



Policy Update – Employment, Health Care and Disability - June 2015 Newsletter

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The LEAD Center Policy Update – Employment, Health Care and Disability is a project of the LEAD Center in collaboration with the [Autistic Self Advocacy Network](#).

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Senator Grassley Introduces New Bill to Incentivize Medicaid Community-Based Options

Late last week, a bipartisan group of lawmakers, led by Senator Chuck Grassley of Iowa, introduced a measure to provide financial incentives to states for increasing communitybased services for people with disabilities. The [Transition to Independence Act \(S.1604\)](#) aims to reduce subminimum wage positions, segregated employment options, and day habilitation placements for people with disabilities receiving Medicaidfunded home and community-based services (HCBS), while increasing integrated employment. The bill establishes a fiveyear demonstration program in 10 states that would provide financial incentives to participating states which meet certain benchmarks.

The demonstration program would encourage states to increase Medicaid payments to supported employment providers, develop a state-level equivalent of the federal Schedule A special hiring authority mechanism for people with disabilities, offer state tax credits to employers that hire working-age people with disabilities receiving HCBS, and end use of vocational rehabilitation funding for segregated and congregate placements.

<http://www.grassley.senate.gov/news/news-releases/grassley-bill-help-individuals-disabilitiesgain-independence-earns-support-iowa>

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Changes Recommended for Medicaid Managed Care

U.S. Department of Health and Human Services has released draft rules on network adequacy for privatized Medicaid, also known as managed care. The network adequacy guidance include quality ratings, profit guidelines, and safeguards to protect members with disabilities or limited English proficiency. These safeguards include language that requires “meaningful access” to grievance and appeals information for people with disabilities and people with limited English proficiency.

In that vein, the regulations require states to provide information on network adequacy to people with disabilities in accessible and alternative formats in order to promote meaningful access and assure strong informed choice. Similarly, the regulations require providers to make enrollee handbooks available in accessible and alternative formats at no cost in addition to ensuring that members who use augmentative and alternative communication (AAC) devices are able to understand the enrollment process and implications. The regulations also require managed care long-term services and supports providers to have accessible office spaces, websites, and equipment to maximize access for all members or potential members with disabilities.

Most importantly, the proposed rule addresses provisions for coordination and continuity of care to ensure that people with disabilities relying on coordination of multiple types of services and care are able to receive high-quality services through a managed care organization. In particular, these provisions address those for whom complex service coordination is necessary to enable living in the community, maintaining employment, or participating in other social and recreational activities in settings of their own choosing.

- [Read more about the proposed rules on Medicaid managed care at Disability Scoop](#)
- [Read the full draft regulations on Medicaid managed care at the Federal Register](#)

<http://www.disabilityscoop.com/2015/06/01/changes-medicaid-managed/20346/>

<https://www.federalregister.gov/articles/2015/06/01/2015-12965/medicaid-and-childrens-health-insurance-program-chip-programs-medicaid-managed-carechip-delivered>

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IRS Releases Proposed ABLE Act Regulations

On Friday June 19th, the Internal Revenue Service (IRS) released the highly anticipated [Notice of Proposed Rule Making \(NPRM\) for the Achieving a Better Life Experience \(ABLE\) Act](#). The NPRM stipulates the proposed rules and regulations by which the program will be developed and administered. These proposed rules and regulations are open for public comment until September 19th. In addition, a public hearing will be held on the morning of October 14th in

Washington, D.C. to allow relevant stakeholders and the public at large to further express their comments regarding the details in the NPRM.

The Achieving a Better Life Experience Act authorizes tax-advantaged savings accounts for qualified people with disabilities to allow accrual of savings without impacting eligibility for certain public benefits. Under the proposed regulations, contributions to an individual's ABLE account may not exceed the federal gift tax limit which is currently \$14,000 per tax year. Funds may be used for qualified disability expenses aimed at maintaining and improving health, independence, or quality of life. Among others, permissible expenditures may include housing, transportation, employment training and supports, assistive technology, and health and wellness, all of which can enable beneficiaries to achieve more integrated lives and optimal self-sufficiency.

<https://www.federalregister.gov/articles/2015/06/22/2015-15280/guidance-...>

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Kaiser Releases New Analysis Detailing Potential Impact of King V. Burwell

The Kaiser Family Foundation announced a new analysis and interactive maps showing the potential impact of a ruling in favor of the plaintiffs in King v. Burwell, the case currently before the U.S. Supreme Court challenging whether low- and moderate-income citizens are eligible for federal subsidies to help pay for insurance in states where the federal government established new insurance marketplaces under the Affordable Care Act (ACA). The analysis uses 2015 data released this month to explore outcomes for residents of 34 states by determining the total number of residents in each state who would lose premium assistance, total dollars in subsidies lost in each state, average size of lost subsidy, and average percentage increase in premium.

