

MEDICAID AND OUR WORKFORCE CHALLENGES AND OPPORTUNITIES



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Division of Medicaid and Medical Assistance
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MEDICARE VS MEDICAID

Medicare

- Entirely governed by the federal government
- Funded by payroll taxes, interest earned on Medicare trust fund investments, Medicare premiums, and copays
- Covers everyone 65 and older who have paid into Medicare/Social Security funds
- Also covers people with severe disabilities and end-stage renal disease

Medicaid

- Jointly governed by federal and state governments
- Funded by various federal and state tax sources
- Covers low-income families, people with disabilities, and elderly people
- In states (41) that expanded Medicaid under the Affordable Care Act (ACA), Medicaid covers childless, low-income adults
- Eligibility requirements vary by state

MEDICAID BASICS:101

- 1)Entitlement Program
- 2)Dually-Administered
- 3)Delivered in Managed Care
- 4)Actuarially-determined



MANDATORY BENEFITS

List of mandatory covered services:

- Inpatient and outpatient
- Prenatal
- Vaccines for children
- Physician services
- Family planning and supplies
- Laboratory
- X-ray
- Early and Periodic Screening, Diagnostic, and Treatment services for individuals under the age of 21
- Rural and Federally-Qualified Health Center services
- Nurse midwife services
- Nursing facility services for individuals under the age of 21
- Home health services for short-term acute needs
- Smoking cessation services for pregnant women
- Free-standing birth center services



OPTIONAL BENEFITS

List of optional covered services:



- Prescription drugs
- Clinic services
- Dental services and dentures
- Prosthetic devices and eyeglasses
- Primary care case management
- Physical therapy and rehab services
- Intermediate care facilities for individuals with intellectual/developmental disabilities services
- Tuberculosis-related services
- Inpatient psychiatric care for individuals under the age of 21
- Health home services for individuals with chronic conditions
- Personal care services
- Hospice services
- Private Duty Nursing
- HCBS attendant services and supports
- Speech, hearing, and language disorder services

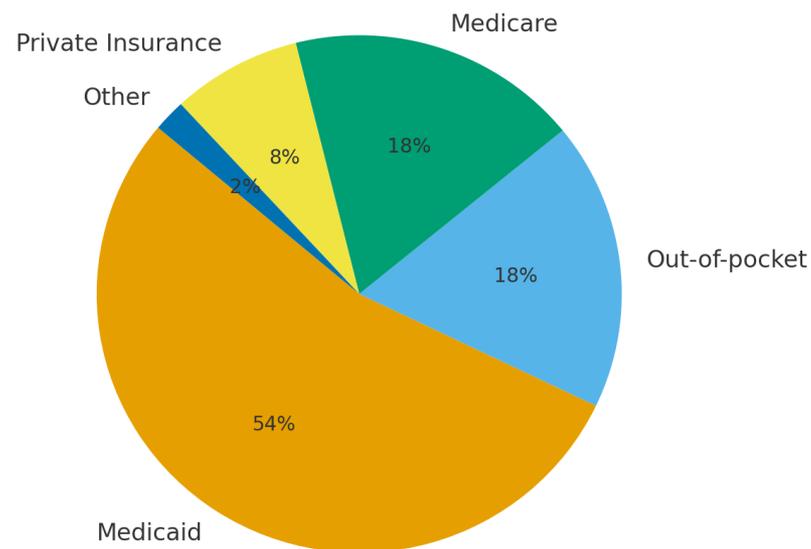


MEDICAID: PRIMARY PAYER OF LONG TERM SERVICES AND SUPPORTS (LTSS)

Medicaid is the dominant payer of LTSS

- Covers **over 50% of all LTSS spending nationwide**
- Only payer that *must* cover nursing facility services (for eligible populations)
- Largest funder of **home- and community-based services (HCBS)**

