

Using the Money Follows the Person Demonstration to Develop Direct Service Workforce Infrastructure

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Overview

The Direct Service Workforce is expected to grow by approximately 23 percent between 2008 and 2016 which is much faster than many occupations in the U.S largely due to an aging population and increased behavioral health demand.ⁱ As long term services and supports initiatives move toward greater community living, the demand for a flexible and trained workforce becomes increasingly important and critical. Not only is capacity a critical issue, but direct service workers continue to have low wages, high turnover, and little training to adequately meet the health and welfare needs of persons who are elderly and/or have disabilities.ⁱⁱ This issue brief provides an overview of state-experience using MFP to develop DSW infrastructure and provides helpful tips for state MFP programs to advance efforts to improve recruitment and retention of direct service workers who help people with disabilities and older adults live independently and with dignity.

Did you know....

- ▶ according to the latest employment projections, a million more direct service workers will be needed by 2016 to meet the demand for services, with an estimated 900,000 needed to work with persons with intellectual disabilities and the direct service need unknown for persons in need of behavioral health support?^{ii, 1}
- ▶ DSWs have an average wage of around \$10.00 an hour; an average range between
- ▶ \$8.10 to \$15.52 for nursing facilities
- ▶ \$7.41 to \$13.47 for home health aides and
- ▶ \$6.34 to \$12.01 for personal and home care aides)?^{ii, iii}
- ▶ DSWs receive minimal training and work within a workforce infrastructure with wide variation in training and qualification requirements?ⁱⁱ

- ▶ according to the latest Survey of Occupational Injuries and Illnesses in 2006, the nursing aide occupation had the highest incidence rate of injuries of any occupation—2 to 2.5 times higher than service producing industries in general?ⁱⁱ
- ▶ that personal and home care aides and home health aides are the two fastest growing of all occupations in the U.S. and happen to also be the two fastest growing occupations responsible for services to people with disabilities and older adults?ⁱⁱⁱ
- ▶ DSWs are mostly working poor women living within households under 200% of the federal poverty level?ⁱⁱ
- ▶ in many states, DSWs are increasingly first generation Americans with English as a second language resulting in the need to assure cultural competence and community supports that offer effective training and retention practices?ⁱⁱ
- ▶ although mitigated by many state laws, DSWs are not always protected by federal wage and labor laws which excludes direct service workers in home settings (even those persons employed by home care agencies) from Fair Labor Standards Act Provisions of minimum wage, overtime pay and basic employee protections?ⁱⁱⁱ
- ▶ DSWs have one of the highest turnover rates among all jobs in the long-term care sector (70% annually in nursing facilities and an estimated 50% in home care)?ⁱⁱ
- ▶ the direct service workforce cannot be outsourced, is recession-proof, and is a powerful economic driver, not to mention most critical to the health and welfare of millions of Americans who are aging and/or have disabilities?ⁱⁱ
- ▶ the CMS National Direct Service Resource Center (DSWRC) is here to help you? Visit www.dswresourcecenter.org or e-mail info@dswresourcecenter.org to find out how.

Several MFP States have System Reform Initiatives Focused on the Direct Service Workforce

In March 2011, the CMS National Direct Service Workforce Resource Center conducted a short interview style survey with the original 30 state MFP Programs to determine how states have utilized the MFP grant to support direct service workforce (DSW) infrastructure development. Eight (8) states are using 100 percent administrative funding, four (4) states are using “savings reinvestment”ⁱⁱⁱ funds and one (1) state is using

demonstration service funding to support DSW infrastructure development. Eleven (11) states (CT, DC, HI, IA, LA, NC, ND, NH, NJ, OH, and TX) are using MFP as a catalyst and tool for direct service workforce infrastructure development. These eleven (11) state MFP Programs use MFP to advance DSW through the use of 100 percent administrative funding, demonstration/supplemental service funding and/or MFP earned federal revenue also known as “savings reinvestment” funds.