If the Supreme Court rules in favor of the plaintiffs in King v. Burwell, their ruling could adversely affect access to healthcare for workers with disabilities whose earnings are higher than the Medicaid cutoff and do not have access to either a Medicaid buy-in program or employer-sponsored health insurance. States where the income cutoff for Medicaid Buy-in programs is lower than 400 percent of the Federal Poverty Level (FPL) include Alaska, Arizona, Indiana, Kansas, Louisiana, Maine, and North Dakota. In addition, states like North Carolina have an asset limit for the Medicaid Buy-in program. Many of these limits include the income or assets of spouses as well. Workers with disabilities above these income cutoffs (or above the asset limit) would not have access to a Medicaid Buy-in program, and therefore may have to depend on subsidies through the Exchanges. Other people with disabilities may be unable to access managed care long-term supports and services (LTSS) if they are ineligible for Medicaid coverage and unable to access financial assistance to cover the high costs of LTSS. Medicaid is the largest payer for LTSS, as private insurance premiums for the same services are unaffordable for low and middle-income individuals and families.

- [Read more about Kaiser’s analysis of King v. Burwell](#)
- [Explore Kaiser’s data on the potential impact of King v. Burwell](#)

<http://kff.org/health-reform/press-release/new-analysis-details-impact-on-residents-in-different-states-if-the-u-s-supreme-court-rules-for-challengers-in-king-v-burwell/>

<http://kff.org/interactive/king-v-burwell-effects/>

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Connecticut: Budget Would Cut Health, Social Services, But Less Than Original Plan

The budget deal between Connecticut’s Democratic legislators and Governor Dan Malloy will cut millions from healthcare programs serving people with developmental disabilities and mental illnesses, but aims to decrease the overall amount of cuts originally proposed in the governor’s earlier plan. Among the programs to see budget reductions, a voluntary services program serving youth with dual diagnoses of mental illness and either autism or intellectual disability will lose 10 percent of its funding.

Between 20,000 and 25,000 low-income parents, including parents with disabilities, will lose access to Medicaid coverage. Healthcare providers will receive lower payments for treating or providing services to people funded by Medicaid. At the same time, mental health providers will have less state grant funding. The budget provides no new money for group home placements or other residential services, but adds \$4.5 million for care coordination services for people with mental illness, which can include employment-related services and healthcare. The budget cuts are expected to dramatically affect Medicaid day services, which include employment support services for people with disabilities.

- [Read more about the Connecticut budget](#)

<http://ctmirror.org/2015/06/03/budget-would-cut-health-social-services-but-less-than-govs-plan/>

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Ohio: Developmental Disabilities Service Delivery System Changing

Ohio state law began to mandate county boards for developmental disabilities in 1967 in order to create options for people with intellectual and developmental disabilities to receive community-based services instead of being placed in state-run institutions. In the early 2000’s, Ohio designated these county boards as local Medicaid administrative authorities, enabling them to participate in cost-sharing for Medicaid services while ensuring that people with disabilities have a free choice of providers. As the county boards expanded this additional role and responsibilities, they have begun to provide support for employment services, service coordination, and non-medical transportation for adults with disabilities, including services

funded through HCBS waivers.

- [Read more about Ohio's service delivery system changes](#)

<http://www.summitdd.org/blog/summit-dd-plans-evolution-developmental-disability-system/>

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Minnesota: Governor Pushes Funding for Job Program to Help People with Disabilities

Governor Mark Dayton is lobbying the state legislature for a reconciled budget to add a new \$5 million allocation for a program that will help people with disabilities find jobs and assist people with mental illness with housing to avoid homelessness. People with disabilities in Minnesota may access integrated employment and mental health supports through Individual Placement & Support Services Program (IPS), which is funded through the state Department of Human Services. The IPS program was originally established in the state in 1987 to provide targeted employment services to people with mental illness while reducing unemployment and increasing community inclusion. Program participants receive work incentives planning assistance, continuous job supports, and coordinated care between employment services and mental health treatment providers, with competitive integrated employment as the overall goal.

- [Read more about the Minnesota budget requests](#)
- [Read more about Minnesota's IPS program](#)

<https://www.minnpost.com/glean/2015/06/dayton-drops-opposition-auditor-provision>

<http://www.dartmouthips.org/wp-content/uploads/2015/01/IPS-in-Minnesota.pdf>

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