

Funding opens door for more than 20 states/territories to participate in Medicaid’s Money Follows the Person program, which has contributed billions to help seniors and people with disabilities safely transition from institutional care to independence in their homes and communities

The Centers for Medicare & Medicaid Services (CMS) announced it will offer more than \$110 million to expand access to home and community-based services (HCBS) through Medicaid’s Money Follows the Person (MFP) program. First authorized in 2005, MFP has provided states with \$4.06 billion to support people who choose to transition out of institutions and back into their homes and communities. The new Notice of Funding Opportunity (NOFO) makes individual awards of up to \$5 million available for more than 20 states and territories not currently participating in MFP. These funds will support initial planning and implementation to get the state/territory programs off the ground, which would ensure more people with Medicaid can receive high-quality, cost-effective, person-centered services in a setting they choose.

“Everyone deserves the opportunity to live at home, in their communities, and with their loved ones,” said Health & Human Services (HHS) Secretary Xavier Becerra. “This funding will bring dignity and peace of mind to even more seniors and people with disabilities across the country. We will continue expanding these programs to ensure all Americans have equitable access to the high-quality health care they deserve—no matter where they live.”

“Our health care system works best when it meets us where we are and helps us get to where we want to be,” said CMS Administrator Chiquita Brooks-LaSure. “With this new funding opportunity, we’re expanding a program with a proven track record of helping seniors and people with disabilities transition safely from institutional care to their own homes and communities. Letting ‘money follow the person’ is key to those successes, and to the Biden-Harris Administration’s commitment to affordable, accessible, person-centered care.”

HCBS is a critical component of the Medicaid program and the Biden-Harris Administration’s commitment to help older adults and individuals with disabilities live safely and independently in their homes and communities. The MFP program has been a critical tool, now with the potential to do more in a broader array of states and territories thanks to this latest NOFO.

To help additional states and territories implement MFP, these awards will support the early planning phase to get an MFP program off the ground. This includes:

- Establishing partnerships with community stakeholders, including those representing diverse and underserved populations, Tribal entities and governments, key state and local agencies (such as state and local public housing authorities), and community-based organizations;
- Conducting system assessments to better understand how HCBS support local residents;
- Developing programs for the types of community transitions MFP supports;
- Establishing or enhancing Medicaid HCBS quality improvement programs;
- Recruiting HCBS providers as well as expert providers for transition coordination and technical assistance; and
- Conducting a range of planning activities deemed necessary by the award recipients and approved by CMS.

State Medicaid agencies not currently participating in the MFP demonstration may apply through the NOFO no later than May 31, 2022. To access the NOFO, visit [Grants.gov](https://www.grants.gov) or here <https://www.grants.gov/web/grants/view-opportunity.html?oppId=334196>

For states *already* participating in MFP, CMS also announced that the agency is increasing the reimbursement rate for MFP “supplemental services.” These services will now be 100% federally funded

with no state share. Further, CMS is expanding the definition of supplemental services to include additional services that can support an individual's transition from an institution to the community, including short-term housing and food assistance. These changes will help further address critical barriers to community living for eligible individuals, as well as increase community transition rates and the effectiveness of the MFP demonstration overall. For more information on current and previous grantees, visit [Medicaid.gov](https://www.Medicaid.gov). CMS will provide additional information on these changes to MFP grantees.