See **Appendix A** for a description of MFP Funding sources.

State MFP Programs and DSW Infrastructure Development

	Number of States using MFP to Enhance DSW	Percentage of States using MFP to Enhance DSW <i>(out of 30 States interviewed)</i>	Number of States using 100% Administrative Funding	Percentage of States using 100% Administrative Funding <i>(out of 30 States interviewed)</i>
Recruitment and Selection^{iv}	4 CT, OH, ND, TX	13%	3 CT, ND, TX	10%
Improving the Work Environment^v	3 CT, OH, LA	10%	2 CT, LA	7%
Enhancing Education and Training^{vi}	9 CT, DC, HI, IA, LA, NC, NJ, NH, OH,	30%	6 CT, DC, HI, IA, LA, NH	20%
Infrastructure Development Leadership^{vii}	1 TX	3%	1 TX	3%

Note: North Carolina uses demonstration funds to compensate direct service workers for time spent in training. Ohio, New Jersey, North Dakota, and Texas use “savings reinvestment” funds to enhance recruitment and training.

Top Ten Ways to Use MFP to Develop your State's Direct Service Workforce

MFP provides an opportunity to strategically invest small amounts of policy and fiscal resources to gain sustainable system change!

1. **Partnerships.** Use MFP to form new cross-sector partnerships, and/or strengthen existing cross-sector partnerships, with state agencies and local workforce stakeholders. Consider using MFP to develop coalitions to implement state-level workforce development plans. Additionally, use MFP leadership to engage stakeholders (including employers) in the review and alignment of state policies and programs to enhance and grow a quality direct service workforce. Use MFP fiscal resources to hold a summit with employers, direct service workers, and key stakeholders across sectors^{viii} (e.g. aging, behavioral health, developmental disabilities), to develop a strategy, to conduct a gap analysis, and to inform research needs.
2. **Leadership.** Use MFP as a lead in the development of a health and human service workforce strategy to meet the current and future demands across acute and long term care positioning your state for implementation of health care reform provisions, to meet the demands for community living, and to provide a foundation for self-direction efforts (e.g. tools to hire and train workers). Establish Memoranda of Understanding with key state and local partners to clearly define the roles and responsibilities within your state's workforce strategy. Explore funding resources that could support your State's overall workforce strategy including WIA Title I, II, and IV, Wagner-Peyser Act Funds, Carl Perkins Act Funds, TANF funds, State funding, Private Foundations, and Employers. Visit <http://www.dswresourcecenter.org/tiki-index.php?page=funding%20Sources> for more information on workforce funding sources and/or review the "Better Jobs Better Care" Issue Brief released in January 2006^{ix} for strategies to engage the public workforce development system.
3. **Training and Credentialing.** Use MFP as a fiscal resource to develop and/or reform training and credentialing systems. Partner with State Adult Basic Education Programs, Community and Technical Colleges, State Colleges and Universities, Workforce Investment Boards, and Human Service Agencies with expertise in health and human services issues as well as workforce strategies to develop 'road-maps' of education and employment pathways and increase access to training, lifelong learning, and career pathway development across sectors (e.g. behavioral health, physical disabilities). Keep in mind that one core goal of MFP is long term services and supports system change resulting in the need to strengthen the direct service workforce system beyond the support needed for MFP participants.
4. **Registries.** Use MFP as a fiscal resource to develop direct service worker registries. A Matching Services Project is underway by PHI Policy Works funded with support from the National Institute on Disability and Rehabilitation Research through the Center for Personal Care Assistance Services. Visit <http://phinational.org/policy/the-phi-matching-services-project/> for more information including a state by state map of matching services.
5. **Recognition.** Use MFP to establish a direct service workforce recognition system aimed at improving the value of the direct service workforce short and long term. Consider using MFP resources to establish a marketing and awareness campaign to inform citizens of the contributions of DSWs. Develop materials and resources for providers to help with recruitment from workforce centers, K-12 education and other community based educational sites where people seek career guidance.
6. **Payment Reform.** MFP is a resource to inform long term services and supports policy and payment reform. Establish a 'pay for performance' community living system that provides enhanced reimbursement to direct service workers with credentials and specialized training and raises the 'value' of the direct service workforce in the market place.
7. **Wages and Benefits.** Use MFP as a resource to inform direct service workforce wage and benefit policy. Use MFP to provide the foundation for direct service workforce employers to pool resources in order to offer health insurance to direct service workers.
8. **Innovation.** Use MFP as a resource to develop and test innovative policies, practices, and payment methods to improve retention, provide self-sustaining wage and benefit packages, and increase the quality of the direct service workforce. Examples include engagement with apprenticeship programs, development of rural cooperatives, shared training costs between workforce investment act programs, One-Stop Career Centers, employers and/or State Medicaid programs, establishing wage add-ons or pass-throughs to trained direct service workers and/or minimum benchmark standards for employers to participate in public programs.
9. **Research and Evaluation.** Use MFP as a resource to establish a cross-sector state and national research and evaluation agenda on direct service workforce issues. Establish minimum data collection standards across sectors and support the development of national job quality/workforce indicators for direct service occupations.
10. **Behavioral Health Capacity.** Use MFP to enhance the behavioral health competencies of the existing workforce, to develop stronger relationships with behavioral health providers in local communities, to recruit and retain more individuals with behavioral health skills and cross train direct service workers to work more effectively with mental and substance use conditions in a range of settings and across diagnoses and population groups.

