



January 13, 2023

The Honorable Bill Cassidy
520 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Cassidy, Scott, Cornyn, Carper, Warner, and Menendez:

On behalf of the American Network of Community Options and Resources (ANCOR), we thank you for the opportunity to provide feedback in response to the request for information on how to improve coverage for individuals enrolled in both Medicare and Medicaid.

Founded more than 50 years ago, ANCOR is a national, nonprofit association representing 2,000 private community providers of long-term supports and services to people with intellectual and developmental disabilities (I/DD), as well as 56 state provider associations. Combined, our members support more than one million individuals with I/DD across their lifespan and are funded almost exclusively by Medicaid. Our mission is to advance the ability of our members to support people with I/DD to fully participate in their communities.

The dual eligible population consists of more than 12 million individuals, including those with I/DD and complex medical needs. While this population comprises only 14% of total Medicaid enrollment, it accounts for 30% of overall Medicaid spending—over \$164 billion in 2019. A failure to effectively coordinate and integrate care between Medicare and Medicaid programs can lead to increased costs, further depleting resources for the millions of individuals relying on Medicaid-funded services, including home- and community-based services. At a time when the severity of the direct support workforce crisis threatens access to these critical services, every federal dollar must be spent effectively to preserve as much remaining access to community-based services as possible.

There is and has been for many decades a workforce crisis in community-based services due to stagnant Medicaid reimbursement rates and the inability of providers to offer wages that enable them to compete with industries offering entry-level positions, such as fast-food restaurants or retail and convenience stores. At approximately \$13 per hour, the median wage for direct support workers nationally is simply insufficient to slow the exodus of workers from the field and the closure of programs, which threatens access to long term supports and services. The effects of underinvestment in the direct support workforce can be seen in turnover rates of approximately 44% nationally.¹ With the onset of COVID-19, new pressures and hazards of providing essential, close-contact services further exacerbated and accelerated the workforce crisis with full-time vacancy rates rising to 12.3% in 2020²—a roughly 45% increase from 2019.

¹ National Core Indicators, [2020 Staff Stability Survey Report](#).

² *Id.*

Recent data from ANCOR's *State of America's Direct Support Workforce Crisis* indicates the workforce crisis among direct support workers has accelerated to the point of denying beneficiaries access to services. Findings reveal that more than six in ten community providers have discontinued programs or services in response to high rates of turnover and vacancy. This represents a staggering 85.3% increase since the beginning of the pandemic with more than half of all respondents indicating consideration of new and additional discontinuations.³

The effect of the direct support workforce crisis undermines the structural integrity of the community-based services system, placing the entire system on the brink of collapse. Providers who have not yet been forced to close their doors are overwhelmingly turning away new referrals due to insufficient staffing. This leaves individuals with significant or complex support needs traveling long distances outside of their communities and at greater risk for undue hospitalization and institutionalization.

We are grateful for the leadership of Senators Cassidy and Scott on the introduction of legislation in the 117th Congress that would require all states to develop a strategy to integrate Medicare and Medicaid for the full-benefit dual-eligible population.

We also recognize that the goal of improving integrated care for the dual eligible population must align with improved outcomes for individuals leveraging those services. Ensuring those with I/DD are not carved out or excluded from integrated care models is crucial to this goal. ANCOR supports policies to assist states in developing strategies to establish a robust integrated care model for dually eligible beneficiaries, including the provision of any additional funding necessary to support the transition. ANCOR also supports the development of shared savings models which incentivize long-term services and supports for effective care management and the assurance that a person's social determinants of health are simultaneously supported.

Additionally, within the home and community-based services system for people with I/DD, there is the opportunity to effect savings in healthcare expenditures through an integrated approach. We recommend that a portion of those savings be redistributed to support the workforce and reduce waiting lists for community-based services.

Thank you for this opportunity to provide comment. Please reach out at eaguilar@ancor.org if ANCOR can provide further clarification or any additional information on this topic.

Sincerely,



Elise Aguilar
Director of Federal Relations

³ American Network of Community Options and Resources, [The State of America's Direct Support Workforce Crisis 2022](#).