West, Linda (DDC)

From: Cathy Murahashi <cathy@arcwa.org>
Sent: Tuesday, September 15, 2026 11:59 AM
To: Cathy Murahashi
Subject: Decision Packages are out

External Email



Good Morning,

Decision Packages are out this morning, and as anticipated, the proposal to change eligibility is the tool they have used to make reductions.

Here is a link to the DDA's proposal
Here is the link to HCLA's proposal

Summary of DDA's proposal:

Change eligibility to receive a paid service for children
Currently, there are 18 questions asked about the need for assistance to determine ICF/IDD level of care

Who- current	Current Level of Care	Who- Level of Care proposed	Proposed Level of Care
Age birth to 5 years old	5 or more activities	Birth to age 6	8 or more activities
Age 6 through 15 years	7 or more activities	Age 7 to age 16	9 or more activities

Change eligibility to receive a paid service for those 16 years or older
For age 16 and older they use the Supports Intensity Scale to determine ICF/IDD level of Care

Who	Current Level of Care	Proposed Level o
Age 16 and up	One of 17 Activities of Daily Living	6 of 17 Activities

Who would this impact?

<u>2655 distinct individuals would no longer qualify for services</u>

- **195 adults/children** currently receiving Community Residential Services or a State Operated Community Residential
- **471** individuals receiving personal care
- **874** individuals receiving Individual & Family Services Waiver (Living with families)
- **1170** receiving Supported Employment and/or Community Inclusion Services
- **325** individuals receiving non-waiver respite, out-of-home respite, respite in an AFH, or Licensed staff residential

Unknown at this time:

- *The number of DDA individuals in Adult Family Homes that would lose services*
- *The number of DDA individuals who would lose access to Medicaid with loss of the waiver.*

Projected Savings:

Year	GFS State	Federal	Total
2029	6,100,000	72,288,000	13,388,000
2030	28,417,000	32,309,000	60,726,000

Estimated it will take 9-12 months for approval from Centers for Medicare and Medicaid Services.
Assumes no exemptions for current clients.

For adults the most serious consequences fall on those living residential facilities, because their housing is dependent on being eligible for services.

Children under age 21 may see an increase in Early and Periodic Screening, Diagnostic and Treatment (EPSDT) requesting medically necessary services under categorically needy or Medically needy coverage.

Proposed Changes at Home and Community Living Administration (HCLA)

Adjusting the Nursing Facility Level of Care and

Revise the CARE functional eligibility algorithm

The Number of indicators stays the same-

- **3 activities** of Daily Living on the light path
- **2 hands-on activities** of the heavier pathway
- **1 cognitive indicator**
- **plus one cognitive** indicator plus one Activity of Daily Living

What changes is the assessment responses that count toward those thresholds

- Supervision and set-up-only assistance would no longer qualify on the light ADL pathway
- Limited Assistance would no longer qualify for bed mobility and skin care on the hands-on pathway
- Medication management would require a frequency of at least daily
- Mini-Mental Status Exam delayed recall would shift from missing one item to missing two

- Responses that cannot be validly recorded — "did not occur, client unable" and "did not occur, no provider" for toileting —would be removed as qualifying codes
- Status "declines" would be removed across all pathways,

Impacts: 4,693 distinct Long Term Care clients will no longer qualify

- **1613** individuals living in Home and Community-Based Services (HCBS) residential settings
- **560** individuals living in skilled nursing facilities
- **2520** individuals living in a private home
- Unknown number may lose their Medicaid coverage
- Unknown number in 24/7 settings may lose their housing

Of those losing services	**Classification/Acuity**
76% are in the 2 lowest acuity groups.	Low A and Low B
21%	Medium A and Medium B
3%	Low C Medium-High B Medium C High A High B
0% are in the highest acuity	Medium-High C D E

Projected Savings:

Year	**GFS State**	**Federal**	**Total**
2027-2029	24,815,000	27,893,000	52,708,000

Note that there are **no proposed reductions** to Residential Habilitation Centers

The Healthcare Authority asked for additional funding for Oral Health for individuals with disabilities. You can read the proposal here.

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