



REPORT TO THE LEGISLATURE

Day Habilitation Study

ESSB 5950 Sec. 203 (1)(pp)

October 1, 2024

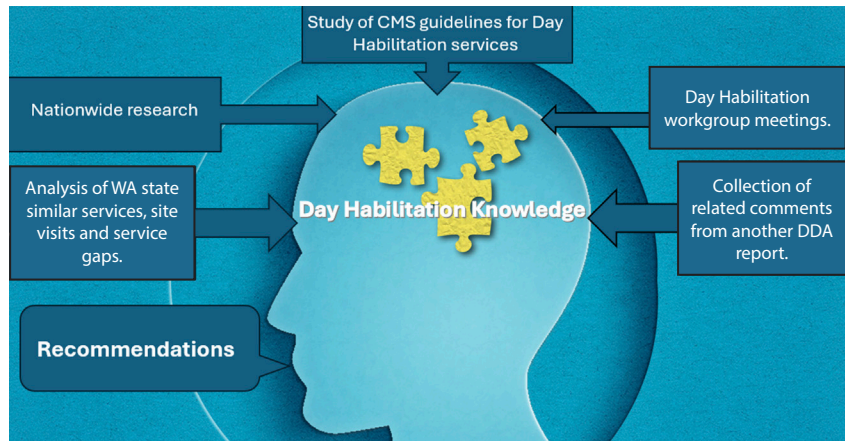
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Executive Summary

Engrossed Substitute Senate Bill 5950, passed during the 2024 Legislative Session, directs DSHS' Developmental Disabilities Administration to "convene a work group to study day habilitation services, ensuring that the work group includes individuals with lived experience. The work group must submit a final report to the governor and the appropriate committees of the legislature by October 1, 2024, detailing recommendations for the establishment of community-contracted day habilitation services statewide and their inclusion in the Medicaid state plan." This report presents our findings, analysis and recommendations for the establishment of statewide day habilitation services funded by the Medicaid state plan. In response to ESSB 5950, we did the following:



- Studied the Centers for Medicare and Medicaid Services guidelines for day habilitation services.
- Conducted nationwide research from all 50 states and the District of Columbia.
- Looked at services we already offer that are similar to a core definition of day habilitation. We also visited some of these programs. We investigated gaps and areas of growth in the current service structure that day habilitation services could support.
- Met with people who have lived experience to gain feedback, ideas, suggestions and concerns about adding day habilitation services.
- Reviewed collaborator feedback from another community outreach project called the Medicaid 1915(c) [Wavier restructure report](#), also known as the waiver services study.



"My son always inspired me with his unique beauty and potential. His autism diagnosis may have refined my vision, but it has only strengthened my resolve to foster a life of purpose and joy for him. An adult day program could be the key to unlocking a supportive community and empowering resources for both of us to flourish."

– Angela, parent of a participant

DSHS DDA mission, vision and guiding values

DSHS DDA is guided by our mission, vision and values when considering how services impact current and future structure of programs, both through the state plan and through our Home and Community Based Services waivers. We have repeatedly heard from service recipients and their support team members of the need for creating and designing services that add to what a person defines as a meaningful day. Adding day habilitation services is one way to meet that request for a meaningful day, with various person-centered activities that center around choice, community integration and inclusion. Throughout this report, we provide samples of collaborator contributions and recommendations we received. These comments by collaborators have been edited to redact names or clarify language.



Background

This report is a result of DSHS' DDA community collaborators advocating for day habilitation services for people with intellectual and developmental disabilities. The want is for a service that is inclusive to all members of the intellectual and developmental disability community who choose to receive our services. The greatest need identified is for 20 hours per week of center-based day habilitation services for people ages 22 and older who live with family. There are many people with intellectual and developmental disabilities within this target population who go from having the structure of a seven-hour school day most of the year, to exiting the school system. These individuals are either unable to work or have limited hours of employment. They have fewer options for activities and support outside of their workplace. The need is for day habilitation services that can support individuals to live and thrive in the communities and settings they choose, provide opportunities to connect with others, learn and maintain skills, explore new hobbies or areas of interest and participate and contribute to a community of belonging.

Day Habilitation Services Defined

Terminology

To be consistent, this report uses terms and service names that are used by the federal Centers for Medicare and Medicaid Services, the Washington State DSHS Aging and Long-Term Services Administration and other national organizations. Many community collaborators have expressed a desire to rename services or provider types, which we will consider when possible.

Research: Service guidelines and definitions

The information used most to create day habilitation services is in the CMS Home and Community Based Services technical guide for the 1915(c) waiver and the CMS HCBS taxonomy document. The technical guide guides states when designing Home and Community Based Services waivers. The taxonomy document provides a basic definition to establish categories and subcategories of services. The information gathered from these resources informed the service framework for day habilitation as described in this report.

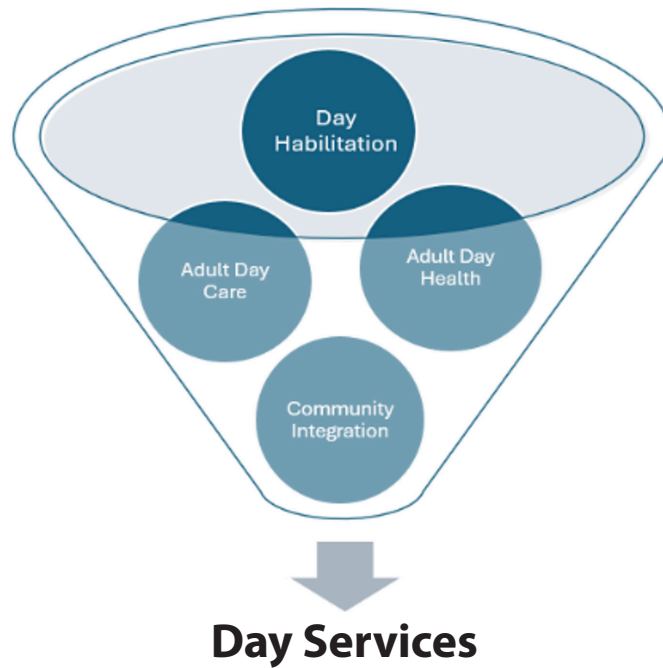
Research identified that day habilitation programs vary greatly from one state to another. CMS is drafting updated guidance to states about this service that will specify that day habilitation includes:

- Regularly scheduled activities provided in the community other than a person's home
- Fosters social development and community living
- Provides activities and environments designed to develop skills, interpersonal competence, greater independence and personal choice.

