

American Rescue Plan Act of 2021 (ARP) Section 9817 Intensive: Expanding, Enhancing and Strengthening Home and Community-Based Services (HCBS) under Medicaid



Agenda

- State Medicaid Director Letter (SMD# 21-003): Implementation of American Rescue Plan Act of 2021 Section 9817: Additional Support for Medicaid Home and Community-Based Services during the COVID-19 Emergency
- Enhancing, Expanding, and Strengthening
 - HCBS Benefit Enhancements and Strategies for Compliance with the HCBS Settings Regulation
 - Workforce and Reimbursement
 - Infrastructure, Technology and Housing
 - Quality
- Maintenance of Effort (MOE) Requirements
- State Strategies for Enhancing, Expanding, and Strengthening HCBS under Medicaid

ARP Section 9817

- Provides states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for home and community-based services (HCBS)
 - Increased FMAP for HCBS for any state or territory cannot exceed 95 percent.
 - Federal funds attributable to the FMAP increase under section 9817 will not be applied to the territories' payment limits.
- State Medicaid Director Letter (SMDL) released on 5/13/2021 provides guidance on implementation of ARP section 9817, including:
 - Eligible services for which states can claim the increased FMAP
 - Requirements for states to receive the increased FMAP
 - Process of claiming the increased FMAP
 - Examples of activities that states can implement to enhance, expand, or strengthen HCBS
- SMDL is available at <https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf>

Services Eligible for FMAP Increase

- Home health services
- Personal care services
- Case management
- Rehabilitative services
- Private duty nursing delivered in a beneficiary's home
- Section 1915(c) waiver program services
- Section 1915(i) state plan services
- Section 1915(j) self-directed services
- Section 1915(k) Community First Choice services
- Program for All-Inclusive Care for the Elderly (PACE) services

Services Eligible for FMAP Increase (cont.)

- States can also claim the increased FMAP for:
 - Eligible services authorized under Alternative Benefit Plans
 - Eligible services authorized under Section 1115 demonstrations
 - School based services that meet the definition of eligible services
 - Eligible services delivered under managed care
 - NOTE: States should claim only the applicable portion of the capitation rate attributable to eligible services

Requirements to Receive the FMAP Increase

1. States must supplement but not supplant state funds expended for Medicaid HCBS in effect as of April 1, 2021.
 - To demonstrate compliance, states must:
 - Not impose stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;
 - Preserve covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
 - Maintain HCBS provider payments at a rate no less than those in place as of April 1, 2021.
 - CMS will not apply penalties or non-compliance restrictions on the receipt of the increased FMAP once the authority for temporary changes expires or if a state needs to implement changes to comply with other federal statutory or regulatory requirements.

Requirements to Receive the FMAP Increase

2. States must use state funds equivalent to the amount of additional federal funds they receive as a result of the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program.
 - States must submit initial and quarterly spending plans and narratives.
 - States must comply with the reporting requirements in order to receive the increased FMAP.

Reporting Requirements

- Initial and quarterly spending plans and narratives:
 - May be submitted in a state preferred format
 - Must include assurances that the state is meeting the requirements of section 9817
 - Should be submitted HCBSincreasedFMAP@cms.hhs.gov
- Quarterly spending plans and narratives:
 - Can be used to update the initial spending plan and prior quarterly submissions
 - Due 75 days prior to the beginning of each federal fiscal quarter
 - Must be submitted until the state's funds in an amount equivalent to the increased FMAP received by the state have been expended
 - Must include assurances that the state is meeting the requirements of section 9817

State Spending Plans

States' spending plans and CMS response letters to states are available on Medicaid.gov at:

<https://www.medicaid.gov/medicaid/home-community-based-services/guidance/strengthening-and-investing-home-and-community-based-services-for-medicaid-beneficiaries-american-rescue-plan-act-of-2021-section-9817-spending-plans-and-narratives/index.html>

Activities to Enhance, Expand, or Strengthen HCBS

- States can implement a variety of activities under section 9817.
 - Examples in appendices C and D of the SMDL are not exhaustive.
- States have until March 31, 2024, to fully expend funds on activities to enhance, expand, or strengthen HCBS.
 - If states are making changes to an HCBS program that operates under a Medicaid authority, states should follow the applicable rules and processes that apply to the Medicaid authority.
 - CMS will do our best to process these action as expeditiously as possible, particularly if they are flagged as 9817 related actions.
- If states provide additional Medicaid-covered HCBS, they may be eligible for the increased FMAP on those expenditures one additional time.
 - States should not claim the HCBS increased FMAP for subsequent expenditures between April 1, 2021, and March 31, 2022.