State Examples of DSW Infrastructure Development through MFP

Connecticut

Through its MFP grant, Connecticut is attempting to rebalance its long term services and supports system by reducing its institutional long term care beds and increasing its home and community based capacity, as appropriate. The state is using 100 percent administrative funds to maintain and increase the community based direct service workforce by assisting institutional direct service workers to make the transition from working in institutions to working in the community. To accomplish this transition, Connecticut is developing and implementing comprehensive training options targeted at expanding institutional staff capacity to provide services in the community. Training aligns the institutional workforce with MFP values, person-centered planning tools, participant direction, informed choice and dignity of risk. Connecticut also plans to use 100 administrative percent funds to develop recruitment tools for personal care attendants, develop self-direction tools for participants, hold an annual conference and implement a number of strategic initiatives with workforce development partners.

Iowa

Iowa is using 100 percent administrative funds to offer free enrollment to the College of Direct Support web-based training to providers who are willing to work with MFP participants. The College of Direct Support requires states to have a statewide administrator that enrolls and trains learners in the system. Iowa is funding the administrator with 100 percent administrative funds. For information on the College of Direct Support or to gain access to the College of Direct Support curriculum and learning management system, visit <http://www.medicine.uiowa.edu/CDD/collegedirectsupport.asp>

In addition, Iowa plans to hire a full-time behavioral support specialist using 100 percent administrative funds in late 2011. The person will work with community providers and their transition specialists in developing behavioral plans and training direct service workers on how to implement these plans. The behavioral support specialist will also provide Crisis Prevention Institute (CPI) training to community based providers. The CPI curriculum and annual CPI certification is funded with 100 percent administrative funding.

Iowa is also using 100 percent administrative funds for services and training provided by the Iowa Program Assistance Response Team (I-PART). I-PART assists providers and direct service workers in managing serious and challenging behaviors of individuals with co-occurring intellectual disabilities and mental illness so that they can live in the community successfully. I-

PART provides individual consultation, crisis response, as well as regional training.

