



WAIVER RENEWAL

Stakeholder Feedback Session

October 30, 2025

9:00-10:30AM



BACKGROUND – SUPPLEMENTAL PAYMENTS

- Waiver reauthorization proposes three supplemental payments for service providers
 - New Adult Foster Homes (AFHs) on the neighbor islands
 - New placements in competitive integrated employment
 - Certified direct support professionals (DSPs)
- Payments would be additive to existing billing for services
 - Participation in the supplemental payments will be voluntary
- DDD will continue to develop rules and standards for supplemental payments

NEW NEIGHBOR ISLAND ADULT FOSTER HOMES

ADULT FOSTER HOME – STATEMENT OF NEED

- Adult foster homes (AFHs) offer a family-like environment for people who require full-time support
 - Lower cost than group homes
- Very few AFH options on the neighbor islands
 - In fiscal year 2024, only 15 individuals resided in an AFH on the neighbor islands (compared to 453 individuals on Oahu)

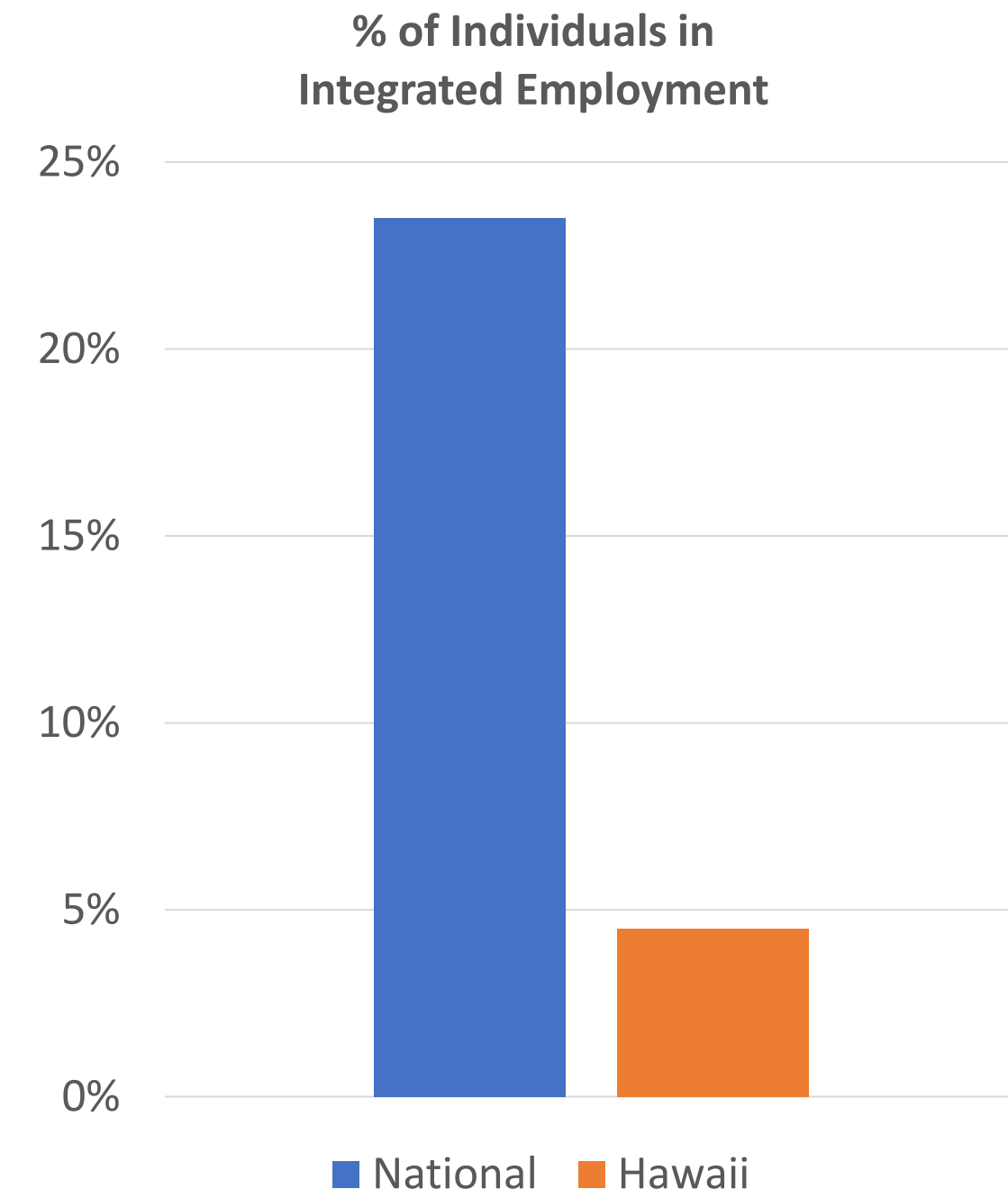
ADULT FOSTER HOME – SUPPLEMENTAL PAYMENT

