

# Overview of ACCS & ERC Providers

Vermont Health Care Association

# Let's Talk About Long Term Care

Long-term care services support our family members, friends, and neighbors who are unable to perform basic activities of daily living such as dressing or bathing.

This presentation focuses on long term care services provided in assisted living residences and residential care homes, and how we pay for them.

Long-term care is also provided at home, in the community, and in nursing homes.

# What is ACCS? Assistive Community Care Services

Community Medicaid program

Not long-term care Medicaid under the Choices for Care program

Covers a basic bundle of services including:

- Case management
- Assistance with personal care/ADLs
- Medication assistance
- Nursing assessment and routine care
- Laundry/housekeeping
- Meals

1805 ACCS beds statewide

# What is ERC? Enhanced Residential Care

Long-term care Medicaid

Part of Choices for Care Program

Nursing Home level of care. Services such as:

- Personal Care
- Meal preparation
- Medication Management
- Nursing Overview
- Activities
- 24-hour Supervision
- Laundry/Housekeeping

3 Tiers depending on resident needs

1466 ERC beds statewide

# Who Provides ACCS & ERC Services? Level III Residential Care Homes (RCH)



- **TOTAL = 98 RCH providers; 2212 beds**
- **ACCS = 81 RCH providers; 1805 beds**
- **ERC = 53 RCH providers; 1466 beds**

**Since 2020 we have lost 9 RCH providers, resulting in 155 fewer ACCS/ERC BEDS**

**Since 2020 we have gained 4 new RCH providers resulting in 21 new ACCS beds. No ERC beds have been added to replace those higher acuity needs.**

# Who Provides ACCS & ERC Services? Assisted Living Residences (ALR)

- TOTAL = 18 ALR providers; 1227 total beds
- ACCS = 12 ALR providers
- ERC = 10 ALR providers

Since 2020 we have gained 2 new ALR providers for a total of 135 new beds. Only 1 of these providers offers ACCS services with 54 beds

# How Are ACCS Providers Reimbursed?

- ACCS Medicaid Daily Rate
- Does not include room & board – paid by resident based on income
- Providers do not provide services reimbursed by Medicare
- No regular mechanism for review of adequacy of rates
- No regular, scheduled increase in rates

SFY'19: 2%

SFY'20: 0%

SFY'21: 3%

SFY'22: 8%

# How Do ERC Providers Get Reimbursed?

- Receive ACCS payment as a base rate *plus* ERC tiered rate based on resident acuity
- Does not include room & board – paid by resident based on income
- Providers do not provide services reimbursed by Medicare
- No regular mechanism for review of adequacy of rates
- No regular, scheduled increase in rates

SFY'19: 2%

SFY'20: 0%

SFY'21: 3%

SFY'22: 8%



# What Does The Rate Study Tell Us?

## ***ACCS & ERC services are dramatically underfunded by Medicaid***

- \$21.8 million is needed to align reimbursement with the cost of the services
- Specifically:
  - \$13 million for ACCS services – represents a 79% increase from \$47.25/day to \$84.66/day
  - \$8.7 million combined for ERC services \*\*includes ACCS payment
    - 13% increase from \$114.81 to \$129.99/day for Tier 1
    - 37% increase from \$123.34 to \$168.43/day for Tier 2
    - 60% increase from \$131.71 to \$210.81/day for Tier 3

VHCA

Recommendation:  
Bring Rates In Line  
with Cost of Care  
to Preserve  
Critical Services

- Phase implementation over 3 years
- 80% of the increases should fund ACCS
  - Has the broadest positive impact across providers as all providers receive the payment
- 20% of the increases should fund ERC as follows to reflect current underpayments and cost of services:
  - 5% increase for Tier 1
  - 5% increase for Tier 2
  - 10% increase for Tier 3

VHCA  
Recommendation:  
Don't Let Us Fall  
Behind Again

- Once implementation is complete:
  - Conduct rate review at least every 5 years
  - Provide COLA annually