



Health and Human Services IDD SRAC) | Meaningful Skills Development and Employment Services (MSDES) Subcommittee

April 20, 2026

This summary contains supplemental information from reliable sources where that information provides clarity to the issues being discussed. Power Point tables used in the presentations may also be used in this summary. Names of individuals may be misspelled but every attempt has been made to ensure accuracy. Tables and Text have been used from executive and legislative agencies and departments' presentations and publications.





Members of the Subcommittee:

Jordan Drake

Representative of LTSS providers, including direct service workers (Medicaid managed care and non-managed care health care providers)

Lewisville, TX

Carla Hughes, Chair

Representative of Medicaid non-managed care LTSS providers

Amarillo, TX

Mark Olson

Advocate for individuals with IDD receiving waiver or ICF services

Boerne, TX

Allan Turner

Advocate for individuals with IDD receiving services

Mansfield, TX

1. Welcome, call to order, introductions, and roll call. The meeting was convened by Carla Hughes. Members present included Carla Hughes, Jordan Drake, Mark Olson, Allen Turner. A quorum was present.

2. Consideration of January 26, 2026, subcommittee draft meeting minutes. The minutes were approved as drafted.

3. IDD SRAC MSDES discussion on data needed from HHSC to support the recommendations and focus on system redesign

The subcommittee had requested information to support the benchmark discussion. HHSC presented the results of their effort to address the request. HHSC could only provide one portion of the requested information; much of what was requested is not currently tracked in HHSC systems.

Not available from HHSC:

- Number of people by waiver with an identified desire to work (not tracked).
- Actual wages paid in the field (HHSC has publicly available rate info but not provider wage/benefit/tax details).



- Authorization data (HHSC has utilization data, not consistent authorization data).
- “Other states” comparisons (payment models, flexible transportation benefits, and Social Security benefits counseling campaigns) were characterized as research/study topics rather than HHSC data pulls.

Discussion:

The subcommittee asked whether wage information could be compiled from provider cost reports; HHSC noted cost reports are self-reported, incomplete across providers, and historically not relied upon as a data source (offered to confirm with provider finance department).

The subcommittee clarified the “authorized on their plan” request may have been worded incorrectly since utilization data exists and has been provided.

Data Presentation

HHSC presented employment service utilization data by waiver program for 2024, 2025, and the first two quarters of 2026. HHSC noted that claims may lag because providers can bill up to a year later, especially affecting 2025–2026 completeness.

There were confusion and discussion around work readiness:

The subcommittee asked where, “work readiness” appears; HHSC indicated it is currently labeled as “pre-vocational habilitation” and agreed the naming is unclear and would be corrected and resent to the subcommittee.

The data showed zero utilization for the work readiness/pre-vocational line item across 2024, 2025, and 2026. Mr. Olson asked whether similar services might be billed elsewhere; HHSC said there is not another code that could allow billing for that service and did not expect substitution.

Ms. Drake linked the zero utilization to the ongoing confusion in the ISS (Individualized Skills and Socialization) environment about differentiation between services and whether needs are being met through ISS instead.



Ms. Hughes expressed provider frustration and suggested nonuse may be tied to unclear implementation guidance and fear of recoupment if implemented “incorrectly.”

HHSC will fix labels and resend the clarified data the same day.

HHSC did not yet provide a side-by-side clarification of potential duplication/overlap with Texas Workforce Commission (TWC) tasks but committed to having it ready for the full SRAC meeting.

HHSC reiterated that they are not trying to prevent utilization and is open to feedback to increase uptake. The information presented by HHSC can be found below.

Request #	Committee	Requested Timeframe	Recommendation	Data Indicator	Requested Data	HHSC notes
1	MSDES	FY 2024, FY 2025, FY 2026 1st and 2nd Quarter	Access to employment	Access	Number of people by waiver using employment services	<p>Received 4/09/26 - Data received includes waiver employment services (pre-voc hab, SE, EA) for date range of 9/01/23-2/28/26.</p> <p>Note from HHSC: For utilization data, only 2024 data is available at this time, 2025 data will be available in May 2026. 2026 data is not yet available.</p> <p>See tabs 2 & 3 of this Excel File. These tabs contain the same data, but broken into two different views and Tab 3 includes total numbers for each service per year.</p>

Unable to Provide:

