

SUSTAINING COMMUNITY CARE: A BALANCED RATE STRUCTURE

Texas' Medicaid reimbursement for Personal Attendant Services (PAS) has been built on three critical components:

1. **Wage Component** – Establishes a wage floor for community attendants.
2. **Administrative Component** – Covers essential provider operational costs.
3. **Attendant Compensation Rate Enhancement (ACRE)** – Supports higher wages and better access to care.

THE HOUSE AND SENATE WORKGROUPS ON ARTICLE II HAVE PROPOSED A SIGNIFICANT RESTRUCTURING OF THE COMMUNITY CARE RATE, DISSOLVING THE ACRE PROGRAM.

WHAT DO THE RIDERS DO?

- The wage increase primarily benefits attendant wages and payroll tax/benefits (PTB) but does not maintain the same flexibility ACRE provided for operational support and attendant wages.
- Under ACRE as it stands today, the administrative portion (10%) is used where needed—either for wages/PTB or to support operations, which have been underfunded for years.
- The administrative component, the portion of the rate that assists provider operations has remained stagnant since 2006 at \$2.07, making it the lowest program support among all home-based attendant services.
- Current riders take funding away from the support providers had with ACRE, resulting in a cut to providers, especially as agencies that rely on ACRE to supplement the underfunded administrative component.

Example: For example, regulatory requirements mandate that field supervisors visit homes to ensure attendants are properly trained, well-oriented, and delivering services safely. They are not paid out of the attendant cost area but rather the administrative component of the rate. As inflation has driven up wages, particularly in high-cost areas of the state, agencies are forced to utilize more of the ACRE's administrative portion, 10%, to cover the chronic shortfall in the \$2.07 administrative component of the rate.

THE PATH FORWARD: SUPPORT A FULL HOLD HARMLESS IN THE ADMINISTRATIVE COMPONENT OF THE RATE

- **Senate:** Add **\$1.05** to the **A.1.1 strategy**, totaling a **\$1.29 investment** in the administrative component of the rate.
- **House:** Add **\$0.81** to **A.1.1 strategy**, bringing the total to **\$1.29 for the administrative component**.

NOW IS THE TIME TO PROTECT HOME CARE ACCESS, STABILIZE THE WORKFORCE, AND SUSTAIN CRITICAL SERVICES FOR TEXANS IN NEED.