For individuals with medical conditions that are expected to result in continuous loss of skills, day habilitation may include training and supports to maintain skills rather than improve upon or acquire new skills.

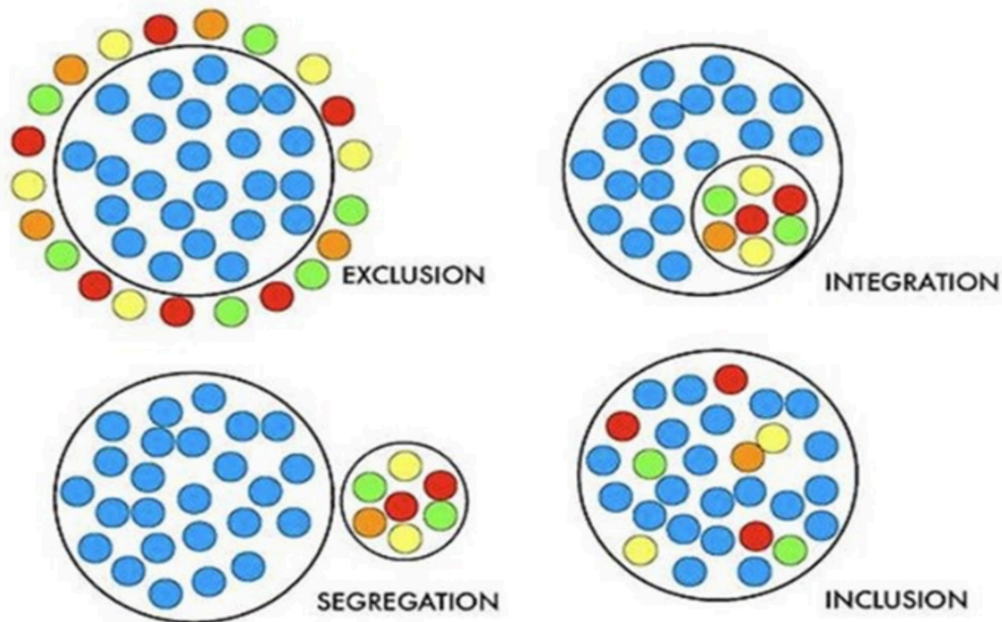
Day habilitation services are separate from supported employment and school services. Day habilitation cannot replicate services covered by other sources that are educational or vocational in nature, apart from career planning activities. Personal care services can be part of day habilitation but cannot take up the whole time while receiving the service. Day habilitation can include a center or "hub"-based component but does not need to be limited to fixed sites. The service must be provided in the most integrated setting appropriate.

Research identified that multiple services such as day habilitation, adult day care, adult day health, and community integration can be combined into a bundled service that aligns best with collaborator feedback around what Washingtonians need.



Importance of Integration

SOURCE: <https://www.hrcinc.org/community-participation-supports>



Title II of the Americans with Disabilities Act became law in 1990. It was enacted to make sure people with disabilities have access to public services and programs. The law says that any service that gets money from the government must be accessible to all people of all abilities. In 1999, there was the Olmstead v. L.C. court ruling under the ADA which determined that people with disabilities should not be forced to live in institutions. The Olmstead ruling not only supported making public places and programs accessible, it also supported giving people with disabilities the right to choose to participate in the community.

Both Title II of the ADA and the Olmstead decision are about making sure people with disabilities have the same opportunities as people who do not have disabilities. These decisions work together to support people with disabilities in living fully inclusive lives.

In 2014, CMS set out to strengthen Title II of the ADA and the Olmstead decision. They announced the final HCBS rules to improve service quality and provide more protections to people with certain Medicaid services. These rules apply when someone gets long-term services and supports through HCBS Medicaid programs. The rule makes states responsible for being sure recipients:

- Have full access to benefits of their community to the same extent as someone who does not receive services.
- Receive services in integrated settings.

Day habilitation services are approved in states when their programs are located in a non-residential community setting separate from a person's residence and meet integrated settings requirements. Many states who offer day habilitation services require regular activities outside of a center. This ensures people with disabilities are not isolated. Utah is an example of a state that includes activities outside of a day habilitation center in their service definition. In 2024, the US Department of Justice investigated Utah's HCBS employment and day programs. The DOJ issued several findings. One of the findings indicated Utah's day services, which were intended to be integrated, did not follow Title II of the ADA or the Olmstead decision.

The DOJ stated that Utah's day services did not offer enough choice and unnecessarily isolated people receiving services and mostly provided support for people with disabilities to interact with other people with disabilities and their support staff. The DOJ determined this was not inclusive and violated rights by isolating people from their broader community.

We must pay careful attention when we design a day habilitation program. We need to be sure the programs offer choice and integration.

"How do we ensure integration between people with disabilities and the rest of society? Too often, people with disabilities are included in the edges of a program. We need to be front and center in the discussion of how we are to be included."

– Community collaborator



Nationwide Research

CMS sets the framework for waiver services. Each state builds their day habilitation programs to meet the needs of the individuals they serve and based on the state's service structure. We looked at other states to learn multiple possibilities for how we can best setup our day habilitation program.

In Spring 2024, we collected information about day habilitation services for people with intellectual and developmental disabilities from 50 U.S. states and Washington DC. This information was a snapshot in time and may no longer be the most current information as every approved HCBS waiver application can be amended at any time. Many states have multiple state plans and HCBS waiver options. This research may not encompass every option. HCBS programs and Medicaid state plans are different in each state and often service options in one state may not be able to be replicated in another primarily due to the state's Medicaid program structure and benefit options. For example, states that offer comprehensive state plan options may have a less comprehensive HCBS waiver structure options because state plan service options are accessed first.

Funding streams for Day Habilitation

While state plan and demonstration waivers are sometimes used for day habilitation supports, most programs analyzed during this research period showed that states primarily use a HCBS 1915(c) waiver authority to offer day habilitation services. We explored two of the possible funding streams for day habilitation services, 1915(i) Medicaid state plan option and 1915(c) HCBS waiver.