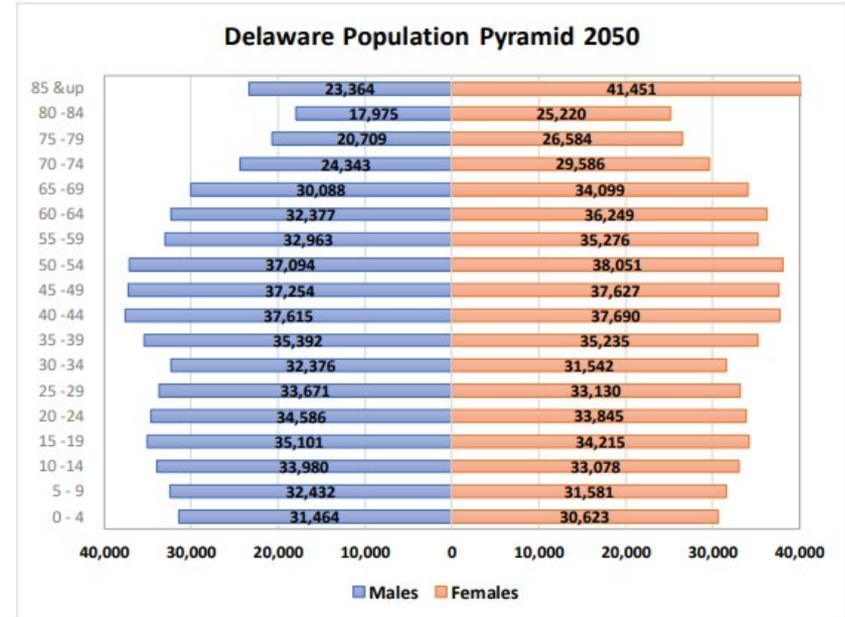
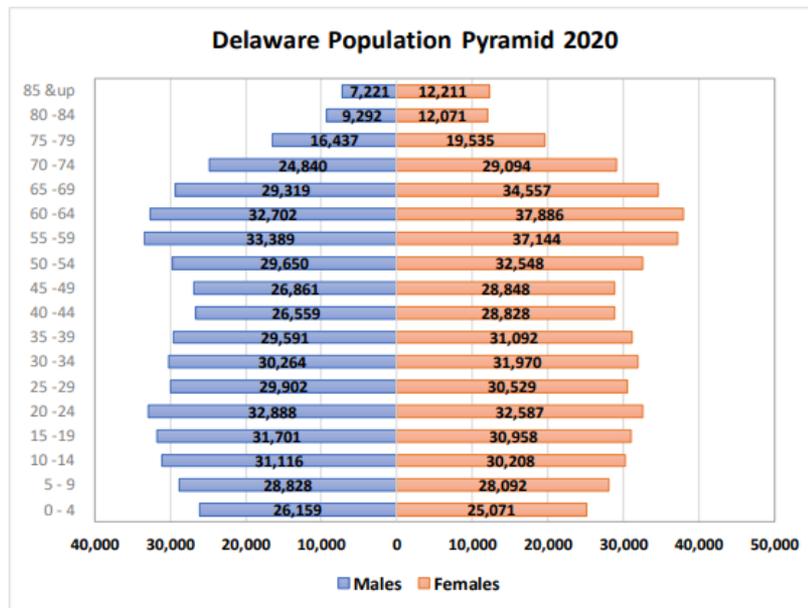
U.S. Long-Term Services & Supports (LTSS) Spending by Payer (CMS NHEA, ~2021/22)



[Who Pays for Long-Term Services and Supports? | Congress.gov | Library of Congress](#)