2	MSDES	FY 2024, FY 2025, FY 2026 1st and 2nd Quarter	Access to employment	Access	Number of people by waiver with an identified desire to work	This data is not currently being tracked.
3	MSDES	FY 2024, FY 2025, FY 2026 1st and 2nd Quarter	Workforce Wages - ISS and Supported Employment	Living wages	Comparison data of ISS and Supported Employment wages by SSLC, ICF/ID, and IDD Waivers	HHSC is unable to provide information on wages because of a variety of factors that impact actual wages such as taxes, benefits, providers that choose to pay higher wages on their own as a recruitment strategy. Rate information is publicly available.
4	MSDES	FY 2024, FY 2025, FY 2026 1st and 2nd Quarter	Access to employment	Access	Number of people by waiver with employment services authorized on their plan	HHSC does not have authorization data.
5	MSDES	FY 2024, FY 2025, FY 2026 1st and 2nd Quarter	Workforce Wages - ISS and Supported Employment	Living wages	<p>Number of states implementing pay differential for ISS and Supported Employment provided to individuals with high medical or behavioral needs</p> <p>Number of states researched by HHSC</p>	This is not a request for HHSC data.

2024 SF	CLASS	20
	DBMD	0
	HCS	225
	TxHML	25
		270

2025 SF	CLASS	20
	DBMD	1
	HCS	197
	TxHML	24
		242

1st & 2nd QTR 2026 SF	CLASS	18
	DBMD	1
	HCS	130
	TxHML	11
		160

2024 EA	CLASS	0
	DBMD	0
	HCS	140
	TxHML	8
		148

2025 EA	CLASS	0
	DBMD	0
	HCS	130
	TxHML	8
		145

1st & 2nd QTR 2026 EA	CLASS	0
	DBMD	0
	HCS	61
	TxHML	3
		64

2024 Pre Voc Hab	CLASS	500
	DBMD	0
	HCS	0
	TxHML	0
		500

2025 Pre Voc Hab	CLASS	563
	DBMD	0
	HCS	0
	TxHML	0
		563

1st & 2nd QTR 2026 Pre Voc Hab	CLASS	417
	DBMD	0
	HCS	0
	TxHML	0
		417

Waiver Employment Services
 Date Range: 08/01/2023-02/28/2026

State FY	Service Group Cd	Service Group	Service Desc	Client Count
2024	2	CLASS	SE	22
2024	2	CLASS	EA	0
2024	2	CLASS	Pre-Voc Hab	500
2024	16	DBMD	SE	0
2024	16	DBMD	EA	0
2024	16	DBMD	Pre-Voc Hab	0
2024	21	HCS	SE	225
2024	21	HCS	EA	140
2024	21	HCS	Pre-Voc Hab	0
2024	22	TxHML	SE	25
2024	22	TxHML	EA	8
2024	22	TxHML	Pre-Voc Hab	0
2025	2	CLASS	SE	20
2025	2	CLASS	EA	0
2025	2	CLASS	Pre-Voc Hab	563
2025	16	DBMD	SE	1
2025	16	DBMD	EA	0
2025	16	DBMD	Pre-Voc Hab	0
2025	21	HCS	SE	197
2025	21	HCS	EA	130
2025	21	HCS	Pre-Voc Hab	0
2025	22	TxHML	SE	24
2025	22	TxHML	EA	6
2025	22	TxHML	Pre-Voc Hab	0
2026	2	CLASS	SE	18
2026	2	CLASS	EA	0
2026	2	CLASS	Pre-Voc Hab	417
2026	16	DBMD	SE	1
2026	16	DBMD	EA	0
2026	16	DBMD	Pre-Voc Hab	0
2026	21	HCS	SE	130
2026	21	HCS	EA	61
2026	21	HCS	Pre-Voc Hab	0
2026	22	TxHML	SE	11
2026	22	TxHML	EA	3
2026	22	TxHML	Pre-Voc Hab	0



Recommendations and Benchmark Discussion

The group reviewed the "Meaningful Skills Employment Services Work Group 1" document that had been amended to include benchmarks.

Workgroup 1: Recommendations to address wages for direct support professionals delivering Individualized Skills and Socialization and employment services. Establish higher rates for providers delivering services to persons with higher support needs (medical and behavioral).

Recommendations

1. Establish an employment services rate structure so there is parity with TWC supported employment wages that allows the provider to deliver the service. Review the current payment model and consider revisions to the rate structure to ensure that providers can deliver the service.
2. Establish a billable service in the IDD waivers that allows for Employment Assistance providers to be present with an individual when a Supported Employment staff person is being trained to ensure that the transition from Employment Assistance to Supported Employment is successful.
3. Establish a higher Employment Assistance and Supported Employment reimbursement rate, in all waivers, for participants who have higher support needs, such as medical and/or behavioral supports, and who require staff to have a higher skill set of training.
4. Establish a transportation benefit to allow flexibility to include the use of taxis, bus passes, and ride shares. Allow this benefit to be billable through Employment Assistance and Supported Employment services when it is employment related transportation.

