

The Honorable Frank Pallone, Jr.
2107 Rayburn HOB
Washington, DC 20515

Re: Increased Federal Medicaid Funding for Intermediate Care Facilities for Individuals with Intellectual Disabilities

Dear Chairman Pallone:

[The first sentence should introduce yourself as a parent or family member of an individual with an intellectual disability or as a representative of an agency that serves individuals with intellectual disabilities, which ever applies.] I am writing to ask you to include enhanced federal Medicaid matching funds for intermediate care facilities for individuals with intellectual disabilities (ICFs) in the budget reconciliation bill being drafted in the Energy and Commerce Committee. This badly needed additional funding for ICFs will support quality improvements and help these essential facilities address the staffing crisis they now face.

There is a proposal to increase federal Medicaid funding for home and community-based settings (HCBS) by \$400 billion by increasing FMAP by 10 percentage points. One of the principal aims of the increased funding for HCBS is to address the severe direct care workforce crisis in these settings. I support the increased funding for HCBS. However, a similar increase is also needed for ICFs. Over 70,000 men and women with intellectual disabilities live in ICFs nationwide. The needs of these men and women must not be ignored.

ICFs face the very same direct care work force crisis as HCBS. Like HCBS, ICFs are struggling to attract or retain sufficient quality direct care workers necessary to meet the needs of the men and women they serve. Like HCBS, ICFs are facing 50% turnover rates, a problem exacerbated for both settings by the pandemic. It would be unfair to address this work force crisis only for HCBS. It also would be unwise, creating an even greater crisis for ICFs by giving HCBS a competitive advantage in attracting critical direct care workers. Anyone interested in a direct care job would naturally be attracted to HCBS due to the higher pay, better benefits and training that increased Medicaid funding will ensure in home and community-based settings.

The solution to this problem is to increase FMAP for ICFs by the same 10 percentage points as is proposed for HCBS. The cost of increasing FMAP for ICFs will be a small fraction of the cost of increasing FMAP for HCBS.

We respectfully request that the House Energy and Commerce Committee include additional funding for ICFs comparable to the increased funding for HCBS in the Medicaid provisions of the budget reconciliation bill.

Sincerely,