1915(i) Medicaid state plan

HCBS programs in the 1915(i) option can increase access to HCBS services for individuals who are not eligible for other Medicaid waiver programs and can be a way for states to limit coverage of services to particular populations. States must ensure that the criteria for a person to be eligible for 1915(i) services are more flexible than what is required to meet a state's institutional level of care criteria. This state plan option provides services for individuals who require less than institutional level of care, but still have a significant need, to have access to greater number of services in the community which they might not otherwise qualify if only offered under a 1915(c) waiver. States must use an independent evaluation to determine an individual's eligibility and an independent assessment to determine the necessary level of services and supports and create an individualized care plan. The 1915(i) option allows states to waive Medicaid's comparability requirement, meaning that states can offer 1915(i) HCBS services to specific, targeted populations and offer different amount, duration, and scope of services to different groups. 1915(i) state plan services are an entitlement for all eligible individuals, and states cannot have waitlists

1915(c) Medicaid HCBS Waiver

HCBS waivers are approved by CMS as an alternative to intermediate care facility for individuals with intellectual disabilities. Our administration's HCBS waiver services provide supports for individuals with intellectual and developmental disabilities who meet this level of care to live in their community instead of an institutional setting. CMS requires that HCBS waiver services must be considered after all other sources of support are accessed first. They are optional services a state elects to offer when that service is not a covered benefit in another Medicaid state plan option, another health plan option or any other informal paid or unpaid resource. To ensure compliance with federal regulations, states must develop individualized assessments for people receiving HCBS waiver services, in collaboration with the person receiving services and others they choose to invite. These assessments develop person-centered service plans to meet everyone's unique needs. Services must be delivered in a person-centered manner that also ensures meeting each individual's health and safety needs. Providers of HCBS waiver services receive regular monitoring of a person's progress toward achieving individualized goals found in the PCSP, the quality of care provided, and compliance with integrated settings rules. Appendix A provides a brief overview of each of the five Washington State DDA Waivers.

National Funding Trends for Day Habilitation

We found that the vast majority of states, including the District of Columbia offer day habilitation services through 1915(c) waivers, which is the most widely used funding source for services for people with intellectual and developmental disabilities across the country. States that offer day habilitation services under a 1915(i) state plan option, typically provide the service across populations broader than the intellectual and developmental disabilities population.

Trends that varied across states and the different day habilitation service models included:

- Variations in age ranges
- Teleservice delivery options
- Variations in transportation options
- Behavior support options
- Prevocational options
- Adult day care or adult day health service options
- Services available to people who also receive residential habilitation
- Variations in rates and rate models including tiered rate systems
- Service amounts and limitations also varied greatly

The handful of states, including Washington state, that did not list a day habilitation service as an option for people with intellectual and developmental disabilities, did offer services that are like day habilitation.

Service Analysis

Current Service Structure

Our administration currently offers an array of services under our HCBS waivers that may look similar to the day service options we have researched in other states. This array of services includes community engagement, community inclusion, specialized habilitation, respite in community settings day centers, and agency respite adult day care. The table below shows a comparison of many aspects of day habilitation services in relation to these other current services people may use, with the addition of supported employment.



“Day Habilitation services can be paired well with supported Employment for people to live full lives. Supported Employment allows individuals to get out in their communities and work. For me, having a job gives me a sense of purpose, that I’m doing something important to make our community better. Day Habilitation services are also important because they allow individuals to get out in their communities and make meaningful connections with others.”
– Blake Duarte, self advocate

Aspects of Day Habilitation	Community Engagement	Community Inclusion	Specialized Habilitation	Respite in community settings-Day Centers	Respite in Community Settings-Agency Respite Adult Day Care	Supported Employment
Person-Centered Choice	X	X	X	X	X	X
Personal Care				X	X	
Habilitative Skills	X	X	X			X
Must be in Integrated Settings	X	X	X			X
Fixed schedule					X	
Can have center based components				X	X	
Can provide supported retirement activities	X	X				
Transportation						

Our community partners and advocates have expressed that the services our administration currently offers are not meeting the service needs for many people. This has led to the recommendation from many collaborators to add day habilitation into our current waiver service structure and to also include adult day care and adult day health as provider types under a day habilitation service.

In contrast, some collaborators voiced the potential of investing more into the current services we offer since several services already included in our 1915c waivers provide support for people to get out into their community. Some believe that by increasing providers and service budget amounts in our waivers we could meet the needs of individuals through our current services without needing to add day habilitation as another service option.



*“Could the services we have already be tweaked to meet what is being requested?”
– Community collaborator*

Washington State Provider site visits

In addition to our research and workgroup efforts, our administration visited five sites in western and central Washington that are currently contracted and running community centers via the respite services available on DSHS DDA waivers to see and hear firsthand how our current services operate and serve their communities.

Program site visits:

- Tavon Center in Issaquah.
- Summit Community Center in Seattle.
- Brave Warrior Project Community Respite Program in Wenatchee.
- Tierra Village in Leavenworth.
- PenMet Social Club and Traveling Trails in Gig Harbor.

Current System Gaps

Adults who are exiting the school system, at age 22, are most impacted in our current service system structure. Due to the recent 9th Circuit Court of Appeals ruling, people with intellectual and developmental disabilities can receive school services until age 22. These adults go from the structure of a seven-hour school day most of the year, to having much fewer options of activities and support to fill their time. We currently offer services such as supported employment, community inclusion, community engagement, specialized habilitation and respite in community settings to help fill this gap. These services were not designed as day habilitation services, which is regularly scheduled habilitation services in the community or center separate from a person's residence or other residential living arrangement. The addition of day habilitation services is one solution to try to fill that gap. Day habilitation could create an equitable and a meaningful way of addressing a missing element in our service structure.



"We cannot leave parts of our community behind. Make sure the legislature knows this is not a want, this is a need."
– Community collaborator

Sample of Collaborator's Contributions & Recommendations: System Gaps

Day habilitation services, as a collaborator shared during one of our workgroups, can create a 'community of belonging' and improve an individual's quality of life. Even though the biggest gap appears to be for people who exited the school system, many advocates also voiced a desire to offer day habilitation services to all and ensure we do not leave any member of their community behind, including youth, people with exceptional support needs, and people who receive residential habilitation services.

Another identified gap is a need for current providers to expand their services to support individuals with complex support needs and higher acuity. Many community partners have reported the inability to use community engagement or respite in community settings because providers cannot accept participants with higher acuity under their current reimbursement rates.



