

# MERCER GOVERNMENT HUMAN SERVICES CONSULTING

## HCBS RESOURCE ALLOCATION

Since 1985, Mercer has consulted to more than 30 states and the federal government on a wide variety of health care and human service issues, including clinical, policy, operations, procurement, actuarial, and data/systems analysis.

States face growing aged and disabled populations. Increases in home and community-based services (HCBS) evolution, needs, and costs, coupled with strained state budgets, require states to identify approaches that utilize funding efficiently and equitably.

The application of resource allocation methodologies through the use of assessment tools is one approach to consider. These methodologies enable the state to distribute HCBS resources in an objective manner across all HCBS members. Techniques are available for a variety of populations and can include self-directed motifs. Resource allocation can work in various program designs, including fee for service, managed care, and the increasingly common hybrid systems.

### MERCER CAN HELP

Mercer consultants have helped numerous states in determining whether a resource allocation methodology is beneficial. Different resource allocation methodologies that would be considered individually or in various combinations include:

1. Individual Budget Amount: Establishes a budget threshold based on individual assessment results. Allows individuals to make choices within the budget limit established.
2. Individual Service Limits: Establishes a threshold of total service hours or total units of service a member receives from a combined number of services.

Each of these methodologies can be tailored to meet the specific needs of the population served and strengthened through the following considerations:

1. Use of acuity-based fees/rates.
2. Use of resource allocation across the entire HCBS service array for a subset of services.
3. Development of an exceptional needs process.

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