



**Research Report**

**Arkansas Community and Employment  
Supports Waiver  
1989-90 through 2020-21**

# Home and Community Based Services Waiver (HCBS)

- Authorized by Section 1915 (c) of the Social Security Act
- Must be approved by the Centers for Medicare & Medicaid Services (CMS)
- Helps those with developmental or intellectual disabilities to live in the community and avoid institutionalization

# Waiver Service Goals

- Support beneficiaries in all major life activities,
- Promote community inclusion through integrated employment options and community experiences, and
- Provide care coordination and service delivery under the 1915(b) PASSE Waiver Program

# CES Waiver Services

- Care Coordination
- Respite
- Supported Employment
- Supportive Living
- Community Transition Services
- Supplemental Support

# Who is Eligible

Individuals who:

- Have an intellectual or developmental disability, and
- Require institutional level of care

# Provider-Led Arkansas Shared Savings Entity (PASSE)

- PASSE entities are full-risk organized care organizations responsible for providing all but a few services to its enrolled members
- Delivers services based on a person-centered service plan (PCSP)

# History of the CES Waiver

## 1988

Demonstration waiver approved in part to respond to a class action suit, *Baldrige v. Clinton*.

- Case involved people with mental illness and developmental disabilities who were receiving inadequate care and/or treatment and were inappropriately placed

# History of the CES Waiver

## 1990

- Alternative Community Services (ACS) waiver was implemented as a 1915 (c) HCBS waiver on a statewide basis, but with limited slots



# History of the CES Waiver

## 2017

- The ACS waiver was renamed the Community and Employment Supports Waiver.
- Act 775 of 2017 was enacted to create Provider-Led Shared Savings Entities (PASSEs) which are now responsible for providing services to CES waiver clients

# Available Slots

- Demonstration Waiver – Served 95 individuals
- ACS/CES Waiver – Slots ranged from 2,398 in 1999-2000\* to 5,483 in 2020-21
- Unduplicated count of individuals receiving waiver services ranges from 95 in 1989-90 to a high of 4,972 as of July 1, 2021

\*First year with available data.

# Waiting List

- The CES Waiver Program had a waiting list of 3,204 individuals as of December 1, 2021
- The number of eligible individuals on the waiting list has ranged from 799 in 2006-07 to a high of 3,507 in 2019-20

\*First year with available data.

# Age of Recipients and Waiting List Individuals

**As of August 31, 2021**

## **Recipients:**

- 87% were between 18 and 64

## **Individuals on the Waiting List:**

- 47% were between 5 and 17, and
- 49% were between 18 and 64

# Program Spending

- Average plan of care cost per recipient has grown from \$4,973 in 1989-90 to \$61,804 in 2020-21
- Total cost of waiver expenditures has grown from \$472,464 in 1989-90 to \$307.3 million in 2020-21

# Funding and Slot Changes

In 1996-97 DDS:

- Reallocated \$1 M from supportive living services to waiver services, and
- Provided an increase of 900 slots

# Funding and Slot Changes

In 1999, the governor recommended and the General Assembly authorized:

- \$2 M increase in general revenue (GR) for 1999-2000
- \$1.85 M increase in GR for 2000-01, and
- Number of recipients increased by 978 in 2000-01

# History of the CES Waiver

During the 2003-2005 biennium:

- DHS requested additional GR for each year of the 2003-05 biennium\*, and
- In 2004-05, 601 additional slots were authorized for the waiver

\*Not possible to determine the exact amount of the GR increase



# Funding and Slot Changes

In 2017, Act 50 allowed:

- \$8.5 M to be reallocated from Tobacco Settlement Funds to waiver services (effective January 26, 2017) and
- 500 slots added to the waiver

# Funding and Slot Changes

- December 1, 2020 - \$15 M added from PASSE premium tax proceeds and
- 600 slots added to the waiver

# Current Waiver Challenge

- Shortage of direct care workers to serve waiver participants

# DHS' Response

## Two DHS initiatives:

- 1) Requested waiver to allow a training component to replace the one-year experience requirement for direct care workers
- 2) Working with CMS to use \$87 million in American Rescue Plan Act funds to help HCBS providers stabilize their workforce

# Recent Developments

- DDS requested 200 additional PIT slots using existing funding on 12/14/21
- Cost - \$13.8 million of which \$3.8 is state funds and \$9.7 is federal funds

# Recent Developments

- DDS will submit another waiver request to CMS for 3,204 additional slots to be added incrementally by June of 2025
- DDS proposes to use \$37.6 million of DHS' FY2021-22 GR increase to fund these additional slots

# Questions

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