Sample of comments from community collaborators:

- Lack of adult structure [not having school as a support anymore] impoverishes families!
- A parent expressed that when her son graduated out of day care, she had to quit her job. Wanted to go back to school but was limited because she needed to find someone to care for her son so she could leave.
- Day habilitation is a service my daughter would use. There is a tremendous amount of trust when someone comes to take my daughter anywhere. My child cannot tell me. That is a tough place for a parent to be. When we have this kind of service it also provides a pause for the parents and helps keep our population able to stay in the family home. If we have a place to go, socialize and learn then the burden is not all on the parents. Day Habilitation services helps to keep people out of institutions and in the family home. Day habilitation is an investment towards cost savings.
- Another thought is we don't offer adult day care or adult day health which after adults graduate there is no place for them to go. So, they are sitting home with nothing to do and finding providers to take them can be a challenge due to transportation, specific needs and hours or funding.
- We need to look a rural areas and providing services to these areas.
- The day habilitation program should not leave out people with complex support needs. It should be inclusive to people with all support needs. People who have Res Hab may not have as much access to activities in the community and they may need Day Hab services too. Parents who have loved ones in supported living often pay privately for community activities and it is not fair that way, some cannot afford it.
- Lack of safe community care during the day after post-graduation from school. Not everyone is capable of having a 40-hour week job.
- Day habilitation and adult day health must be available to all residential. Important to assure community access/health monitoring & reduce residential costs. Shouldn't have to give up your day services to enter residential.

Sample of collaborators contributions & recommendations: behavioral health and medical treatment services system gaps

Community collaborators communicated a need for a day habilitation service that addresses behavioral health and extraordinary medical care needs. For us to offer a day habilitation program that includes behavioral health or medical treatment services, we would need to partner with Health Care Authority and Managed Care Organizations to create a bundled cross systems program that offers both state plan and home and community-based waiver services. Additional partnering will be needed to further explore the day habilitation service covered under the Medicaid Transformation Project 1115 demonstration waiver.

Sample of comments from community collaborators:

- Day habilitation is one answer to the lack of supervision or safety support for those with intellectual, behavioral and co-occurring disabilities not captured in the Community First Choice Program.
- Medical needs are not being met in employment services, so people do not have as many employment opportunities. A person with medical or behavioral needs, is left sitting home on the couch.
- People with higher behavior need support. Day habilitation needs to set a model to provide services to these individuals.

Work Group Efforts and Methodology

Our administration convened workgroups comprising of individuals who experience intellectual and developmental disabilities, family members, caregivers, service providers, county workers, advocates, and state workers from our administration.

- Emails went to individuals and providers who are receiving or providing community engagement, specialized habilitation, or respite in community setting services. Emails were sent to those with email on file.
- Legislative Report Community Collaborations workgroup, self-advocacy groups, and parent advocacy groups were provided information about these opportunities.
- We sent over 1,400 emails to elicit interest for participation in workgroups or opportunity to provide feedback. More than 115 individuals expressed interest.

During each of the workgroups, we examined the CMS guidelines around day habilitation services, how other states implement the service, and collected feedback regarding the needs and wants of the people our administration serves. We drew on our collective experiences and expertise to identify gaps in our system that could be filled with day habilitation. Our goal was to collect feedback to develop recommendations aimed at creating an inclusive service and determine what supports are necessary to create meaningful days.

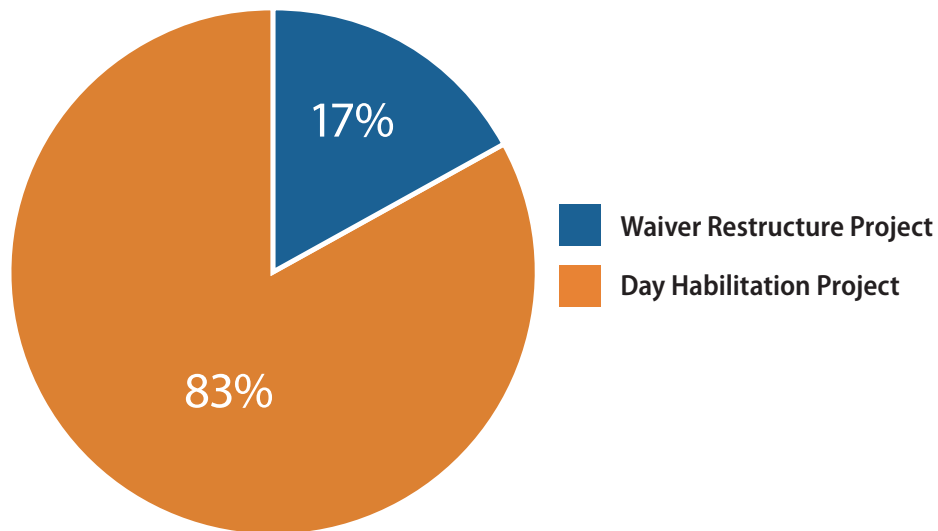
Each workgroup session was four hours long with overview of CMS guidelines, definitions, and tabletop conversations that included:

- What are services and supports you want?
- What are your wants vs. needs of this service?
- How do you see Washington state day habilitation services meeting the CMS guidelines for inclusion?
- What should the definition and title be for this service?
- What else should we have asked and what are we missing?

In addition to the workgroups for day habilitation, we have recently been tasked with a different Legislative report to explore opportunities to restructure services offered under the HCBS Medicaid waivers. As seen in Appendix B Overlapping Legislative reports, this waiver services study must be submitted to the governor and relevant legislative committees by December 1, 2024. An integral element of the waiver restructure study included incorporating valuable input from knowledgeable people with lived experience. Within this waiver services restructure study community collaborator information, we were able to gather a subset of valuable feedback pertaining to day habilitation and other day service options. A sample of those related comments have been included within the sample of comments we have used for this report:

- Total collected day habilitation workgroup and email feedback responses: 491.
- Total collected responses related to day habilitation from the waiver restructure report efforts: 101.

Total Day Habilitation Comments



“This needs to be about choice. There needs to be clear guidelines and make sure people are supported to choose the services they want.”
– Community collaborator



Workgroup Topics and Themes

Sample of collaborator’s contributions & recommendations: person centered services

Person-centered choice was at the forefront of all workgroup discussions. It is very clear that in the creation of day habilitation and any service, we must empower the people receiving the service to be the decision makers.



