid funding can be used to pay for services above the individual cost limit of a waiver program for an individual the individual needs services that exceed the individual cost limit because the individual's health and safety cannot be protected by the services provided within the individual cost limit when:

- the individual receives waiver services at the individual cost limit;
- federal financial participation is not available to pay for services above the individual cost limit; and
- there is no other available living arrangement in which the individual's health and safety can be protected

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Medically Fragile Group *NEW! - July 2024*

- Designed to use **Medicaid** funds to serve STAR+PLUS HCBS members whose needs [exceed the STAR+PLUS HCBS](#) cost limit.
- HHSC will use the medically fragile group criteria process to approve STAR+PLUS HCBS program eligibility for applicants and members whose needs exceed their cost limit and who meet the medically fragile eligibility criteria when reviewed by HHSC's Office of the Medical Director (OMD).
- Members who are approved for the STAR+PLUS HCBS program because they are considered medically fragile must be **reassessed by OMD each year** for the medically fragile group.

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Eligibility requirements specific to a particular waiver?

TxHmL Waiver – eligibility considers parental income for a minor child

HCS & TxHmL Waiver – considers a persons IQ during eligibility determination

- 69 or below & mild to extreme deficits in adaptive behavior before age 22
- 75 or below and a primary diagnosis of a [related condition](#) & mild to extreme deficits in behavior before age 22
- ICF/IID LOC VIII – (a primary diagnosis of a related condition & moderate to extreme deficits in behavior)

MDCP, STAR+PLUS HCBS & YES – age of person considered during eligibility determination

- MDCP – under 20
- STAR+PLUS HCBS – 21 and older
- YES – ages 3-18

MDCP – must meet definition of [Medically Fragile](#) (initial and annual determination)

For individuals not living in nursing facilities (NFs), the medical necessity (MN) determination is made by Texas Medicaid & Healthcare Partnership (TMHP) based on the STAR Kids Screening and Assessment Instrument (SK-SAI) completed by the managed care organization (MCO) selected by the individual.

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ICAP & LON: What & Why?

Inventory for Client and Agency Planning (ICAP) – [Guidelines](#) for Completing the ICAP

- one of a variety of assessments tools to determine CLASS eligibility
- determines the LON and reimbursement rate and cost cap for HCS & TxHmL waivers
- consists of two sections
 - adaptive skills – 4 categories (motor, social & communication, personal living, community living)
 - problem behavior – 8 behavioral categories (injury to self, injury to others, destructive to property, disruptive, unusual/repetitive habits, socially offensive, withdrawal/inattentive, uncooperative)

Levels – Texas HHS: [Definition](#) of LON Terminology

- LON 1 (intermittent) – ICAP service level 7,8,9
- LON 5 (limited) – ICAP service level 4,5,6
- LON 8 (extensive) – ICAP service level 2,3
- LON 6 (pervasive) – ICAP service level 1
- LON 9 (pervasive plus)

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What is the best Medicaid Waiver?

There is only one success...
to be able to spend your life
in your own way.

- Christopher Morley -

It varies based on...

- individual support needs
- short & long-term vision
- the needs of the person
- natural supports

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Service Array: What Do I Need to Know?

Variations by Waiver program can
include...

- service options
- units of services
- rates of pay
- who can provide a service
- where a service can be provided

Let not our needs to
determine our dreams...
but let our dreams
determine our needs.

- Colleen Tomko, Kids Together -

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Service Array – CFC Non-Wavier Services

This is not an exhaustive list of non-waiver services.

Non-Waiver Services	CLASS	DBMD	HCS	STAR-Kids MDCP	STAR+PLUS HCBS	TxHmL	YES
Community First Choice (CFC) Personal Assistance Services (PAS) Habituation (HAB)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CFC (ERS) Emergency Response Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CFC (FMS) Financial Management Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CFC Support Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Service Coordination	No	No	Yes	Yes	Yes	Yes	Yes

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CLASS Array of Waiver Services

