



THE PARTNERSHIP FOR MEDICAID

March 31st, 2026

The Honorable Mike Crapo
Chairman
Senate Finance Committee
219 Dirksen Office Bldg.
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Senate Finance Committee
219 Dirksen Senate Office Bldg.
Washington, D.C. 20510

The Honorable Brett Guthrie
Chairman
Energy & Commerce Committee
2125 Rayburn House Office Bldg.
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
Energy & Commerce Committee
2125 Rayburn Office Bldg.
Washington, D.C. 20515

RE: Preserving The Vital Home & Community Based Services (HCBS) Program

Dear Chairman Crapo, Sen. Wyden, Chairman Guthrie, and Rep. Pallone,

The undersigned member organizations of the Partnership for Medicaid, a nonpartisan national coalition representing clinicians, health care providers, safety net health plans, and counties, write to urge Congress to ensure that policies addressing program integrity in Medicaid do not harm access to HCBS or undercut the provider network on which millions of people rely. Broad policy responses that reduce Medicaid funding or cast all HCBS expenditures as presumptively fraudulent will undermine access to essential services and place further strain on state Medicaid programs.

HCBS Makes Life in the Community Possible For Millions

Before 1981, many seniors and the vast majority of people with disabilities were served in large institutional settings away from family and friends and the common activities of daily life. On a bipartisan basis, Congress changed that reality by enacting Section 2176 of the Omnibus Budget Reconciliation Act of 1981 (Section 1915(c) of the Social Security Act), which authorized states to cover services—such as case management, personal care, and habilitation—that help individuals with disabilities or chronic illnesses live in their homes and communities.

Today, every state and the District of Columbia provides HCBS. Over the past four decades, HCBS has evolved from a small pilot into a major component of Medicaid, covering 64.6% of

long-term services and supports expenditures by 2022.¹ States have employed the flexibilities inherent in the program to provide a wide array of services for individuals who would prefer and have the legal right to be supported in community, rather than institutional settings, including the frail elderly, people with multiple chronic conditions, individuals with HIV/AIDS, persons with Intellectual and Developmental Disabilities (I/DD), children with autism, and adults with mental illnesses and co-occurring substance use disorders. Not only have the lives of these individuals improved, but the costs to both the federal and governments have fallen dramatically. As one illustration, the average cost per person to serve a person with I/DD in their homes and communities is \$70,500 per year. Serving that same person in a public institutional facility is more than \$395,000.²

As of this writing, over 600,000 people are on state HCBS waiting lists nationwide—with an average wait time of 32 months—and people with disabilities compose the largest single segment of these waiting lists.³

Bipartisan Medicaid Program Integrity Reforms

Federal Medicaid fraud identification programs involve a coordinated effort between federal and state agencies, primarily the Department of Health and Human Services (HHS), its Office of Inspector General (OIG), the Department of Justice (DOJ), and state-level Medicaid Fraud Control Units (MFCUs). At the federal level, the OIG follows a standard protocol whereby the agency conducts particularized audits of individual Medicaid programs followed by investigations, and inspections to identify, prevent, and penalize specific fraud and abuse within HHS programs, including Medicaid. They have the authority to exclude individuals and provider entities convicted of criminal fraud from participating in all federal healthcare programs. Additionally, in all federal coverage programs that use managed care, health plans work with state and federal partners to operate robust anti-fraud programs that form the frontline for prevention and detection. As providers and health plans, we strongly support this process and encourage reforms that would invest in and strengthen these existing oversight and enforcement measures that provide targeted and evidence-based accountability for bad actors.

¹ Centers for Medicare & Medicaid Services, *Trends in Users and Expenditures for Home and Community-Based Services as a Share of Total Medicaid LTSS Users and Expenditures, 2022*, <https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltss-rebalancing-brief-2022.pdf>

² Shea Tanis, et al., *The State of the States in Intellectual and Developmental Disabilities*, https://stateofthestates.ku.edu/sites/stateofthestates/files/images/2026/US_8pg_accessible.pdf

³ Kaiser Family Foundation, *Medicaid Home Care (HCBS) in 2025*, <https://www.kff.org/medicaid/medicaid-home-care-hcbs-in-2025/>

In addition, consistent with recent CMS Request for Information (RFI) regarding an upcoming rule making process [RIN 0938-AV97], The Partnership is grateful for the opportunity to weigh in with substantive feedback through the RFI.

By contrast, broad attacks on the entire HCBS program because of the criminal activities of a few or painting all waste and abuse as criminal fraud will jeopardize services for millions of our most vulnerable citizens. These risks are especially concerning because the HCBS system is already under severe strain. Across the country, more than 600,000 people are already on states' waiting lists for HCBS, with wait times often several years or longer.⁴ The Partnership is committed to moving forward with the committees of jurisdiction on specific and bipartisan integrity reforms that improve the Medicaid program for all Americans.

Sincerely,

American Academy of Family Physicians
American Dental Education Association
American Network of Community Options and Resources (ANCOR)
American Nurses Association
America's Essential Hospitals
Association for Community Affiliated Plans
Association of Clinicians for the Underserved
Easterseals, Inc.
LeadingAge
Medicaid Health Plans of America
National Association of Pediatric Nurse Practitioners
National Center for Assisted Living (NCAL)
National Council for Mental Wellbeing
National Health Care for the Homeless Council
The Catholic Health Association of the United States
The National Association of Rural Health Clinics

⁴ Kaiser Family Foundation, *A Look at Waiting Lists for Medicaid Home- and Community-Based Services from 2016 to 2025*, <https://www.kff.org/medicaid/a-look-at-waiting-lists-for-medicaid-home-and-community-based-services-from-2016-to-2025/>