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CMCS Informational Bulletin

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SUBJECT: Development and Maintenance of Direct Support Worker Registries: Benefits of Utilization and Enhanced Federal Funding Availability

The Center for Medicaid and CHIP Services (CMCS) is issuing this Informational Bulletin to remind states and stakeholders that the use of worker management platforms, often called registries, is an important strategy for ensuring that individuals receiving Medicaid-covered home and community-based services (HCBS) have awareness of and access to qualified workers who deliver services. Importantly, the use of these registries does not require CMCS approval.

Even before the COVID-19 public health emergency (PHE), CMCS was aware of a national shortage in the direct support workforce (DSW), and the PHE has exacerbated this crisis.[1] This Informational Bulletin is part of a series of steps CMCS is taking to maximize beneficiary access to Medicaid services they need, recognizing the critical role direct support workers have in delivering HCBS.

Background

Worker registries can serve as a critical bridge between individuals needing services, and individuals qualified and available to provide those services. Registries can be used for personal care and other HCBS, provided under traditional agency-delivered models and in self-directed delivery models. The types of workers included on a registry can vary according to state preference and can include position titles such as home care worker, home care attendant, home health aide, personal care attendant, direct support worker, direct care worker, direct support professional, and others.

As CMCS first discussed in 2016,[2] only workers who have attained the state's minimum requirements for education or training should be included on a registry. This ensures that a worker selected off the registry is qualified to provide Medicaid-covered HCBS immediately.

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[1] National Core Indicators® Intellectual and Developmental Disabilities 2021 State of the Workforce Survey Report https://idd.nationalcoreindicators.org/wp-content/uploads/2023/02/2021StateoftheWorkforceReport_FINAL.pdf
[2] https://www.medicaid.gov/federal-policy-guidance/downloads/cib080316.pdf

States should also determine and be transparent about reasons that would exclude a worker from being reflected on the registry. For example, state laws could prohibit individuals with certain criminal histories from inclusion. CMCS continues to advise states to balance these safety concerns with the ability of beneficiaries to choose a qualified service provider.

To ensure maximum worker buy-in, states should educate workers about the mandatory or voluntary nature of participation on the registry, along with the scope of information the state requires for both internal use and public reflection. Likewise, it is important to educate beneficiaries about how the registry is to be used under the relevant service delivery mechanisms to ensure maximum utility. Worker registries may also be used in the delivery of services across multiple Medicaid state plan and waiver authorities. Programmatically, the use of registries does not require CMCS approval.

Implementation of registries can support the following functions:

- Helping beneficiaries identify and employ qualified workers who meet their needs, including the operation of a robust electronic matching system that provides information about worker skills and background.

- Facilitating recruitment and retention of workers in the Medicaid program to ensure an adequate supply of workers, including activities such as screening workers and facilitating the participation of both family members and non-family members in HCBS programs, as well as providing access to training and other benefits. Examples of training can include requirements for professional certification and specialized experience in delivering services to populations such as individuals with dementia and complex behavioral conditions.

- Supporting state oversight activities related to program integrity, monitoring access to and quality of care for beneficiaries who receive services, and maintaining a system for communication with workers.

Registries often take different forms in different states. Variation among states may reflect differences in, for example, states' Medicaid HCBS programs, their oversight approach for the workforce, the use of a third party, or their existing information technology (IT) infrastructure regarding services and workers.

Promising Practices

Regardless of the state Medicaid agency's approach for structure of the registry and (if applicable) its relationship with a third-party entity, registries generally preserve the central role of beneficiary decision making and autonomy in self-directed models. To that end, CMCS offers the following promising practices that states may consider in developing a registry to connect individuals needing HCBS with individuals qualified to deliver them. CMCS will make available additional practices received from continued state implementation of registries.

- Registry functions may help beneficiaries connect to care and support self-direction by:
    - Maintaining an electronic system to help beneficiaries identify and match with appropriate workers, potentially including the ability for beneficiaries to sort available workers based on characteristics such as language proficiency, certifications, and previous experience or special skills.
    - Assisting beneficiaries and their families in navigating the HCBS system, including specific support on self-direction.
    - Integrating financial management service (FMS) functions, such as processing payments to workers and making tax withholdings and other deductions for standard employment benefits on behalf of the beneficiary. In some states, these functions may currently be performed by independent FMS entities.

- Registry functions can support recruitment and retention of a qualified home care workforce by:
    - Helping workers become HCBS Medicaid providers as well as stay enrolled as a provider. This could include worker screening, verification of qualifications, and assessment of skills capabilities.
    - Actively recruiting new workers (e.g., through advertising or job fairs).
    - Connecting workers to training benefits and opportunities for professional development, including by contracting with training programs operated by labor-management partnerships or other entities with experience in training direct support workers, and providing other opportunities to reduce rates of worker turnover.
    - Facilitating access to health coverage and other benefits, in addition to training. Subject to other applicable laws governing employment and employer-sponsored health coverage, the entity operating the registry could act as an employer for the purchase of a group health plan for workers or, where there is a collective bargaining agreement in place, through contributions to a union health fund. The entity may also facilitate enrollment in Marketplace or Medicaid coverage for eligible workers.
    - Ensuring there is a system for communication with and support for workers, particularly in the case of health or other emergencies (e.g., distribution of personal protective equipment and virus tests).