Sample of comments from community collaborators:

- Encourage people to participate to their greatest ability but never force them. Have activities chosen by the participants.
- Person centered focused- variety of things that people can choose to attend. Structure activities and not the person.
- Person centered-must be a space people want to be and feel safe welcome and included.
- Start with person centered plans when you walk in the door to inform a person-centered day habilitation service for each person.
- Empowerment- have an array of services that meet their needs and help them grow.
- Create a member advisory board made of people with disabilities so they help design the programing and come up with ideas “nothing about us without us.”

Sample of collaborator’s contributions & recommendations: habilitation

Many collaborators loved that this service would provide opportunities for habilitation in a day services setting. Many ideas were expressed for what types of goals people could work on with this component.



Sample of comments from community collaborators:

- Being able to work on skill building with Activities of Daily Living/Instrumental Activities of Daily Living individually and together as a group.
- Building skills for independent living tailored to individual needs and abilities- build a sense of purpose.
- Educational or training opportunities like cooking classes, health, wellness, fitness opportunities, and education on healthy relationships and sexuality.
- Must include opportunities for growth and learning not just recreation.
- Learn social skills.
- Learning how to use our paychecks from community employment.
- [Learning] advocacy skills.
- Help to learn something new like how to learn a hobby.

Sample of collaborator’s contributions & recommendations: integration

Integration and inclusion are one of the driving forces in whether a community contributor supported or opposed the addition of day habilitation into DSHS DDA service options. There are many voices who express concern that by providing any community center-based day habilitation program options it will blur the lines between integration and segregation. In contrast, some individuals also stated that center-based services should be a choice that is offered and that the center-based options are a necessary component to safely support those with exceptional support needs.

We have found that the integration and inclusion topic is extremely important to our collaborators. If we move forward with adding this service, it is very important that we include people with lived experience (including self-advocates and providers) to help lay out what that is going to look like.



Sample of comments from community collaborators:

- Support people to be with the community of their choice. We’ve over interpreted ‘integration’ – by thinking people with intellectual and developmental disabilities don’t deserve the option like everyone else to stay within a community of people similar to them.
- WA state needs to not get tangled up in this idea that this is an integrated service that may have inclusive components and that it is necessary. There is not any other group of people that we would say “you cannot interact with your peers.” We don’t want to force people into this setting, but it needs to be a choice. We do want to make it as inclusive as we can but not discredit the want and need for center-based components.
- Gather at a center but can choose to participate in a group or individual and get to choose to either stay at the center or outside the center.

- [We need to make sure we are] not incentivizing segregated or group-based options.
- Community inclusion opportunities to help individuals to build connections with people who do not have intellectual and developmental disabilities to build community, friendships, supports not just connections with people who are paid to be there. Create relationships with non-paid staff.
- Historically, people with disabilities have been marginalized and segregated from accessing and fully being a part of typical community settings. It is still a struggle currently to have the community at large welcome people into shared community spaces and be fully included in those spaces. Services need to be provided in the community that everyone else accesses to meet the CMS guidelines and support efforts to increase expectation and acceptance of people with disabilities into all community spaces.
- I believe that day programs will look and feel stigmatizing without great effort made towards adequately integrating programs while offering choice and self-determination.

Sample of collaborator’s contributions & recommendations: transportation

Access to transportation was directly tied to integration and inclusion in our workgroup discussions. Transportation service options have recently expanded under our HCBS waivers which will increase access to transportation supports. Community collaborators expressed the need to also include transportation as part of the day habilitation service model to ensure people have access to get to and from the day habilitation program.



Sample of comments from community collaborators:

- Integration and Inclusion are connected to Transportation: For example, you can’t require 60% community inclusion if there is no accessible transportation to be able to get people out into the community.
- [Transportation] currently is complicated and inconsistent. Varies based on funding available and the community (rural or not). Should be included in day habilitation services.
- Transportation [for day habilitation], shuttle services. Also learning to use public transportation where appropriate.
- [Day habilitation needs to] be located within the Public Transportation Network to assist clients in accessing community.
- Transportation is a big barrier to accessing our community center respite program. The Paratransit will not come to our Location.

Sample of collaborator's contributions and recommendations: access and support needs

Members of the workgroups identified needs for service access. Emphasis was on creating a service that is truly inclusive to all members of the intellectual and developmental disabilities community no matter a person's age, what services they receive, or where they live. Special considerations should be taken for people who have high support needs or exceptional support needs so that no part of the intellectual and developmental disabilities community is left behind. Based on these contributions it would be important to have a rate structure and program access policy that can support ensuring equitable access to day habilitation services.



Sample of comments from community collaborators:

- Equal access to the service across the state- we need active contract reporting DSHS DDA needs to go out across the state and get these contacts in all areas.
- We need to look a rural area and providing services to these areas.
- [Build] LGBTQ+ community inclusive services.
- [We need] 1:1 support option.
- A parent explains she has to go to camp with her daughter to help her get engaged otherwise she would just be sitting there in the corner. The parent stated that we need people who are able to support all types of people, not just people with exceptional medical or behavior needs, but some people just have high support needs in general.
- Out of Home Service providers and Supported Living providers are not equipped staffing wise, education wise, etc. to provide people with as many community activities as they want/need, those who receive residential services get left out.
- Exceptional needs require exceptional services!
- Explore all different identities within the disability community and being inclusive for different types of disabilities as well as being inclusive to different cultures.

"The program should not leave out people with complex support needs, people with personal care needs, people with medical needs, people with behavior support needs."
– Community collaborator



Sample of collaborators contributions & recommendations: personal care and nurse delegation

Many community collaborators also expressed the need to include personal care and nurse delegation as part of the day habilitation service model to ensure people have access to the supports needed to be able to participate. We are currently exploring what would be necessary to provide personal care supports in a way that works for everyone, regardless of their environment and will include these options in conversations during implementation planning.



Sample of comments from community collaborators:

- I can't go anywhere without my caregiver. We need the ability to have personal care wherever you are at.
- Access to personal care in the [day habilitation] service.
- Personal care needs to be an integral part of this service and is very important.
- We need personal care support in the community.
- We need nurse delegation services available [in day habilitation].
- Personal care needs to be met appropriately accessing and remaining in integrated community settings.