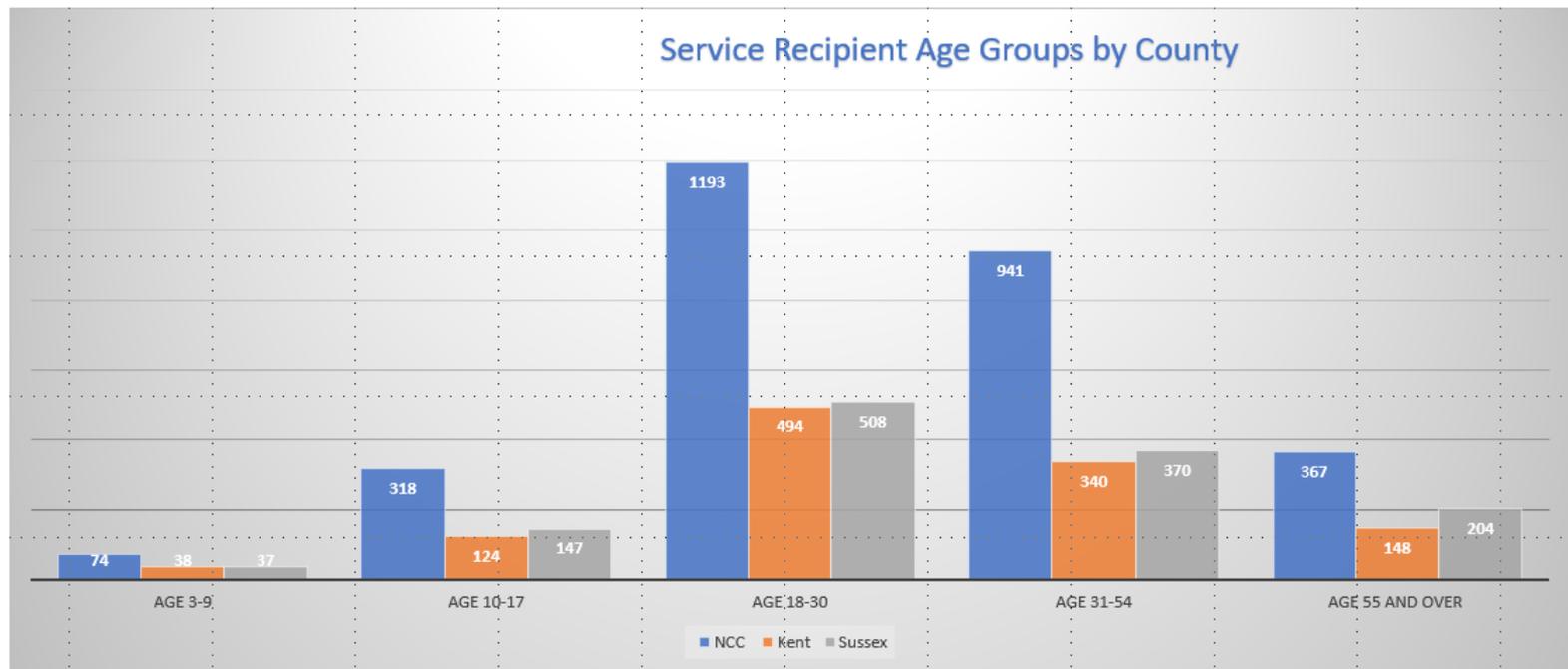
DEMOGRAPHY IS DESTINY: AGING

Delawareans 65+ grew 61% from 2006–2022. 85+ projected to increase 170% by 2040.
By 2040, ~1 in 3 Delawareans will be 60+.



Delaware's aging population strains health care systems – WHY?
State of Delaware Annual Population Projections 2023

DEMOGRAPHY IS DESTINY: DISABILITIES



SCR 156: REQUESTING THE DIVISION OF MEDICAID AND MEDICAL ASSISTANCE TO ISSUE A REPORT ASSESSING HOME CARE IN DELAWARE.



