

## South Carolina Medicaid Waiver Recommendations to Department of Health and Human Services – 2021 (DRAFT)

**Challenge:** Medically fragile South Carolinians are experiencing longer hospitalizations, premature institutionalizations, delays in admission to home care and/or missed authorized hours due to a lack of available nurses and home health aides. Home care providers have a more than [64 percent turnover rate](#) and are unable to compete with other healthcare settings and other industries due to low wages based on Medicaid’s low reimbursement rates. Continuity of quality of care is challenging. Without nurses, recipients will not get the care they need in the lower-cost setting--home.

**Recommendations:** To streamline services and align rates to ensure continuity of quality care, we propose the following:

- Increase the Medicaid nursing and personal care reimbursement rates.
  - **Rationale:** An increase will allow providers to pay higher wages to home care nurses and personal care aides, whereby addressing the challenges of recruitment and retention of quality staff. Having qualified staff will allow for continuity of care whereby minimizing hospitalization or premature institutionalization. A higher reimbursement rate will allow providers to fill authorized hours and minimize missed shifts; ensuring recipients receive the care they need. Providers will be able to stay in business. Currently, home care providers are leaving the state, which has resulted in an access to care issue for waiver participants.
- Combine RN/LPN levels of care authorizations for all Medicaid HCBS waivers.
  - **Rationale:** Combining RN/LPN care authorizations will reduce administrative burden by eliminating distinct levels of care authorizations, whereby allowing providers to staff with qualified nurses working within the [SC Board of Nursing’s Scope of Practice](#). Increasing flexibility will make it easier for providers to staff cases, whereby ensuring waiver recipients receive their authorized hours and consistency with their care. Combining authorizations will relieve recipients, providers, and case managers from constant changes within the authorizations. In addition, a combined authorization may decrease the access to care issues they are facing currently.
- Combine all nursing programs and create 2 levels of services; RN and LPN (Enhanced) and increase reimbursement rates to:

Level	Enhanced Rate	Un-Enhanced Rate	Proposed Rate
RN	\$40.80	\$37.40	\$45.00
LPN	\$31.80	\$28.00	\$36.00

- Combine or increase personal care programs reimbursement rates to:

Level	Current Rate	Proposed Rate
PC II	\$18.40	\$20.25
PC I	\$14.00	\$17.40
Respite	\$12.69	\$17.00
Companion	\$9.50	\$17.00

## Filed and unfilled hours percentage

Based on a survey completed by South Carolina Home Care Association, providers are only able to fill **70 - 75 percent** of the authorized hours. This creates an access to care issue for Medicaid participants across the state and leaves the most vulnerable population with **30-35 percent** hours unfilled. This could lead to hospitalizations or having to be placed in more costly settings due to the burden placed on family members.

## Department of Labor & Statistics Data

Due to the currently low Medicaid Waiver reimbursement rates, providers are competing at the **10<sup>th</sup> – 15<sup>th</sup> percentile** of the available [registered nurses](#), **30<sup>th</sup> – 35<sup>th</sup> percentile** of [license practical nurses](#), and **25<sup>th</sup> percentile** of the available [home health aides](#). The increase will allow providers to pay a higher wage and be able to retain nurses and home health aides which will lead to more consistency in their care, an increase in the workforce for home care professionals to fill more hours, and out of more costly settings.

State	Occupation Title	Profession Count in SC	10th Percentile	25th Percentile	75th Percentile	90th Percentile
SC	Registered Nurses	46,860	\$22.52	\$26.55	\$35.97	\$39.57
SC	Licensed Practical and Licensed Vocational Nurses	9,930	\$14.40	\$17.21	\$23.41	\$26.57
SC	Home Health and Personal Care Aides	29,510	\$8.25	\$9.12	\$12.10	\$13.89
<a href="#">Department of Labor &amp; Statistics Data - Pulled December 2020</a> Percentile is hourly wages						

\*\*Reference List:

<https://homehealthcarenews.com/2020/06/caregiver-turnover-rate-falls-to-64-as-home-care-agencies-flatten-the-curve/>

<https://www.scstatehouse.gov/code/t40c033.php>

<https://www.careerbuilder.com/salary-private-duty-register-nurse-in-south-carolina>

<https://www.careerbuilder.com/salary-private-duty-license-practical-nurse-in-south-carolina>

[https://www.careerbuilder.com/salary-home-health-aide-\(hha\)-in-south-carolina](https://www.careerbuilder.com/salary-home-health-aide-(hha)-in-south-carolina)