Enhancing, Expanding, and Strengthening: HCBS Benefit Enhancements and Strategies for Compliance with the HCBS Settings Regulation

- Increasing the amount, duration, scope of HCBS
- Implementing new behavioral health crisis response services
- Providing additional home-based services to support people to return home and avoid skilled nursing facility admission after hospitalization
- Adding waiver slots and reducing and eliminating wait lists
- Expanding HCBS eligibility to children with disabilities in the TEFRA group (commonly referred to as the Katie Beckett waiver)
- Providing in-person or virtual training to providers to support community integration and settings compliance
- Developing new initiatives to increase access to competitive integrated employment for people with disabilities
- Making capital investments to further the availability of non-disability specific settings as part of a state's HCBS options, including to develop deed-restricted accessible and affordable housing units for people with disabilities

Enhancing, Expanding, and Strengthening: Workforce and Reimbursement

- Increasing rates and wages
- Offering recruitment and retention bonuses
- Making one-time supplemental payments in fee-for-service and 438.6(c) compliant state directed payments in managed care
- Offering student loan forgiveness for direct support professionals, including behavioral health providers
- Implementing training and certification programs for direct support professionals
- Purchasing personal protective equipment and offering routine COVID-19 testing for direct service workers
- Implementing vaccination clinics for direct support professionals

Enhancing, Expanding, and Strengthening: Infrastructure, Technology and Housing

- Expanding access to assistive technologies to promote independence and community integration
- Investing in digital infrastructure, telehealth resources, and remote technology
- Enhancing Electronic Visit Verification (EVV) systems
- Implementing new enrollment and eligibility systems
- Making investments in infrastructure to facilitate incorporation of HCBS into interoperable electronic health records (EHRs)
- Building partnerships to increase access to affordable and accessible housing and housing assistance for people receiving HCBS
- Providing housing-related services and supports, such as home accessibility modifications, case management, and other supportive services to help people obtain and maintain housing

Enhancing, Expanding, and Strengthening: Quality

- Implement quality improvement activities to enhance quality measurement, oversight, and to improve HCBS delivery
- Upgrading critical incident management reporting systems
- Building a stronger health and welfare system by integrating claims and encounter data with the state's incident management system
- Adopting new HCBS quality measures
- Implementing the HCBS Consumer Assessment of Healthcare Providers and Systems (CAHPS) or another experience of care survey
- Adopting electronic health records or other interoperable data systems to facilitate data collection and reporting
- Providing training and technical assistance to build providers' performance measurement and predictive analytics capabilities
- Integrating Medicare and Medicaid data and/or improving Medicaid managed care plan access to Medicare data to improve care coordination for dual-eligibles receiving HCBS

Maintenance of Effort (MOE) Requirements

- While states are ultimately responsible for ensuring compliance, CMS is reviewing all state plan amendments, waiver amendments, etc., to identify potential MOE violations prior to approval, such as:
 - Decreasing service rates based on state legislative action
 - Applying new eligibility criteria (e.g., via a rescoring of the eligibility assessment tool, applying a new more restrictive eligibility assessment tool)
 - Removing services in an amendment or renewal
 - Breaking a service down into 2 services with an overall rate below that of the original service

Questions?

Break



California's Home and Community-Based Services (HCBS) Spending Plan:

Overview of Initiatives

by Jacey Cooper

CA Medicaid Director and Chief Deputy Director



Structural Aspects of CA's HCBS Spending Plan

- 28 Initiatives Supported by \$3 Billion from the HCBS Spending Plan Funding
- 5 Categories of HCBS-Related Services
 - Workforce: Retaining and Building Network of Home and Community-Based Direct Care Workers
 - Home And Community-Based Services Navigation
 - Home And Community-Based Services Transitions
 - Services: Enhancing Home and Community-Based Services Capacity and Models of Care
 - Home And Community-Based Services Infrastructure and Support
- Collaboration Among DHCS and the Following Departments
 - ❖ California Department of Social Services (CDSS)
 - ❖ California Department of Developmental Services (CDDS)
 - ❖ California Department of Aging (CDA)
 - ❖ California Department of Public Health (CDPH)
 - ❖ California Department of Rehabilitation (COR)
 - ❖ Department of Health Care Access and Information (HCAI, formerly OSHPD)



Workforce: Retaining and Building Network of Home and Community-Based Direct Care Workers

Overview

Workforce proposals work to expand workforce supply and HCBS provider types, including homeless service workers; providers of HCBS wrap services help keep people in their homes and communities; and home-based clinical direct care. In addition, these proposals will increase training, ensuring a skilled and linguistically and culturally responsive workforce, while supporting a career ladder that allows HCBS workers to develop their skills and training.