HOME CARE PROVISION IN DELAWARE: AN ANALYSIS OF MEDICAID CLAIMS AND EMERGING TRENDS, 2020-2023

July 2025

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Katie Gifford, PhD

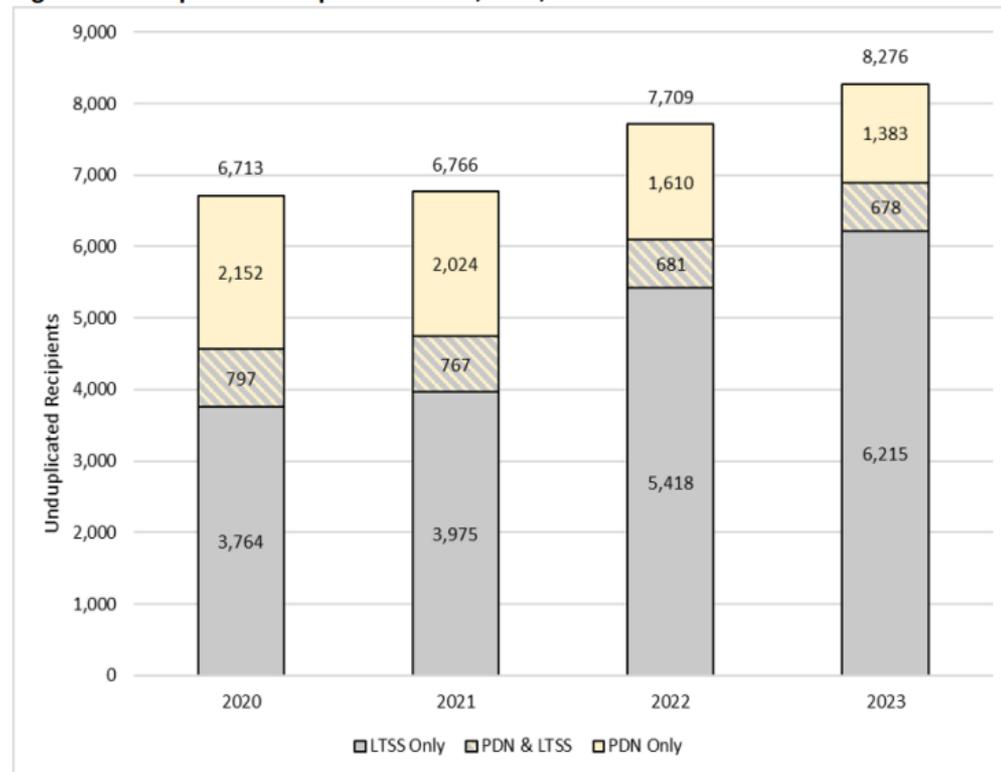
Rebecca McColl, MA

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DRILLDOWN: HOME AND COMMUNITY BASED SERVICES (HCBS)

- Total Medicaid HCBS recipients up 23% (2020–2023): from 6,713 to 8,276.

Figure 2. Unduplicated recipients of LTSS, PDN, or Both



HCBS SPENDING

Table 7. Monetary Value of Paid Claims, Statewide, 2020-2023¹³

	2020	2021	2022	2023
Long-term & Support Services	\$96,605,223	\$108,188,418	\$178,695,537	\$277,927,966
G0156	\$4,254,221	\$4,386,669	\$5,552,580	\$6,385,692
S5125	\$10,945,394	\$16,832,802	\$33,187,543	\$50,548,622
S5130	\$79,765,700	\$85,178,457	\$137,868,758	\$217,566,049
S5150	\$1,442,794	\$1,534,140	\$1,733,881	\$2,784,044
T1005	\$197,115	\$256,351	\$352,775	\$643,558
Private Duty Nursing	\$70,509,673	\$92,092,177	\$83,329,998	\$86,558,705
G0299	\$7,073,906	\$7,084,237	\$5,784,842	\$5,424,274
G0300	\$1,224,261	\$1,789,569	\$2,147,356	\$2,447,316
S9123	\$20,192,040	\$27,257,337	\$22,536,244	\$23,438,073
S9124	\$42,019,466	\$55,961,034	\$52,861,556	\$55,249,042
Grand Total	\$167,114,896	\$200,280,595	\$262,025,535	\$364,486,671

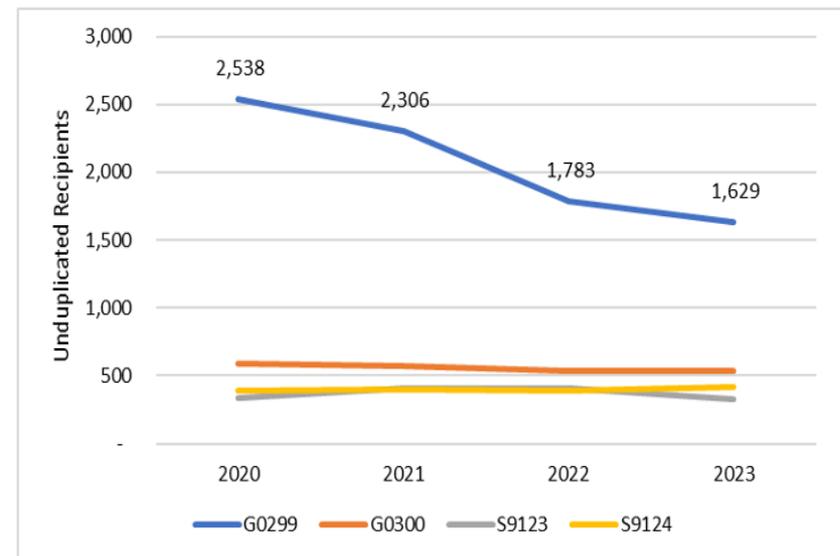
- Total paid claims more than doubled: \$167M → \$364M (+124%).
- This growth was driven by more clients, more units per client, and higher hourly costs