Benchmarks

1. Comparison data of ISS and Supported Employment wages by SSLC, ICF/ID, and IDD Waivers.
2. Employment rate of persons with IDD in states implementing pay differential for Individualized Skills and Socialization and supported Employment provided to individuals with high medical or behavioral needs.



3. Billing or recoupment data for waiver employment services, including Employment Readiness

The subcommittee agreed that for benchmarks comparing "ISS and supported employment wages," ISS exists only in HCS, Texas Home Living, and DBMD. The subcommittee agreed to clarify benchmarks to compare "ISS/day habilitation" where appropriate.

Workgroup 2: Recommendations to expand the service array in waivers to include essential supports for employment: transportation, benefits counseling, development of the Individual Employment Plan (IEP), peer support, and prevocational services.

Recommendations

1. Fund the development of a Peer Support Model benefit, including self-advocates in the discovery process and assisting individuals to identify meaningful day activities. Below are some examples that should be considered:

- A. People Planning Together - Learning Community;
- B. Opportunities for individual and group learning; and
- C. Exploring how to support families and friends to understand the value and possibilities of employment.

2. Fund the expansion of the Employment Assistance service definition to include providing a person-centered, comprehensive employment plan with the support services needed. This could be similar to the IEP used by TWC. This service would provide assistance for waiver program participants to obtain or advance in competitive employment or self-employment. It is a focused service engaging a participant in identifying a career direction and developing a plan for achieving competitive, integrated employment at or above the state's minimum wage. Although currently it is a time limited service, it should be more person-centered with the option of limitations being waived on a case-by-case basis for individuals who are actively engaged in seeking employment.

3. Fund the expansion of career planning services to include transportation between the participant's place of residence and the site where career planning is delivered. Ensure the cost of this transportation is included in the rate paid to providers of career



planning services and the state would include a statement to that effect in the service definition.

4. Fund and establish a centralized source of resources for employment related services and supports including information regarding continued Medicaid, SSI, and Social Security Disability Insurance eligibility. Offer information on competitive, integrated employment and develop and expand existing educational campaigns and other initiatives to increase awareness of work incentives for participants.

5. Fund the addition of Social Security benefits counseling as a service in all HHSC waiver programs to promote competitive, integrated employment by increasing awareness of work incentives, providing accurate information, and assisting with applying for and implementing work incentives that allow individuals who work to continue their Medicaid eligibility. The Social Security benefits counseling will be provided by certified social security benefits counselors or those who are Work Incentive Practitioner-Credentialed. This will ensure participants understand that their Medicaid waiver pilot benefits will be preserved after obtaining employment.

6. Fund Social Security benefits training and full-time employees to increase the number of certified social security benefits counselors. Currently there are less than 30 state-certified benefits counselors in Texas. Develop and implement effective training which outlines benefits and services offered through waiver programs. Training should include effective strategies for accessing Social Security, Veterans Affairs, Railroad, and TWC (TWS-VRS specialized services and stakeholder relations) services, and competitive employment while maintaining eligibility for current waiver services.

7. Require HHSC to develop policies for a transportation plan for individuals enrolled in state waiver programs that is included in service planning supports for employment, and ensures a seamless transition from TWC, or waiver Employment Assistance services to successful integrated competitive employment services in the community.

8. Fund strategies to ensure parity in wages among staff providing similar services to similar populations; doing so would adequately address wages for direct support professionals in order to recruit and retain a workforce to allow for meaningful implementation of the HCBS Settings Rule regulations across all programs.



Benchmarks

1. Employment rate for persons with IDD in states implementing flexible transportation benefits to support employment
2. Employment rate for persons with IDD in states implementing Social Security benefits counseling and educational campaigns for employment

Workgroup 3: Recommendations to ensure employment assessments capture individual needs and are performed by certified Employment Service Providers.