Initiatives

- In Home Supportive Services (IHSS) Career Pathways
- Direct Care (Non-IHSS) Workforce - Training and Stipends
- IHSS HCBS Care Economy Payments
- Non-IHSS HCBS Care Economy Payments
- Increasing Home and Community-Based Clinical Workforce
- Providing Access and Transforming Health (PATH) funds for Homeless and HCBS Direct Care Providers
- Traumatic Brain Injury (TBI) Program



Home and Community-Based Services Navigation

Overview

Navigation services seek to improve access to HCBS; HCBS Navigation initiatives work to develop a variety of statewide HCBS navigation systems, including screening and assessment tools, referral and navigation systems, coordination of services, and outreach campaigns.

Initiatives

- No Wrong Door System/Aging and Disability Resource Connections (ADRCs)
- Dementia Aware and Geriatric/Dementia Continuing Education
- Language Access and Cultural Competency Orientations and Translations
- CalBridge Behavioral Health Pilot Program



Home and Community-Based Services Transitions

Overview

Transition initiatives invest in reducing health disparities among older adults, people with disabilities, and homeless individuals. They include initiatives to test alternative payment methodologies or the delivery of new services that are designed to address social drivers of health and inequities. These new services may include housing-related supports, such as one-time transition costs, employment supports, and community integration, as well as providing more intensive care coordination for individuals with significant socioeconomic needs.

Initiatives

- Community Based Residential Continuum Pilots for Vulnerable, Aging and Disabled Populations
- Eliminating the Assisted Living Waiver Waitlist
- Housing and Homelessness Incentive Program
- Community Care Expansion Program



Services: Enhancing Home and Community-Based Services Capacity and Models of Care

Overview

By innovating and improving HCBS models of care to meet the needs of the individuals it serves, the state can increase capacity in the HCBS system, allowing more individuals, particularly those in the aging and disabled communities, to access services. In addition, some of these initiatives will allow existing HCBS programs to serve existing clients better as well as expand to serve more individuals who meet eligibility criteria.

Initiatives

- Alzheimer's Day Care and Resource Centers
- Older Adult Resiliency and Recovery
- Adult Family Homes for Older Adults
- Coordinated Family Support Service
- Enhanced Community Integration for Children and Adolescents
- Social Recreation and Camp Services for Regional Center Consumers
- Developmental Services Rate Model Implementation
- Contingency Management



Home and Community-Based Services Infrastructure and Support

Overview

The following infrastructure investments will support the growth of HCBS services, to allow existing HCBS programs to serve existing clients better as well as expand to serve more individuals who meet eligibility criteria.

Initiatives

- Long-Term Services and Supports Data Transparency
- Modernize Developmental Services Information Technology Systems
- Access to Technology for Seniors and Persons with Disabilities
- Senior Nutrition Infrastructure

Section 9817 of the
American Rescue Plan Act:
Vermont's Proposal to
Enhance, Expand and
Strengthen HCBS under the
Medicaid Program

HCBS Conference
December 7, 2021

Presented by:

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Health Access



HCBS Landscape in Vermont

- ▶ The State's Global Commitment to Health Section 1115 demonstration waiver has enabled the State to:
 - ▶ Expand health coverage,
 - ▶ Build an extensive ecosystem of public health and health-related services,
 - ▶ Drive all-payer payment reform, and
 - ▶ Rebalance long-term services and supports.
- ▶ The HCBS FMAP opportunity will allow the State to further many of these goals.
- ▶ Vermont offers eligible HCBS through the State Plan and through specialized programs authorized under the Global Commitment 1115 Waiver:
 - ▶ Choices for Care,
 - ▶ Developmental Disabilities Services,
 - ▶ Brain Injury Program,
 - ▶ Community Rehabilitation and Treatment, and
 - ▶ Mental Health Under 22 for Individuals with SMI/SED.

Focus on One-Time Investments

- ▶ The State's HCBS Spending Plan has a strong emphasis on one-time, transformational investments to minimize ongoing sustainability concerns while strengthening the HCBS system such as:
 - ▶ Supporting the availability of high-performing providers,
 - ▶ Furthering care integration across the care continuum including Social Determinants of Health (SDOH),
 - ▶ Promoting value-based purchasing within HCBS programs, and
 - ▶ Developing infrastructure and systems to support program improvement and population health management.
- ▶ Reflects concerns about ongoing budget pressures as well as CMS requirements to include a sustainability plan.
- ▶ Iterative process - HCBS Spending Plan is subject to change based on ongoing analysis, stakeholder feedback, and changing circumstances on the ground.