- Adaptive Aids
- **Aquatic Therapy**
- Auditory Integration Therapy/Auditory Enhancement Therapy
- Behavioral Support
- Case Management
- Cognitive Rehabilitation Therapy
- Continued Family Services
- Dental Treatment
- Dietary Services
- Employment Assistance
- Financial Management Services
- **Hippotherapy**
- **Message Therapy**
- Minor Home Modifications
- Music Therapy
- Nursing
- Occupational Therapy
- Physical Therapy
- **Prevocational Services**
- Recreational Therapy
- Residential Habilitation Transportation
- Respite
- Speech & Language Pathology
- Support Consultation
- **Support Family Services**
- Supported Employment
- **Therapeutic Horseback Riding**
- Transition Assistance Services
- Unlimited Prescriptions

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DBMD Array of Waiver Services

- Adaptive Aids
- Assisted Living
- Audiology
- Behavioral Support
- Case Management
- **Chore Services**
- Dental Treatment
- Dietary Services
- Employment Assistance
- Financial Management Services
- Individual Skills and Socialization (ISS)
- **Intervener (Base, I, II & III)**
- Minor Home Modifications
- Nursing
- Occupational Therapy
- **Orientation & Mobility**
- Physical Therapy
- **Residential Services**
 - 1-3 person home (AL)
 - 4-6 person provided in an Assisted Living Facility (ALF)
- Residential Habilitation Transportation
- Respite
- **Speech, Hearing & Language Services**
- Support Consultation
- Supported Employment
- Transition Assistance Services
- Unlimited Prescriptions

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HCS Array of Waiver Services

- Adaptive Aids
- Audiology
- Behavioral Support
- Cognitive Rehabilitation Therapy
- Dental Treatment
- Dietary Services
- Employment Assistance
- Financial Management Services
- **Host Home/Companion Care**
- Individual Skills and Socialization
- Minor Home Modifications
- Nursing
- Occupational Therapy
- Physical Therapy
- **Pre-enrollment Minor Home Modifications**
- **Pre-enrollment MHM assessment**
- **Residential Support Services**
- Respite
- **Social Work**
- Speech & Pathology
- Supervised Living
- Support Consultation
- Supported Employment
- **Supported Home Living Transportation**
- Transition Assistance Services
- Unlimited Prescriptions

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MDCP Array of Waiver Services

Independence is not measured by the number of tasks we can do without assistance, but by the quality of life we can lead with assistance.

Americans with Disabilities Act (ADA) of 1990

- Adaptive Aids
- Employment Assistance
- Financial Management Services
- **Flexible Family Support**
- Minor Home Modifications
- Respite
- Supported Employment
- Transition Assistance Services
- Unlimited Prescriptions

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STAR+PLUS HCBS Array of Waiver Services

- Adaptive Aids
- **Adult Foster Care**
- Assisted Living Residential Services
 - 1-3 person home
 - 4-6 licensed assisted living facility
- Cognitive Rehabilitation Therapy
- Dental Treatment
- **Emergency Response Services**
- Employment Assistance
- Financial Management Services
- **Home Delivered Meals**
- Minor Home Modifications
- Nursing
- Occupational Therapy
- **Personal Assistant Services**
- Physical Therapy
- **Protective Supervision**
- Respite
- Speech & Language Therapy
- Support Consultation
- Supported Employment
- Transition Assistance
- Unlimited Prescriptions

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TxHmL Array of Waiver Services

- Adaptive Aids
- Audiology
- Behavioral Support
- **Community Support Transportation**
- Dental Treatment
- Dietary Services
- Employment Assistance
- Financial Management Services
- Individual Skills and Socialization
- Minor Home Modifications
- Nursing
- Occupational Therapy
- Physical Therapy
- Respite
- Speech & Language Pathology
- Support Consultation
- Supported Employment
- Unlimited Prescriptions

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YES Array of Waiver Services

- Adaptive Aids
- **Animal Assisted Therapy**
- **Art Therapy**
- Behavioral Support
- **Community Living Supports**
- Employment Assistance
- **Family Supports**
- Minor Home Modifications
- Music Therapy
- Non-Medical Transport
- **Nutritional Counseling**
- **Para-Professional Services**
- Physical Therapy
- **Protective Supervision**
- Respite
- Speech & Language Therapy
- Support Consultation
- Supported Employment
- Transition Assistance Services

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Additional Services-Programs

STAR Kids

- a Texas Medicaid Managed Care program
- children and adults 20 and younger who have disabilities

STAR+PLUS Managed Care

- adults who have disabilities or are age 65 or older

Health Insurance Premium Payment Program (HIPP)

HIPP is a Texas Medicaid program that helps families pay for employer-sponsored health insurance

- You might be able to get HIPP if it costs Medicaid less to cover you or your family under employer-sponsored health insurance than it costs to cover family members who have Medicaid.
- Employer-sponsored health insurance is a group health plan you can get through your job. The family member who gets Medicaid must be able to get coverage on this plan.