Sample of collaborator's contributions & recommendations: career planning and employment

Washington is one of the nation's leaders in employment for people with intellectual and developmental disabilities. Participants in our workgroup sessions brought up Washington's Employment First initiative, which had a strong county presence. Collaborators expressed that if we receive the funding for day habilitation services, we need to explore the intersection between two of our county services: employment support services and community inclusion. We want to ensure these services will work together and model day habilitation services in a way that supports our state's Employment First initiative. Career planning services are currently available through employment support services. Day habilitation should be available in addition to employment supports so people can access both services.



Sample of comments from community collaborators:

- Prevocational training- should be a major component. Learn skills to be able to work.
- Additional skill training like prevocational training.
- Have day habilitation and employment programs collaborate. Employ people at the day habilitation!
- Integration between day habilitation and supported employment- collaboration between these services.
- We should ask how day habilitation services affect employment first options, who will be managing the services, and how do we ensure quality enrichment that doesn't isolate individuals with intellectual and developmental disabilities.
- How to coordinate with supported employment and 1:1 services in the community.

Day Habilitation Contract Management

Community collaborators expressed a need for thorough oversight and management of service provider contracts and service delivery through certification or similar processes. This service design is one that would require a high level of oversight to ensure client safety and quality receipt of services. An infrastructure for contract monitoring, provider recruitment and on-site visits would be necessary if day habilitation services were added into a state plan or waiver.

Sample of collaborator's contributions & recommendations: what else did we miss?

We also asked our work groups what else we should have asked and what are we missing. The statements below are themes and samples of community collaborator quotes for us to consider and include if we receive funding to develop day habilitation services.

The themes collaborators expressed include:

- How do we make sure people with disabilities are designing and evaluating these places?
- What standards and accreditation will be in place to ensure quality and best practices?
- Very worried about barriers in the contracting process and barriers to people being able to get contracted. The contracting process is too complicated and longer than it needs to be.
- Day Services including personal care- will this affect our personal care hours?
- [We need a] liaison between DDA and day habilitation (or other services) because Case Resource Managers have a lot on their plate.
- The possibility of providing more training for those providers who are struggling with inclusion but acknowledge that additional training can also become a burden. Offer the support without it being another cumbersome hoop providers need to jump through to make it difficult or prevent others from wanting to become a provider.
- If we set up day habilitation and it is a great service, we are afraid that we are going lose other service providers to become day habilitation providers and day habilitation will become our only service option. We want individuals to have choice of services and providers. We want a robust system with choice.
- How to attract those interested in providing this service to the role? What's in it for them, maybe?
- Providers need more trainings specific for people who are working with people who have intellectual and developmental disabilities.
- Whose voices are not at the table?
- Nothing about us without us. Main thing is, what do our clients want and have their voices been heard?
- There is work to do to get input from marginalized communities, tribes, etc.

Through our workgroup efforts, we also documented many name suggestions and comments about information community collaborators would like to see in our definition of a day habilitation service. We also received 32 comments that were out of scope for this report. These comments were recorded and are being kept to include in future projects.

In addition to these workgroup efforts, our administration hired a community collaborations program manager to continue the efforts around connecting with the community in identifying services, such as day habilitation, that are wanted and needed. This position is filled by an individual with lived experience.

There was a strong desire within all groups to want to have a voice at the table. If we can move forward with designing and implementing day habilitation services, we have more work to do to ensure we are reaching as many voices as possible. We are committed to continuing to include input from people with lived experience to implement services that meet their needs.

Recommendations

Providing day habilitation services could fill an identified gap in our current service structure. Day habilitation services provide scheduled activities and opportunities for individuals to work on goals in areas such as social and daily living skills. It also offers exposure to hobbies and interests. We can build these services to be flexible to allow choice in activities, outings and community engagement. These skills are necessary for quality of life in home and community-based settings. Day habilitation can also provide structure and support for people who receive services, their families and caregivers.

Current service structure solution

Based on gap analysis and feedback from people with lived experience, below is our solution to fill the gap in our current service structure:

Phase 1 (see Appendix C): Improve efficiency by encouraging respite in community settings providers to offer Community Engagement.

Those who qualify can use their respite hours with a community respite provider and in addition use their basic plus waiver aggregate budget to access community engagement services. If a person chooses, they could also access supported employment and community inclusion services to maximize their service amount, possibly delivering 20 or more hours of support per week. If these hours or supports do not meet the person's needs, their case manager can request Basic Plus waiver emergency funds for more community engagement hours. We will work with DSHS Aging and Long-Term Care Supports Administration on language for statute changes needed to make sure these providers are properly trained to provide incidental personal care.

to qualify in phase 1, a person must be:

- On the Basic Plus waiver.
- Eligible for respite care.
- Aged 22 or older.
- No longer enrolled in school.

Phase 2 (See Appendix D): **To continue to be able to meet these individuals support needs in our current service structure, we will need additional waiver funding from the legislature to:**

- Support more individuals under the Basic Plus waiver.
- Increase provider rates to support \$30-\$40 per hour (see rates explained on page 25 of this report).

If funding is approved, we will:

- Submit a waiver amendment to CMS for approval.
- Update our assessment and payment methods to support an increase the respite in community setting's day centers funding to support \$30-\$40 per hour.

We plan for the increased participants and increased pay rate action to start January of 2026. This is our temporary solution to fill the gap in our current service structure and meet the needs of the individuals we serve.

Creation of a day habilitation service: federal authority

Offering day habilitation under a 1915(i) state plan option would offer supports to the intellectual and developmental disability population as an entitlement benefit when a client meets state-described eligibility criteria. This is the most inclusive option for people who experience intellectual and developmental disabilities. However, more people could receive the service than currently served by DSHS AL TSA and DSHS DDA because of broader functional eligibility criteria for a 1915(i)-state plan program. This would:

- Increase burden in data collection and reporting to CMS on quality and use.
- Increase costs.
- Increase the administrative complexity for DSHS DDA staff.
- Increase service complexity as every funding source option provided by CMS has different federal rules that must be followed to remain in compliance.
- May cause confusion for case managers and people who receive services.