DIVERGING TRENDS: OTHER LTSS VS. PRIVATE DUTY NURSING (PDN)

- LTSS (personal care, attendant care, homemaker): +51% recipients; spending nearly tripled.
- Homemaker (S5130) and Attendant Care (S5125) drove 90% of total cost increase.
- PDN (skilled nursing at home): recipients fell –30%, but spending still rose +23% due to higher unit costs and intensity

Figure 4. Unduplicated Recipients of PDN by Specific Code



SELF DIRECTED ATTENDANT CARE (SDAC)

Table 8. LTSS & PDN Paid Units Total and by Specific Code, Statewide, 2020-2023

		2020	2021	2022	2023	Change from 2020-2023
LTSS	Total	19,681,257	21,366,383	36,283,362	52,484,773	167%
	G0156	675,544	665,193	657,826	702,130	4%
	S5125	1,964,821	2,833,395	5,105,844	7,159,424	264%
	S5130	16,645,615	17,446,159	30,056,535	43,928,792	164%
	S5150	347,179	360,892	381,436	579,613	67%
	T1005	48,098	60,744	81,721	114,814	139%
PDN	Total	1,650,312	2,032,801	1,600,229	1,597,114	-3%
	G0299	219,293	223,227	139,693	135,047	-38%
	G0300	52,662	63,549	55,658	75,242	43%
	S9123	412,888	527,612	387,522	378,231	-8%
	S9124	965,469	1,218,413	1,017,356	1,008,594	4%



DEMOGRAPHIC STORY

Table 5. Unique clients by Age, Statewide, 2020-2023

Service Line	Age Group	2020	2021	2022	2023	Change from 2020-2023
LTSS	Statewide Total	4,561	4,742	6,099	6,893	51%
	Adult (18-64)	2,145	2,419	3,512	3,948	84%
	Children	117	120	157	450	285%
	Seniors	2,299	2,203	2,430	2,495	9%
PDN	Statewide Total	2,949	2,791	2,291	2,061	-30%
	Adult (18-64)	1,783	1,808	1,529	1,426	-20%
	Children	702	632	567	510	-27%
	Seniors	464	351	195	125	-73%

- Younger adults (18–64): +84% LTSS recipients over 4 years — the fastest growing group.
- Children: +285% LTSS recipients, though still only ~7% of HCBS users.
- Seniors (65+): flat (+9%)