Louisiana

Louisiana offers specialized training through 100 percent administrative funding to DSWs supporting persons with intensive needs who plan to transition from institutions. DSWs select a 60 hour specialized training tract that focuses learning on one of the following areas: behavior management and psychiatric supports, medical/nursing and physical supports, and severe physical conditions (non-medical). The tract recommended is based on the needs of the person expected to transition as outlined in the person's plan of care. The 100 percent administrative funding is used to pay for the contracted entities (community college, vocational technical school, or local colleges and universities) providing the training estimated at \$1,250 per trainee. The funding is also used to cover the cost of the DSW's travel to training as well as 50 percent of the DSW's time spent in training (the other 50 percent is covered by the employer).

Additionally, Louisiana provides DSWs with a Sustainability Award supported through 100 percent administrative funding. The sustainability award is a one-time award of \$500 for DSWs working in a MFP participant's home. The award is paid at the end of the demonstration period to the DSW retaining his/her position with the MFP participant in a community placement with positive outcomes. Positive outcomes are measured through documented achievement of the participant's plan goals, participation in quality management processes, and documented assistance of the participant in achieving personal outcomes to improve/sustain quality of life.

Ohio

Ohio has a sub-grant agreement with The Ohio State University (OSU) to convene a consortium of university experts in the areas of gerontology, developmental disabilities, mental health, alcohol and drug addiction, physical disabilities, economics, human resources, adult education, and workforce to conduct research and guide the development of a stackable "core+specialization" framework. The framework is intended to result in a highly portable credentialing system developing links between entry and advanced skills. Additionally, the framework is expected to build an academic foundation to an advanced certificate or degree in health and human services. By linking the framework to college credit, Ohio hopes to create a pipeline of direct service workers with experience with persons with disabilities throughout professional health and human service education programs potentially mitigating or alleviating Ohio health and human service workforce shortages. The OSU Center for Education and Training for Employment (CETE) is conducting information gathering sessions with employers and stakeholders

and will perform a DACUM^x analysis in the next State biennial fiscal year (July 1, 2011 –June 30, 2013). The initiative is supported through “savings reinvestment” funds and has potential to utilize workforce investment act dollars to fund the “core training” as well as the potential modification of Medicaid reimbursement rates to “pay for quality” once the “core+specialization” framework is in place. More information on the initiative is located at: <http://grc.osu.edu/projects/long-termcareworkforceinitiative/index.cfm>.

Texas

Texas uses both 100 percent administrative funding and “savings reinvestment” funds to enhance the Direct Service Workforce. The state’s MFP program developed two Realistic Job Preview videos of DSW positions to educate job applicants about the rewards and challenges of direct service work. The videos target applicants seeking to work with persons with developmental disabilities or older people with long-term services and supports needs. The videos were funded through “savings reinvestment”.

A Workforce Development Program Specialist was hired using 100 percent administrative funding. The position is expected to lead long term services and supports workforce initiatives, including but not limited to the recruitment, retention and quality of the direct service workforce.

Conclusion

MFP provides assistance to States to balance their long-term services and supports systems through innovative supplemental/demonstration services, enhanced federal match for services used by transition participants (which generates the “savings reinvestment” fund), full reimbursement for specific administrative costs, and national technical assistance. MFP states are encouraged to include direct service workforce infrastructure development within State balancing efforts. Balancing long-term services and supports is not possible without an adequately trained, qualified, and valued direct service workforce across settings. As States plan to address direct service workforce issues, the CMS National Direct Service Workforce Resource Center encourages the use of MFP as a tool for infrastructure development and offers assistance to MFP States in these efforts.