HCBS Spending Plan Overview (Revised 10/21)

Funding Category	Activity	Funding Amount
Improve Services	New and/or Additional Services	\$20,000,000
	Increase Payment Rates	\$51,839,612
	Strengthen Assessment and Person-Centered Planning Processes	\$4,000,000
	Address COVID-19 related concerns	\$2,000,000
Promote a high-performing and stable workforce	Training	\$3,000,000
	Recruitment and Retention	\$15,109,244
Utilize Systems and Data to Improve Care, Promote Value-Based Payment Models and Support Program Oversight	Quality Improvement	\$17,327,556
	Use of Technology and Cross-System Data Integration Efforts	\$19,500,000
	Improve Care Coordination and Care Management	\$3,824,912
	Address Social Determinants of Health (SDOH)	\$3,000,000
	Administration of Activities	\$1,000,000
	Capital Investments	\$6,000,000
	Total	\$146,601,324

Improve Services (1 of 2)

- ▶ Analyze potential new services and develop operational plans for services such as Permanent Supportive Housing, Peer Supports, and HCBS residential alternatives.
- ▶ Implement programming to provide alternatives to emergency room mental health crisis care.
- ▶ Increase limits or caps on assistive devices and home modifications.
- ▶ Increase payment rates for certain HCBS providers by 3%.

Improve Services (2 of 2)

- ▶ Strengthen assessment and person-centered planning processes through strategies to address conflict of interest.
- ▶ Expand availability of plain English and other language materials.
- ▶ Fund the purchase of personal protective equipment (PPE) and issue grants to providers and community-based organizations for community integration programming that addresses COVID-19 safety concerns.

Promote a high-performing and stable workforce

- ▶ Provide training for HCBS providers, independent direct support providers, other providers serving individuals with HCBS needs, peers, and individuals, families and caregivers.
- ▶ Implement recruitment and retention initiatives that bolster the availability of HCBS staff, increase tenure of employment, and offer pathways to career advancement and certification.

Utilize Systems and Data to Improve Care, Promote Value-Based Payment Models, and Support Program Oversight (1 of 2)

- ▶ Design and implement meaningful stakeholder engagement opportunities.
- ▶ Design a performance-based incentive payment for HCBS providers in value-based payment models.
- ▶ Provide training and technical assistance to HCBS providers on quality measures and improvement activities.
- ▶ Purchase technology infrastructure at the state- and provider-level.
- ▶ Improve care coordination and care management through provider innovation grants (e.g. co-location of staff, program model design, data-sharing initiatives).

Utilize Systems and Data to Improve Care, Promote Value-Based Payment Models, and Support Program Oversight (2 of 2)

- ▶ Fund operations development and technology that will support a mobile response hub.
- ▶ Expand the use of VTHelplink, a centralized resource for Vermonters in need of SUD treatment.
- ▶ Address SDOH through grants to provide health and wellness programs and test the use of flexible funding to address health-related social needs.
- ▶ Develop a data governance strategic road map for incorporating SDOH into the Vermont Health Information Exchange as well as data standards, consent policies, and data sharing agreements to facilitate aggregation and exchange of SDOH data.

Stakeholder Engagement

- ▶ Public comments on the initial HCBS Spending Plan
 - ▶ Received 65 written comments with over 125 ideas and suggestions for funding uses.
 - ▶ Themes were analyzed by commenter type.
 - ▶ Comments informed October HCBS Spending Plan revisions.
- ▶ The State intends to use program funding to hire a contractor to develop and implement stakeholder engagement that is accessible and meaningful for people with HCBS needs and their families.
 - ▶ This will inform a multi-year stakeholder engagement strategy that will include further refinements to the spending plan and implementation approaches.

Contact

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Break

State of Alabama

Spending Plan for Implementation of American Rescue Plan Act of 2021, Section 9817

GINGER WETTINGFELD
ALABAMA MEDICAID AGENCY



State Agency Partner Target Populations

- Elderly and Disabled
- Individuals with Mental Health needs:
 - Intellectual Disabilities
 - Mental Illness
 - Substance Abuse
- Home Health
- Youth in need of Behavior Health Services
- Foster Children



Long Term Services and Supports for the Elderly and Disabled

Home and Community Based Services Authorities

- 1915b Primary Care Case Management Entity-AL 08
- 1915c Waivers-068, 241, 0407, 0878
- Appendix K for 068, 241, 0407, 0878



