

# Expanding Access to HCBA Waivers: A Cost-Effective In-Home Care Solution for Medically Vulnerable Children, Adults & Seniors

## PROPOSAL

- Ensure Californians with significant disabilities can exercise their choice to live at home and their communities by improving access to home-based services.
- Immediately expand the HCBA waiver program by increasing slots to clear the waiting list and fully meet the community need.
- Prioritize people at imminent risk of institutionalization including homeless individuals with intensive medical needs, in addition to existing priorities.

**The Home and Community Based Alternatives (HCBA) Waiver** is a Medi-Cal program providing home-based services for people who need skilled nursing care to live at home. Institutionalizing individuals with intensive medical needs who want to live at home robs their dignity and costs the state millions of unnecessary spending each year. A robust HCBA system enhances lives, honors choice, promotes health equity, and realizes significant cost savings.

## The Urgent Crisis

- Administered by the Department of Health Care Services Agency (DHCS), there are 5,035 vulnerable Californians on the HCBA waitlist as of 4/24. The estimated wait time for applicants on the waiting list at the current processing rate is six years.
- While DHCS added 1800 slots yearly, this is still inadequate to clear the waiting list or provide slots for applicants in the foreseeable future.
- HCBA enrollment is capped unlike hospitals, pediatric sub-acute facilities or nursing homes which have no limits; rationing this care forces many into institutionalization.
- Thousands of Californians languishing on waiting lists strips people with medically intensive needs of their right to full, independent lives, violating the

## The Solution: Waiver Expansion

- HCBA waivers provide home-based services including nursing, personal care, medical equipment, and case management for individuals with intensive medical needs.
- Serves people across the lifespan such as ventilator-dependent children, adults with ALS, homeless individuals with complex health conditions, and seniors with Alzheimer's.
- Provides a critical pathway to enable people with significant disabilities, including medically fragile infants and children, to live at home.
- HCBA services provide a promising opportunity for homeless individuals with grave illnesses to stabilize their housing, improve their health, reduce hospitalizations, and exit homelessness.

## Cost Savings

- DHCS estimates **\$67.5 million annual savings** to the state for 8,368 HCBA members who live in the community rather than institutions.
- There are potentially thousands of new HCBA members who would apply to the program if there were no lengthy waiting lists or caps.
- Cardea Health demonstrated an **average cost savings of \$175,000 annually per homeless individual** with acute and chronic health needs who receives HCBA waiver services in supportive housing by reducing emergency room, inpatient and SNF admissions.

## Previous Statement of Congressional Support

*"A program like the HCBA Waiver is critical for medically fragile children as their only pathway to receive services at home rather than in an institution. It also is the only option to keep older Americans with Alzheimer's or dementia in their own homes with 24-hour care. We believe there is still a critical need to increase HCBA waiver slots even more to ensure no Californian is forced to wait years to receive the services they need to live in the community. We continue to recommend more investment in this essential program to increase HCBA waiver slots sufficient to clear the waiting list immediately, with the ability to raise the cap as needed to meet the demand for this program."*

December 2023 joint statement from **Congresswoman Nanette Barragán (C-44)** and **Disability Rights CA** on the addition of 1,800 slots yearly through the term of the waiver for a total of 7,200.

## Pressing Community Need

*"Families are having to make gut-wrenching decisions: Do their children stay in the hospital where they have access to medical care but not family life, or do they bring their children home without adequate support?"*

*"The state will pay for costly institutional care automatically-but it only pays for cost-effective home care as an optional service. That's the opposite of what we should be doing."*

Jenny McLelland, Advocate, Little Lobbyists

*"Cardea's Health's novel approach to using HCBA waiver services enables high-quality medical care for homeless residents with grave illnesses. Expanding waiver services and prioritizing a medically frail subset of the homeless population strengthens our system of care. Cardea Health has shown a 75% reduction in hospitalizations using HCBA services for homeless residents with significant health conditions."*

Colleen Chawla, Director  
Alameda County Health Care Services Agency (HCSA)

## Success Stories

- **Sarah, a medically fragile toddler with a heart condition and feeding tube**, was unable to leave the hospital due to her need for nursing care. Her parents' income is slightly too high for Medi-Cal, and their insurance did not cover in-home nursing. Through institutional deeming from the HCBA waiver, she receives Medi-Cal and can receive the nursing care she needs to live with her family in her community.
- **Jerome, a formerly homeless senior who needs 24-hour personal care due to a stroke that left him bedbound**, has been stabilized in permanent supportive housing with HCBA services. He has not needed one inpatient readmission in the past year, compared to 12 hospitalizations and one SNF stay in the prior 2 years.

## Improving Health Equity

People of color, facing disproportionate poverty and disability rates, are more likely to lack financial resources to pay for care or live years in community while waiting for home-based services. Restricted waiver enrollment forces reliance on long-term institutionalization, resulting in inadequate care and poor health outcomes. Insufficient waiver capacity also has been shown to disproportionately harm LGBTQ+ older individuals who are more likely to live alone and less likely to have family caregivers as they age, while facing increased isolation and discrimination in institutional settings.

HCBA expansion is essential to advance health equity, promote community integration, and improve overall quality of life. Robust home-based services promote self-determination, improved access to quality care, and independence. HCBA waiver services must be accessible in order for low-income Californians with disabilities to exercise their right to live in a setting of their choice.

## Legislative Action Needed

Legislators are urged to immediately support expanding the HCBA Waiver program, recognizing its benefits in promoting choice, independence, and health equity, while achieving substantial healthcare cost savings.

Delayed access to service is denial of care. By getting people off the many years-long HCBA waiting list and meeting this vital community need, we can improve the lives of thousands of Californians and take a significant step towards a more humane healthcare system.

There is a solution so that no ventilator-dependent child or quadriplegic teen is stuck in a hospital rather than at home with their families. Expanding the HCBA waiver program will enable children, adults, and seniors with significant medical conditions the choice to live at home and in their communities.

## Supporters



**For more information contact**

**Alexis Chettiar, CEO & Co-Founder Cardea Health - [alexis.chettiar@cardeahealth.org](mailto:alexis.chettiar@cardeahealth.org)**