CMS National Direct Service Workforce Resource Center

The DSW Resource Center team is available to help MFP grantees as well as their partners and stakeholders in a number of ways, including:

- ▶ Providing general consultation to help identify workforce needs and construct long-term strategic plans to strengthen the direct service workforce.
- ▶ Facilitating stakeholder meetings and other data gathering efforts to help state ensure that their workforce initiatives are based on input from different sectors of the workforce and a broad base of stakeholders including consumers, workers, employer agencies, researchers, and state policymakers.
- ▶ Advising states on marketing, outreach, recruitment, hiring and selection strategies that are effective at attracting more qualified applicants, lowering turnover, and raising public awareness about the field.
- ▶ Providing states and employers with information and strategies for improving worker wages, including wage pass-through initiatives, developing competency-based training programs, apprenticeships, and career ladders.
- ▶ Providing recommendations for addressing workforce issues in the implementation of consumer-directed or self-directed service models.
- ▶ Identifying performance measures and measuring outcomes of workforce improvement efforts, including the evaluation methodologies and survey instrument design.

Please visit <http://www.dswresourcecenter.org/tiki-index.php?page=Key+MFP+Resources> for resources to help you as you engage in system reform through MFP. If you have any questions, need technical assistance, or if you would like information about the workforce development initiatives the MFP program in your state is involved with, please send an e-mail to info@dswresourcecenter.org or call **1-877-822-2647**.

Appendix A: Funding Sources Used by MFP States to Strengthen the Direct Service Workforce Infrastructure

MFP Funding Opportunities

Demonstration/Supplemental Service Funding

Demonstration services are services that are available as covered services under Medicaid, but not offered to Medicaid beneficiaries. Examples of demonstration services are transitional mental health services, peer mentoring, social work/counseling, community transition services, nursing services or nutrition services. Demonstration services receive enhanced federal match during the demonstration period.

Supplemental services are services that are NOT available as covered services under Medicaid, but are necessary for individuals to successfully transition to community living. Examples of supplemental services are one time funds for transition such as security deposits and utility set-up, service animals, family services, and/or communication equipment. Supplemental services do NOT receive enhanced federal match.

MFP Earned Federal Revenue also known as “Savings Reinvestment” Funding

States earn enhanced federal match on both qualified (defined as long term services and supports already covered by the State Medicaid Plan and Home and Community Based Programs) and demonstration services. States are required to use the enhanced portion of the federal match to expand community based long term services and supports capacity. States are prohibited from using the enhanced portion of the federal match to supplant existing state, local or private funding of infrastructure or services. States are evaluated on the use of “savings reinvestment” funds through MFP benchmarks and annual/quarterly reports. Many states have established a separate fund line for the enhanced portion of the federal match and use the fund line to support innovative strategies to reform the long term services and supports system.

100 Percent Administrative Funding

In March 2010, CMS provided states with the opportunity to seek 100 percent administrative funding for personnel, travel, training, outreach/marketing, and innovative ideas as approved by CMS and not to exceed 20% of the grant when combined with other administrative costs. States have used this opportunity to fund unique strategies and further system reform efforts.

REFERENCES

ⁱ Occupational Outlook Handbook, 2010-11. U.S. Department of Labor, Bureau of Labor Statistics. www.bls.gov/oco/ocos059.htm.

ⁱⁱ A synthesis of direct service workforce demographics and challenges across intellectual/developmental disabilities, aging, physical disabilities, and behavioral health. The Lewin Group, November 2008.

ⁱⁱⁱ April 1, 2008 Letter to MFP Project Directors “Savings generated by Money Follows the Person Rebalancing Demonstration Implementation”.

^{iv} “Strategies for Improving DSW Recruitment, Retention, and Quality: What We Know about What Works, What Doesn’t, and Research Gaps”, October 2009, www.dswresourcecenter.org.

^v Ibid.

^{vi} Ibid.

^{vii} Ibid.

^{viii} “Sector” within the context of this issue brief is used to reflect the partnerships unique to a particular disability (aging, behavioral

health, developmental disabilities, physical disabilities) within a larger integrated direct service workforce industry.

^{ix} “Engaging the Public Workforce Development System: Strategies for Investing in the Direct Care Workforce”. Better Care Better Jobs Issue Brief, January 2006.

^x DACUM is an acronym for “developing a curriculum”. More information is available at <http://www.dacum.org/>.