Direct Service Providers (DSP) Reimbursement

- Challenges to the recruitment and retention of qualified personal care workers
- Proposal to increase the reimbursement rate of DSPs
- Provide a per service increase to the providers (above the current PHE rate)
- Used for incentives or salary increases for the workers



Elderly and Disabled Program

- Add slots to increase capacity (AL 068 amendment approved 6/1/21)
- Services provided by ARP section 9817 funding (Appendix B - personal care services, self-directed services, and case management services)
- Increase in non-HCBS Medicaid expenditures as a result of the increase in waiver program enrollment
- Use increased FMAP to pay for the additional community-based Medicaid expenditures for these individuals (not for institutional services)



Elderly and Disabled Program continued

- Workforce Support and Training
- Expand Provider Capacity
- Minor Medical Supplies
- Add Services
- Support the payment of family caregivers as personal care workers in areas where vendors are unable to provide service coverage
- Enhance the Hospital to Home program to support transitions back to the community via the hospital setting



Mental Health Services

Home and Community Based Services Authorities

- 1915c Waivers-001, 0391, 1746
- Appendix K for 001, 0391
- 1115 Substance Abuse (proposed)



Developmental Disabilities

- Workforce Support and Training
- Expand Provider Capacity
- Training and Respite
- Improve Tele-Health Infrastructure



Substance Abuse

- Increase the reimbursement rate to DSPs
- Increase Capacity for Opioid Treatment Program



Mental Illness

- Increase the reimbursement rate to DSPs
- Increase Capacity for Mental Health Services
- Transitional Housing Supports
- Workforce Support



Home Health

- Alabama Department of Public Health will enhance the Home Health Services it provides
- Home Health services are mandatory services authorized at section 1905(a)(7) of the Act and defined in regulations at 42 C.F.R. § 440.70
- Home Health services include nursing services, home health aide services, medical supplies, equipment, and appliances, and may include therapy services (physical therapy, occupational therapy, speech pathology and audiology)
- Workforce Training



Children Specific Services

Enhance services for Alabama Department of Youth Services:

- New service delivery method to serve children in the custody
- Develop community-based home model to serve children and youth with complex emotional and behavioral needs
- Target group includes those diagnosed with mental health conditions (autism, bipolar disorder, schizophrenia, oppositional defiant disorder, conduct disorder, and others)
- May have current/prior involvement with the juvenile justice and mental health systems



Children Specific Services continued

Enhance services for Alabama Department of Human Resources:

- Enriched homes act as extended community, managed by professionals in a home setting
- Services tailored to each individual's needs
- Address safety, emotional and physical well-being, educational needs, and other areas crucial to a successful transition
- Psychological testing and other services available
- Support greater community mental health service options available to families and children in the community as an alternative to relying on residential placement for justice involved youth



Statewide Improvements

- Provide broadband installation and equipment
- Purchase Personal Protective Equipment (PPE) and COVID Supplies
- Improve Tele-Health Infrastructure
- Improve technology and upgrade Information Technology systems



Program	2021 (Partial)	2022	2023	2024	Total Expenditures
Long Term Services and Supports - HCBS Services	\$ 4,164,578.87	\$ 19,363,410.13	\$ 31,601,288.80	\$ 43,834,667.47	\$ 98,963,945.27
Developmental Disability	\$ 31,105,804.18	\$ 134,938,792.45	\$ 127,238,792.45	\$ 117,188,792.45	\$ 410,472,181.52
Substance Use Disorder	\$ 1,269,220.35	\$ 2,245,806.19	\$ 2,245,806.19	\$ 1,505,806.19	\$ 7,266,638.93
Mental Illness	\$ 19,469,703.98	\$ 35,782,050.87	\$ 33,382,050.87	\$ 26,662,050.87	\$ 115,295,856.60
Home Health	\$ 250,000.00	\$ 933,000.00	\$ 933,000.00	\$ 933,000.00	\$ 3,049,000.00
Children Specific Services	\$ 5,000,000.00	\$ 20,333,000.00	\$ 20,333,000.00	\$ 20,333,000.00	\$ 65,999,000.00
Statewide Improvements		\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 1,050,000.00
total increased expenditures	\$ 61,259,307	\$ 213,946,060	\$ 216,083,938	\$ 210,807,317	\$ 702,096,622.32
Estimated State share from 10%					\$ 78,410,885

Note: \$702 million includes \$473M previously budgeted and planned expenditures plus an additional \$265M in expenditures all of which qualify for the usage of the 10% enhanced FMAP



Questions?

www.Medicaid.Alabama.gov



Questions?

Contact HCBSincreasedFMAP@cms.hhs.gov for more information