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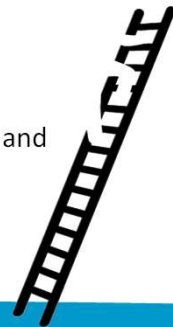
What Does Consumer Directed Services (CDS) Mean?

The CDS option allows you or your legally authorized representative (LAR) to be the employer of some of your service providers.

You...

- hire and manage your own employees
- set the wages for your employees, within state guidelines
- can give benefits, such as vacation days and bonuses
- can select a Financial Management Services Agency (FMSA) to do your payroll and federal taxes
- can request Support Consultation

[HHS - CDS](#)



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Support Consultation

includes practical skills training, coaching and assistance related to:

- principles of self-determination;
- recruiting, screening and hiring workers;
- completing documents and assessments required to employ a person, retain a contractor or vendor, and manage service providers;
- negotiating service agreements, including pricing and scheduling services, goods and items;
- effective communication, decision-making and problem-solving skills to meet employer responsibilities;
- tools for accessing information, resources and assistance;
- contacting appropriate persons or entities based on their roles, responsibilities and eligibility related to the individual’s program or the CDS option;
- participating in service planning team meetings at the employer’s request; and
- complying with requirements of the individual’s program as related to services delivered through the CDS option.

[List](#) of HHS certified providers.

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Services that can be self-directed

MEDICAID WAIVER PROGRAM	TYPE OF SERVICE
CLASS - Community Living Assistance and Support Services	Transportation-habilitation services, respite services, nursing services, physical therapy, occupational therapy, speech-language therapy, cognitive rehabilitation therapy, Community First Choice personal assistance services/habilitation, employment assistance, supported employment and support consultation
DBMD - Deaf-Blind with Multiple Disabilities	Transportation-residential habilitation (less than 24 hours), intervener, respite services, CFC personal assistance services/habilitation, supported employment, employment assistance and support consultation
HCS - Home and Community-based Services	Transportation-supported home living, respite services, nursing services, cognitive rehabilitation therapy, CFC personal assistance services/habilitation, supported employment, employment assistance and support consultation
TxHmL - Texas Home Living	Day habilitation, respite services, adaptive aids, audiology services, behavioral support, transportation-community support, dental treatment, dietary services, minor home modifications, nursing services, occupational therapy, physical therapy, speech-language therapy, CFC personal assistance services/habilitation, supported employment, employment assistance and support consultation
STAR Kids MDCP	Respite services and flexible family support services delivered by an attendant or a nurse, employment assistance, supported employment and support consultation, and adaptive aids and minor home modifications.
STAR+PLUS HCBS	Personal assistance services, respite services, nursing services, physical therapy, occupational therapy, cognitive rehabilitation therapy, speech-language therapy, supported employment, employment assistance and support consultation

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Employer and Employee Relationship Determination

1. Individual – the person receiving services who is either:

- minor, a person who is 17 and younger
- adult, a person 18 years old or older

2. Employer

- individual who is an adult with no legally appointed guardian
- parent or guardian of an individual who is a minor
- natural parent, legal/adopted parent, stepparent and/or a court-appointed guardian who is the LAR of the individual
- foster parent who must also have written authorization from the DFPS to be the employer

3. Designated Representative (DR)

- A willing adult the employer chooses to act as the primary contact and decision-maker for the employer through the CDS option. However, the employer still retains responsibility for CDS requirements.

4. Spouse

- A person married to another person. The term married is applied to marriage “with formalities” and to “marriage without formalities” (common law) as defined in Texas Family Code, Title 1, Chapter 2, Subchapter E, Marriage without Formalities.