ACCESS & TIMELINESS

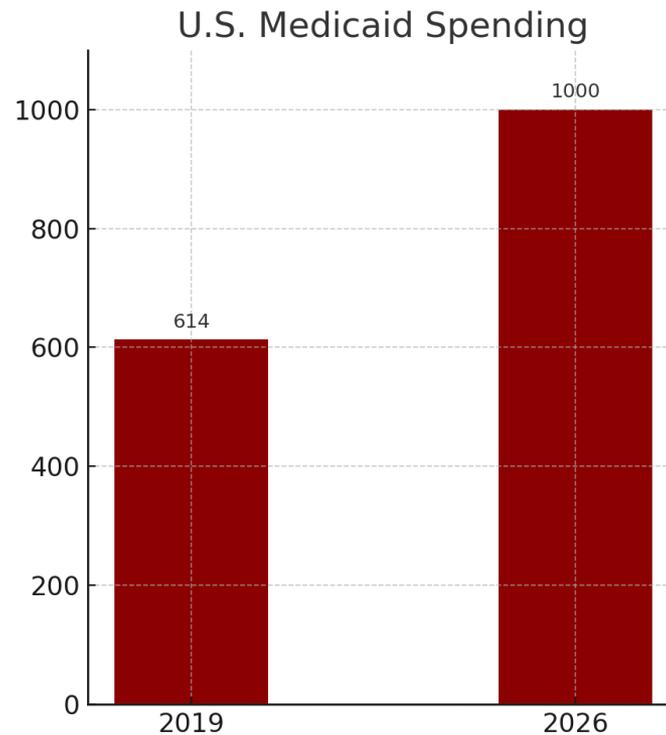
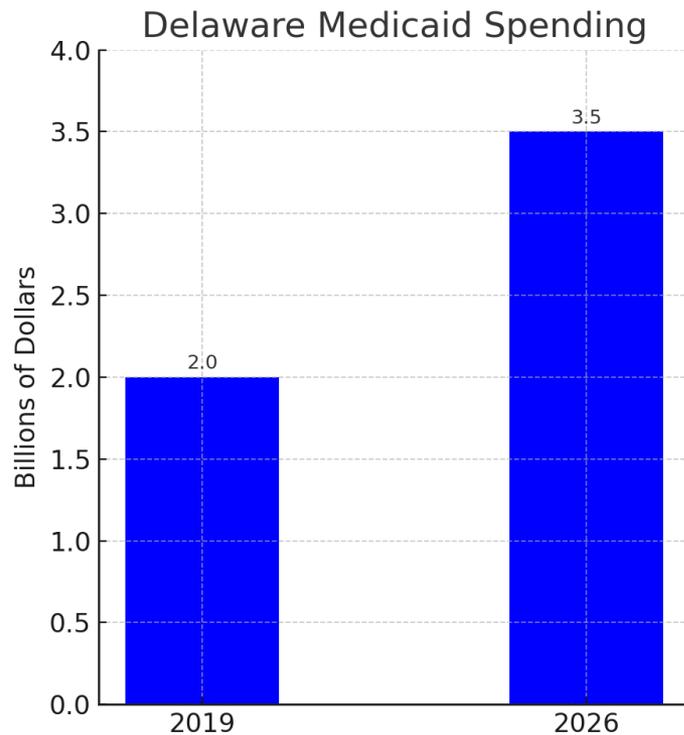
Table 15. Time from Approval to Authorized Start Date

Days between review and start date - Approved claims				
	2020	2021	2022	2023
Long Term Support & Services				
Mean	-0.7	6.8	18.7	10.3
Median	3	3	6	9
Private Duty Nursing				
Mean	24.5	40.8	17.3	13.9
Median	7	6	5	5

- Average eligibility determination ~41 calendar days; ~10% waited over 3 months.
- Time from service approval to start: median 3–9 days for LTSS, 5–7 days for PDN (but with wide variability, some much longer).



MEDICAID SPENDING



<https://www.cms.gov/files/document/nhe-projections-forecast-summary.pdf>

THE ONE BIG, BEAUTIFUL BILL ACT (AKA, BUDGET RECONCILIATION OR “OBBBA”)

Budget reconciliation is a fast-track process Congress uses to pass major tax and spending changes with a simple majority vote in the Senate.

On July 4th, Congress used reconciliation to pass the *One Big Beautiful Bill Act (OBBBA)* — a sweeping law that changes how states operate Medicaid and other safety net programs.

CRITICAL: Nothing is changing this very moment; this will be a rollout over several years



WHAT'S IN IT? – THE DIFFICULT

Key provisions affecting states:

- **Mandatory work requirements** for the Affordable Care Act “expansion population” (80 hrs/month, effective Dec. 2026)
- **Six-month eligibility redeterminations** for expansion population (Dec. 2026)
- **Restrictions on Medicaid coverage** for many humanitarian immigrant groups (Oct. 2026 & other policies immediately)
- **Limits on provider taxes and phased-down state-directed payments (SDPs)**
- **New auditing standards** and reduced flexibility for eligibility-related overpayments
- **Moratorium on some Biden-era rules until 2035**



WHAT'S IN IT? – THE OPPORTUNITIES

New HCBS Waiver Option

- Pilot innovative, targeted community-based services
- Focus on dementia care, behavioral health, or underserved regions
- Avoid 1115 delays and paperwork

\$50 Billion Rural Health Transformation Fund

- States apply by December 31, 2025 for funds over five years
- Supports rural workforce, care redesign, tech modernization

Federal Grants for Implementation

- \$100M for work requirement systems build-out (est. \$2.5M)
- Potential funding to offset some state admin costs



THE GOOD NEWS? THE MISSION!



The Mission Doesn't Change