- DDD will make a supplemental payment to Residential Habilitation (ResHab) agencies that develop new AFHs
 - Limited to newly certified homes
 - Paid upon a placement within the home (likely after a specified number of days after the placement)
- Supplemental payment of \$5,000 to the ResHab agency for the first placement
 - Additional \$2,500 if there is a second placement in the home
 - DDD will not prescribe how agencies use the supplemental payments

COMPETITIVE INTEGRATED EMPLOYMENT

EMPLOYMENT – STATEMENT OF NEED

- University of Massachusetts' Institute for Community Inclusion reports that Hawaii has the third-lowest rate of individuals served in integrated employment in 2022
 - Only 110 individuals reported in integrated employment
 - Hawaii's employment rate would need to increase more than 5x to equal the national average
- Some improvement in recent years, but only 6.6 percent of adult participants served by DDD are employed



EMPLOYMENT – SUPPLEMENTAL PAYMENT

- DDD will make a supplemental payment to Employment service providers that help place waiver enrollees into a new job
 - Must be community integrated employment paying at least minimum wage (also considering a minimum number of scheduled work hours)
 - Payment will require that the individual remain in the job for some period of time (to ensure that providers are incented to ensure he job fits)
- Supplemental payment of \$5,000 to the agency for successful job placements
 - DDD will not prescribe how agencies use the supplemental payments

WORKFORCE DEVELOPMENT – DIRECT SUPPORT PROFESSIONAL CERTIFICATION

DSP WORKFORCE – STATEMENT OF NEED

- As with all states, Hawaii providers have challenges in recruiting and retaining direct support professionals (DSPs)
 - From the 2022 State of the Workforce report (most recent Hawaii report):
 - 30.1% turnover rate
 - 13.9% vacancy rate for full-time DSPs
- Challenges
 - Relatively low wages given the demands of the job
 - Lack of a career ladder
 - Non-traditional work hours

DSP WORKFORCE – EFFORTS TO DATE

- Conducted an inventory of DSP training and credentialing frameworks across the country
- Development of a curriculum tailored to Hawaii's needs
 - Leads to certification from the National Alliance for Direct Support Professionals (NADSP)
 - Additionally includes service supervisors
- Piloting of curriculum
 - Includes online learning platform, communities of practice, and incentive payments for DSPs and their employers

DSP WORKFORCE – SUPPLEMENTAL PAYMENT

- DDD will make a supplemental payment to service providers based on the number of DSPs they employ with a Level 1 certification from NADSP
 - Must be primarily engaged in providing direct support (considering minimum thresholds)
- Supplemental payment of \$1,250 per quarter (\$5,000 per year) to the agency for each certified DSP
 - DDD will not prescribe how agencies use the supplemental payments, but expects most of the payments will be used for DSP compensation

NEXT STEPS

NEXT STEPS, CONTINUED

- Receive approval from federal Centers for Medicare and Medicaid Services (CMS)
- Develop policies and procedures (P&Ps)
 - Detailed standards for qualifying for a supplemental payment
 - Processes for reporting and validating qualifying outcomes
 - Billing processes
- DDD's goal is for the supplemental payments to begin July 1, 2026

Feedback and Comments

If you have any additional feedback
or comments regarding the
supplemental payments

Email: doh.dddcrb@doh.hawaii.gov

Please send additional comments or feedback by December 1, 2025.

QUESTIONS



The slide features a dark blue background. At the top and bottom, there are decorative horizontal bars composed of five rounded rectangular segments each. The segments alternate in color between a light blue and a very light blue/white. The text "THANK YOU!" is centered in the middle of the slide in a bold, white, sans-serif font.

THANK YOU!