

## QUESTIONS FROM CONSUMERS/FAMILIES/ADVOCATES

“I’ve Heard That...”

1. Effective July 1, 2006 everyone enrolled in the SLS waiver will be entitled to \$35,000.00 worth of services.

### Response

The SLS waiver limitations are based on the federally approved capacity and cost effectiveness of the waiver. Language in the waiver states that the maximum cost per fiscal year for any individual may not exceed \$35,000.00 (this includes all waiver costs, including any environmental engineering costs).

The amount of funding available to an individual enrolled in the SLS waiver program is based on identified needs that meet specific criteria regarding medical/functional necessity as documented in the person’s Individualized Plan, and which cannot be paid for under the Medicaid state plan or through a third party source . A client who is currently served safely in the community with an amount less than \$35,000 must prove that they are in danger of institutionalization in order to receive more services.

2. That there could be a huge financial impact to the State if every person who is currently enrolled in the SLS waiver were to have a plan funded at the maximum (\$35,000) level.

### Response

The State appropriation for the SLS waiver is based on an average cost of around \$13,000 per person. If everyone in the SLS waiver were funded at the maximum level, the actual waiver expenditures would significantly exceed the cost estimates approved by CMS for this waiver. In order to expend funds in the waiver beyond the approved estimates, the state would need to appropriate additional matching funds and submit a waiver amendment.

If the State were faced with such a large unplanned financial liability, a potential management strategy would include investigation of cost saving and spending limit options within the SLS program. For example, an extreme remedy might be to either freeze new enrollments or discontinue the waiver program all together. Another possibility might be a reduction by amendment to the waiver in the total amount available to any individual. One way or another, the State would have to manage to the total amount of funds appropriated by the General Assembly (see HCPF Rule 8.500.91.).