Community collaborators gave feedback that our system is already too complicated. We were directed to research and document through a separate waiver services study report due to the Legislature in December 2024 to restructure and consolidate of our five existing 1915(c) waiver programs (as seen in Appendix E). That report will include recommendations to create a new social engagement service, including day habilitation supports. This would offer an alternative to day habilitation in a 1915(i) state plan and the recommendations in this report could feed that service definition under the 1915(c) waiver.



*“Washington State has committed to provide habilitative services that will bring individuals with IDD out of isolation and provide them with opportunities to participate in their communities in a meaningful way.”
– Community collaborator*

Creation of a day habilitation service: future actions

Based on information from this study, feedback from people with lived experience, the high cost of these services, and the possible future of DSHS DDA services as recommended in the upcoming waiver restructure report, we recommend the following plans to create a new day habilitation service under a 1915 (c) waiver.

Phase 3 (see appendix E)

If our waiver restructure plans are funded, we will:

- Add day habilitation as a new service option under a new social engagement service. Community collaborators strongly voiced need to not leave anyone in the intellectual and developmental disabilities community behind. **We plan to address this by securing funding from the legislature to:**
 - Support up to 20 hours per week at tiered rates of \$30-40 per hour.
 - Expand day habilitation service access to all individuals enrolled on the waiver.

Alternatively, if our waiver restructure project is not funded, we will:

- Propose day habilitation as a separate service within the Basic Plus waiver. **We will still need to secure additional funding approved by the legislature to:**
- Accommodate 20 hours per week of support at tiered rates of \$30-\$40 per hour to all eligible individuals receiving the Basic Plus waiver who are not enrolled in school.

Adult day health and adult day care:

Adult day care services and adult day health are day service options currently offered in Washington state through a 1915 (c) HCBS waiver under the DSHS Aging and Long Term Supports Administration. These two services were recommended for inclusion into the DSHS DDA HCBS waivers in the [Adult Day Services report](#) that was submitted to the Legislature on December 1, 2023. Combining adult day health, adult day care, and day habilitation into one bundled service option would create the most comprehensive service to meet individual's needs.

Rates explained

Collaborator Comments:

- There is currently no incentive for providers to serve the higher needs clients. They get paid the same regardless of the challenges they need to address.
- We need Tiered Rates for these services to meet all levels of support.
- [We need] appropriate funding so programs can pay for themselves. Organizations should not have to fundraise to be able to run day programs. It would be nice to be able to spend all the time we spend fundraising on other important endeavors such as working on advocacy.

We recommend the creation of a tiered rate structure that provides fiscal supports to providers to be able to provide person centered supports based on need and acuity. Tiers are related levels of care and include enhanced levels of service based on a person's personal care, behavioral or medical support needs. Through our outreach efforts and visits to community center respite programs that currently provide services that are like day habilitation, the following three-tiered rate model is what these programs would need to provide day habilitation services:

Acuity (Medical, Behavioral, and supports around ADLs)	Ratio (Individual to staff)	Daily Rate (at 4 hours/day)
Low	1:6	\$120.00
Medium	1:4	\$140.00
High	1:2	\$160.00

In addition to tiers, we would like to consider value-based payments. Value-based payments are increased payments to providers for helping an individual stay on track with or meet their habilitative goals. This would incentivize providers to help meet goals and improve service outcomes.

If funded, the construction of this infrastructure will take time. We would plan to fully implement this service over a three-year period to create a robust provider network, certification process, monitoring process and a rate system structure.

By implementing these recommendations, we can empower people with intellectual and developmental disabilities to create ongoing meaningful days and better support people to live fulfilling lives in their communities.

Appendix

Additional Resources

- [HCBS technical Guide](#)
- [\(HCBS\) Taxonomy Category and Subcategory Definitions](#)
- [CMS CFC State Plan Option Technical Guide](#)
- [Covering HCB Services through the 1915\(i\) State Plan Option - National Health Law Program](#)
- [Social Security Act §1915](#)
- [CFR 441.301 2\(i\), 441.301 4\(i\) 440.180](#)
- [Title II of the ADA](#)
- [Civil rights division Questions and Answers on the Application of the ADA's Integration Mandate and Olmstead v. L.C. to Employment and Day Services for People with Disabilities](#)
- [Utah DOJ findings](#)
- [Outcome-Based Payments in a 1915\(c\) Home and Community-Based Services \(HCBS\) Fee-For-Service \(FFS\) System 6-2023](#)

Appendix A Current DDA 1915(c) Waivers



Basic Plus

The Basic Plus waiver serves individuals who live with family or in their own home or in another setting with assistance. These waiver services help people meet their health and welfare needs in their own home, their family's home or in other settings. The waiver provides respite, assistive technology, employment supports, community inclusion and other services. The Basic Plus waiver serves around 12,500 participants.

Core

The Core waiver serves individuals who require residential habilitation services or live at home but are at immediate risk of out of home placement due to one or more of the following extraordinary needs: Individuals must have an identified health and welfare need for residential services that cannot be met by the Basic Plus waiver. This waiver provides residential habilitation, specialized equipment and supplies, employment supports and community inclusion as well as other services. The Core waiver serves around 4,500 participants.

Individual and Family Services

The IFS waiver supports individuals residing in the family home who have a natural support system. The family or caregiver's ability to continue caring for the client may be at risk but can be continued with the addition of services. This waiver has budgets, based on participant needs, that are renewed annually and can be used to purchase a variety of services. The IFS waiver serves around 7,500 participants.

Community Protection

The Community Protection waiver offers residential supports to individuals who have been assessed to require 24-hour onsite staff supervision to ensure the safety of themselves and others. The CP waiver serves around 335 participants.

Children's Intensive In-home Behavioral Support

The CIIBS waiver supports children and youth, ages 8 through 20, to remain living in their family home while complex behavioral and habilitative issues are addressed through intensive care coordination that brings together a team of formal and informal supports to craft a wrap-around care plan. The waiver improves support to families and strengthens their child's success in the family home and community. The CIIBS waiver serves around 200 participants.