5. Employee

- A person age 18 years or older who meets eligibility requirements of the individual's program, is not prohibited by relationship from being an employee and is employed by the employer.

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Can A Parent Be A Paid Caregiver For Their Child?

Parents of a Minor Child under 18 years of age	Parents of an Adult Child who does NOT HAVE a guardian	Parents of an Adult Child who HAVE a guardian
<p>For a participant under 18 years old (minor), a parent CAN NOT be employed as a paid caregiver under CDS or DSA.</p> <ul style="list-style-type: none"> • CDS, a parent of a minor child is the CDS employer • DSA, the provider agency is the employer 	<p>For a participant over 18 years old who do not have a guardian, a parent CAN be a paid caregiver under CDS or DSA.</p> <p>CDS, the participant is the CDS employer.</p> <ul style="list-style-type: none"> • If help is needed with this job, they can designate a DR to help them. • If the parent is the paid caregiver, the adult child will need to designate a non-parent to be their DR. <p>DSA, the Provider agency is the Employer.</p>	<p>For a participant over 18 years old who have a court-appointed guardian, a parent who is a court-appointed guardian CAN be a paid caregiver <u>only</u> under the agency-directed option.</p> <p>For CDS, the guardian and the participant are legally the same entity – therefore, a participant cannot employ their guardian.</p> <p>For DSA, the provider agency is the Employer. They can employ the guardian to work with the participant.</p>

CDS – Consumer Directed Services | DR – Designated Representative | DSA – Direct Service Agency

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Who Can Not Be A Paid Caregiver?

A service provider must meet the requirements of both the CDS option and individual's program for employer/employee relationships. Under these provisions, the employee must **NOT** be:

- The **spouse** of the individual receiving services.
- The **individual's legally authorized representative** (LAR), which would include a **parent, guardian, managing conservator** or **stepparent** of a minor-age individual or the guardian of an individual of any age.
- The **LAR's spouse**, the **Designated Representative** (DR) or the **DR's spouse**.
- Any caregiver not eligible for hire under the Community Care for Aged and Disabled (CCAD) unmet need policy.
- A person who lives with the individual, related or not, in the following programs:
 - * **Home and Community-based Services** (HCS) Respite or CFC PAS/HAB);
 - * **Texas Home Living (TxHmL) Respite or CFC PAS/HAB**; and
 - Community Living Assistance and Support Services (CLASS) **Respite** (Note: This restriction applies only if the primary caregiver is the CFC PAS/HAB service provider and resides in the same household as the individual).
 - A Texas Department of Family and Protective Services' foster parent in the HCS and TxHmL programs.
 - A person who is related to the individual within the fourth degree of consanguinity or within the second degree of affinity in the TxHmL program (Behavioral Support and Adaptive Aids).

[CDS - Employee Qualification Requirements](#)

* [Temporary Change HCS & TxHmL Respite PAS/HAB](#) – March 2025

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What are the service rates for each waiver?

[CLASS](#) – effective September 1, 2023

[DBMD](#) – effective September 1, 2023

[HCS](#) – effective September 1, 2023

[MDCP](#) – effective January 1, 2024

[STAR+PLUS HCBS](#) – effective January 1, 2024

Personal Assistant Services (attendant care rates)

The base rate was increased from \$8.11 to \$10.60 per hour during the last legislative session.

CAP was not increased when based wage was raised.

CDS option allows you to pay a higher rate but the rate will vary by waiver and FMISA.

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Can Certain Medicaid Waiver Payments Be Excludable From Income?

Individual Providers (IP) are eligible for the **Difficulty of Care** income exclusion if the Provider lives with the client in the same household. The wages earned by an IP for providing personal care to a client who they live with are excluded from the IP's income for income tax purposes.

Highlights...

- more than one care provider living in the home with the care recipient may exclude state Medicaid HCBS waiver payments from gross income
- NOT an optional program
- applies to all open tax years where the criteria for this exclusion are met

IRS [Notice 2014-7](#)
[IRS Facts & Questions](#)

* Everyone's case is different. If you have questions, please contact your tax professional.