Recommendations

1. Require HHSC to review and develop recommendations to ensure that assessment and service planning questions are meaningful to individuals. Ensure that the assessment is implemented for all program participants accessing Medicaid services.
 - A. Ensure that the Employment First Discovery tool¹¹ continues to include a specific module on employment along with modules on assisting people to develop activities which represent their personal preferences for meaningful activities for leisure, volunteerism, health and wellness, spirituality, and other activities which augment employment. The tool should be evaluated periodically for effectiveness.
 - B. Transportation is critical for accessing meaningful day activities and should be available to implement the person-centered plan.
2. Require HHSC to provide training on the following principles of Employment First: waiver employment program services; steps to become an Employment Service Provider/Comprehensive System of Personnel with TWC; the development and implementation of an Employment Plan; work incentives and other resources to maintain benefits while employed; and the process to have a seamless transition of employment services from TWC-VRS to the individual's LTSS waiver employment services. This training should be required for TWC-VRS staff, LTSS providers, case managers, service coordinators, Individualized Skills and Socialization service providers, MCOs, and DSAs in the CLASS waiver. CDS employers should have the option to include on boarding supported employment employees within their budget.

Benchmarks

1. Number of people in waivers with completed employment assessments.

2. Number of people by waiver with an identified desire to work.
3. Number of waiver staff trained as Employment Service Providers.

Transportation and benefits counseling emphasized and discussed by the subcommittee

- *High transportation costs in Amarillo (e.g., \$8 one-way) as a major barrier; Mark shared similar costs in Burnet area.*
- *Strong positive impact from contracting with UNT for benefits counseling and argued both transportation and benefits counseling are necessities for employment.*
- *HHSC noted these expansions would require legislative direction (appropriations).*

The benchmarks that were proposed included completed employment assessments, desire-to-work counts, and waiver staff trained.

HHSC stated that they may be able to obtain data related to completed assessments (if aligned with Discovery Tool) and will have some reporting soon (annual legislative report), but HHSC cannot readily track “number of staff trained” and does not currently track “desire to work.”

Concern was expressed that local authorities (LIDDAs) may not know how to complete Employment First assessments despite it being a requirement. HHSC described the sequence: referral must go to TWC; waiver employment services can be provided while waiting; once TWC services are available, the individual must switch; waiver can resume after TWC limits/time caps are reached.

- *Duplicative planning burden was mentioned (TWC and waiver each developing separate person-centered plans) and suggestion was made to explore unifying planning across agencies. HHSC recommended making that a formal recommendation (project) rather than a benchmark.*

Workgroup 4: Recommendations to ensure adequate funding of existing services supporting and leading to competitive employment: CFC habilitation, on-site Individualized Skills and Socialization, and community inclusion activities for off-site Individualized Skills and Socialization.

Recommendations

1. Fund the expansion of the Employment Assistance service definition to include providing a person-centered, comprehensive employment plan with support services needed. This could be similar to the IEP used by TWC. This service would provide



assistance for waiver program participants to obtain or advance in competitive employment or self-employment. It is a focused, time-limited service engaging a participant in identifying a career direction and developing a plan for achieving competitive, integrated employment at or above the state's minimum wage.

2. Require HHSC to establish, implement, and monitor policies to maximize the use of CFC habilitation and Individualized Skills and Socialization services to support prevocational and vocational activities and goals for integrated and competitive employment across all waiver programs.
3. Establish and fund an Individualized Skills and Socialization service rate that enables providers to offer full participation to all participants in their communities. Fund compensation for the cost of providing the service to waiver and non-waiver participants. Funding of this rate should include individuals receiving in-home Individualized Skills and Socialization services.
4. Fund within the Individualized Skills and Socialization rate the cost of individuals' participation in off-site community activities
5. Require HHSC to evaluate and ensure that Individualized Skills and Socialization funding and regulatory structure do not create barriers to participants in the HCBS programs from maintaining and creating relationships and participating in activities with their friends in other programs.
6. Establish and fund an Individualized Skills and Socialization service rate that ensures an adequate number of contracted providers to meet the need of program participants.

Benchmarks

To be developed

HHSC suggested narrowing the numerous recommendations to a smaller set of priority recommendations and explicitly tying legislative funding requests to those, noting adding a service typically takes HHSC a biennium.

Funding items do not lend themselves to benchmarking



The subcommittee strongly supported reducing the number of “fund...” statements and rewriting sections that appear to be a “bucket” of unrelated items.

After considerable discussion, there was consensus to take the draft and rework it, taking the recommendations and rework them to form a prioritized list.

4. Public comment

Jorge Suarez, private citizen raised concerns about:

- How public comment/data gathering intersects with intellectual property.
- Whether training/competency of staff and coordination across SSA/VA/TWC are adequate.
- Risks of duplication of services and challenges with regional collaboration/employer readiness.

5. Review action items and future agenda topics for next meeting

Next meeting dates: May 27, 2026; June 29, 2026

Agenda Topics/Follow-up

Reviewing edited recommendations and prioritizing them (possibly reformatting those)

6. Adjourn. There being no further business, the meeting was adjourned.

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