Appendix B Overlapping Legislative Reports

Overlapping Legislative Reports

Bill	Bill Due Date	Legislative Report Title	Waiver Impacts	CARE Impacts	ProviderOne Impacts	Staff Impacts	WAC/ Policy Impacts
5187	2/29/24	Ruckelshaus, Final	✓	✓	✓	✓	✓
5187	6/30/24	Parents with DD Data Study					
5950	10/1/24	Day Habilitation	✓	✓	✓	✓	✓
5092 5268 5693	10/1/24	Respite and Stabilization, final	✓	✓		✓	✓
5284	10/1/24	Eliminating subminimum wage					
N/A	10/1/24	Forecast of supported employment and community inclusion				✓	
5187	11/1/24	DDA Assessment Feasibility Study	✓	✓		✓	✓
5950	11/1/24	Lake Burien	✓	✓	✓	✓	✓
5187	12/1/24	Specialty AFH pilot					
5187	12/1/24	Community Residential Pilot, Complex Needs Enhanced Rate Pilot	✓	✓		✓	✓
5187	12/1/24	Transitions of Care, Final		✓		✓	✓
5187	12/1/24	Waiver Services Study, study/report to expand Medicaid Services	✓	✓	✓	✓	✓
5819	12/1/24	No Paid Services, Annual Report	✓	✓	✓	✓	✓
5187	1/1/24	Eligibility, preliminary report by JLARC	✓	✓	✓	✓	✓
5187	12/31/24	Financial Eligibility FTE Use & Associated Outcomes, Final				✓	
6052	1/1/25	Children's Enhanced Respite		✓	✓	✓	✓
5693	1/1/25	Adult Community Respite		✓	✓	✓	✓
5187	1/1/25	Eligibility, final report by JLARC	✓	✓	✓	✓	✓
5187 5950	6/30/25	Enhanced Behavior Support	✓	✓	✓	✓	✓
5950	6/30/25	Lake Burien, Final	✓	✓	✓	✓	✓
6125	9/1/25	Lakeland Village Artifacts					
5819	12/1/25	No Paid Services, Annual Report	✓	✓	✓	✓	✓
1188	12/1/25	Specialized Waiver for Children/Youth in Dependency	✓	✓	✓	✓	✓

Appendix C Day Habilitation Phase 1

Basic Plus Waiver: Day Habilitation Proposal

Phase 1

Current available flexibilities to improve access to Day Supports

Service Category	Service Name	Current Rate (Hourly)	Funding Limit
Employment and Day	Community Inclusion	\$66.08	3-20 hours per month
Respite	Respite in Community Settings- Day Centers (Facility Based)	\$21.80	240-528 hours per year, *ETR for Day Services (if funded)
	Agency Respite- ADC	\$21.80	
	Respite in Community Settings	\$21.80	
Aggregate	Community Engagement	Individual: \$14.56-\$29.08 Agency: \$17.36-\$34.72	\$6,192 + \$6,000 emergency day service funding per year
	Specialized Habilitation	\$40-\$80	

If a person maximizes their respite and community engagement:

Respite: 4.6-10.1 hours per week

Aggregate: 3.4 hours per week

Emergency: 3.29 hours per week for individuals age 22 and above or when access to school is no longer available

Total: 11.29-16.29 hours per week

CONSIDERATIONS

Timeframe

Today

Services

Respite in community centers can contract for Community Engagement.

DDA Next Steps

Contractors

DDA will outreach to all Respite in Community Settings- Day Center providers to offer a Community Engagement contract

DDA will reach out to all day service providers and discuss what supports they need to increase capacity and serve individuals with high behavior or medical needs

Personal Care

DDA is currently working with HCS on language for statute changes needed to make sure providers are properly trained to do incidental personal care

Appendix D Day Habilitation Phase 2

Phase 2

Emergency respite funding added to the waiver for day habilitation

Service Category	Service Name	Rate	Funding Limit
Employment and Day	Community Inclusion	\$66.08	3-20 hours per month
Respite	Respite in Community Settings- Day Centers (Facility Based)	\$30-\$40-tiered rate based off of behavior and medical acuity	240-528 hours per year
	Agency Respite- ADC	\$21.80	
	Respite in Community Settings	\$21.80	
Aggregate	Community Engagement	Individual: \$14.56-\$29.08 Agency: \$17.36-\$34.72	\$6,192 + \$6,000 emergency per year
	Specialized Habilitation	\$40-\$80	

If a person maximizes their respite and community engagement:

Respite: 4.6-10.1 hours per week

Aggregate: 3.4 hours per week

Emergency: 3.29 hours per week for individuals [age 22](#) and above or when access to school is no longer available

Total: 11.29-16.29

CONSIDERATIONS

Timeframe

January 2026 **based on the timeframe we are approved for funding.** It will take a minimum of 6 months to obtain an approved waiver application after legislative session

Waiver

A waiver amendment is necessary to implement these changes, including to add more slots to basic plus waiver so those who want Day Habilitation can receive it

CARE and payment system configuration will be needed to implement

Funding

Funding from previous modeling will be needed prior to a waiver amendment

\$35/hour was the average rate asked for by current Day Center providers

Providers

Providers have told DDA that they would like tiered rates tied to individual acuity levels

Appendix E Day Habilitation Phase 3

CONSIDERATIONS

Phase 3

Implement Social Engagement described in the waiver restructure legislative report 2024. **DDA will need approval for legislative approval for changes to service categories and funding to fully implement.**

Details of this proposal will be determined as more information becomes available through continued community collaboration to build the DDA waiver restructuring.

Service Category	Service Name	Rate	Funding Limit
Respite	Respite in Community Settings	\$21.80	240-528 hours per year
*Social Engagement	Day Habilitation	\$30-\$40 <u>tiered</u> rate based off of behavior and medical acuity	At least 4 hours per business day

*Social Engagement Definition Proposal

The Social Engagement service incorporates the supports currently provided by the Community Engagement service, respite in community day centers, respite in Adult Day Care, and Community Inclusion services. This service will not be limited to daytime activities. Social Engagement will be provided through centers that meet federal setting requirements or directly in the community without the use of a center-based site. Provider rates will be tiered to the need for behavioral and physical support needs of individual participants, including the need for personal care supports. The hours of service will also be generated through the DDA assessment.

Timeframe

Waiver renewal Sept 2027

Implementation of waiver restructuring per legislation and day services legislation reports by adding Social Engagement service

Funding

Funding would be required from the legislature to implement

Benefits

Individuals and families will have one service with multiple provider types which will

- Allow for rates to be associated with peoples' medical and behavioral acuity
- Meet person centered goals
- Improve service access equity through value based payment contracting and
- Simplify provider and DDA administrative burden with one flexible service

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