- Registry functions can support state oversight by:
    - Providing background checks. Our 2016 Program Integrity CIB[3] discusses the important role of background checks in identifying criminal histories of individuals seeking to provide HCBS in Medicaid programs. States are encouraged to adopt background checks, and in doing so, are encouraged to collaborate with stakeholders, including beneficiary advocates, to develop policies that support consumer-directed programs that allow friends and family members to be recognized providers.
    - Verifying worker qualifications and identifying special skills. As we noted in the 2016 Program Integrity CIB, while states have discretion in determining who is

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[3] CMCS Informational Bulletin (medicaid.gov)

qualified to furnish Medicaid HCBS, each state should have in place procedures for ensuring that workers are in compliance with those requirements and should develop procedures for documenting compliance. As a repository of information about qualified direct support workers available to provide HCBS to Medicaid beneficiaries, the registry should only include workers when the worker's qualifications have been verified as meeting the State's requirements to be a Medicaid-enrolled provider of HCBS. In addition, the worker's additional or special skills should also be verified in accordance with the State's established documentation procedures prior to publication in the registry. Such verifications are important so Medicaid beneficiaries may have confidence in the accuracy of the information in the registry and the qualifications of the workers listed therein.

- Creating a system for communication with workers and beneficiaries in self-directed programs to facilitate communication with HCBS providers in public health and other emergencies and to provide program updates and access to other supports.

CMCS also notes that several potential registry functions could generate useful data for purposes of states' monitoring of HCBS access and quality, such as by providing data on the recruitment and retention of Medicaid HCBS workers over time, as well as on the prevalence of proficiency in different languages and other special skills; and providing data on total worker compensation, taking into account Medicaid payments as well as benefits. Filling gaps in data on this workforce is a priority for President Biden, who tasked the Department of Health and Human Services and the Department of Labor with identifying opportunities to enhance and expand data on the HCBS workforce in a recent Executive Order[4].

Availability of Enhanced Federal Match for Worker Registry Development and Maintenance

State Medicaid agency IT System costs associated with developing and maintaining a worker registry may be eligible for enhanced federal financial participation (FFP). Approval for enhanced match requires the submission of an Advanced Planning Document (APD). A state may submit an APD requesting the 90/10 percent enhanced match for the design, development, and implementation of their Medicaid Enterprise Systems (MES) initiatives that contribute to the economic and efficient operation of the Medicaid and CHIP programs, including worker registries in support of HCBS.

Interested states should refer to 45 C.F.R. Part 95 Subpart F – Automatic Data Processing Equipment and Services-Conditions for FFP – for the specifics related to APD submission.

States may also request a 75/25 percent enhanced match for ongoing operations of CMS-approved systems. Interested states should refer to 42 C.F.R. Part 433 Subpart C – Mechanized Claims Processing and Information Retrieval Systems – for the specifics related to systems approval.

MES projects that benefit more than one program require an allocation of costs to each program benefiting from the project which are unique to that project. 45 C.F.R. Part 75 provides principles and standards for determining appropriate cost allocation.

[4] Executive Order on Increasing Access to High-Quality Care and Supporting Caregivers | The White House

The basic concept for cost allocating MES projects is to break the project down into its functional component parts, and to charge a share of the cost of each component to only those programs that will directly benefit. If the component only benefits one program, then the total cost of that component will be direct charged to that program. CMCS is available for technical assistance on cost allocation.

Additional Funding Opportunity

Section 9817 of the American Rescue Plan Act of 2021 (ARP, P.L. 117-2) provided qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for HCBS, beginning April 1, 2021, and ending March 31, 2022. The funds must be used to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021. Section 9817 also requires states to use state funds equivalent to the amount of federal funds attributable to the increased FMAP (commonly referred to as "state equivalent funds") to enhance, expand, or strengthen HCBS under the Medicaid program. CMS expects states to expend such funds by March 31, 2025. States interested in using the state equivalent funds under ARP section 9817 for the development and maintenance of worker registries should reach out to their CMCS contacts or HCBSIncreasedFMAP@cms.hhs.gov.

For additional information on utilizing worker registries in Medicaid programs, please contact Melissa Harris, Deputy Director, Medicaid Benefits and Health Programs Group, at melissa.harris@cms.hhs.gov. For additional information on enhanced federal funding for the development and maintenance of worker registries, please contact Edward Dolly, Director, Division of State Systems, at edward.dolly@cms.hhs.gov.