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Department on
Disability Services

American Rescue Plan Act: Enhanced Funding for Home and Community-Based Services

ARPA Provides a One Time Opportunity to Enhance HCBS Services

- **The American Rescue Plan (ARPA) of 2021 was signed into law on March 11, 2021**
- **ARPA Section 9817 Enhances Medicaid Funding for Medicaid Home and Community Based Services**
 - **10% FMAP bump for services provided between April 1, 2021, and March 31, 2022;**
 - **New funds must supplement not supplant level of state funds for programs in effect as of April 1, 2021**
 - **Eligibility for enhanced requires states to enhance, expand, and strengthen home and community-based services under the state's Medicaid program**
 - **States will be permitted to use the state funds equivalent to the amount of federal funds attributable to the increased FMAP through March 31, 2024 on enhancement activities**
 - **DHCF, DDS, DBH in ongoing conversations on utilization of funds to enhance Medicaid HCBS**

There is an Array of Eligible Enhancement Activities

- **States may spend funds attributable to increased FMAP on both HCBS services and HCBS-related administrative activities (non-exhaustive list):**
 - Increase amount, duration, scope of HCBS services
 - New/Special Provider Payments and Rate Enhancements
 - Provider Workforce Training/Recruitment/Support Initiatives
 - Quality Improvement/measurement/oversight initiatives
 - Information Technology Implementation
 - Strengthening Assessments practices
 - Changes to streamline Eligibility Systems
 - Expanding use of technology/telehealth
 - Conducting Care Surveys
 - Addressing Social Determinants of Health
 - Enhancing Care Coordination Infrastructure

States Must “Supplement, Not Supplant” HCBS Funding

- **ARPA legislation required increased FMAP be used to Supplement** not supplant level of state funds for programs/services in effect as of April 1, 2021

- **To meet these requirements States must:**
 - Use funds attributable to the increased FMAP to expand, strengthen, enhance HCBS
 - 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.
 - States are expected to retain temporary changes made under Appendix K; E-SPA for as long as allowable under those authorities, but will not be penalized/deemed non-compliant when/if those changes expire

CMS Must Approve an Initial Plan and then States Commit to Ongoing Reporting

- CMS will require states to submit both an initial and quarterly HCBS spending plan and narrative that describe activities that the state has intends to implement; CMS will share a summary publicly
 - Initial Spending Plan should estimate total amount of funds attributable to FMAP increase and anticipated expenditures on enhancement activities
 - Initial Narrative must detail how planned activities will enhance HCBS and explain how activities will be **sustained past 2024**
 - Quarterly Spending Plan should include estimate by quarter and total the amount of enhanced funds the state will claim through March 31, 2022; actual/anticipated expenditures on enhancement activities
 - Quarterly Narrative should include progress reports on enhancement activities
 - Initial and ongoing plans must include state attestations/assurances that State is not supplanting existing state funding

DHCF is Collaborating with Sister Agencies to Develop Plan for Submittal to CMS

- Ongoing cross-agency collaboration to finalize enhancement activities scope, narrative, and corresponding spending plans
- Must consider impact on local budget / cost neutrality
- Must consider long term sustainability of initiatives funded via time-limited enhanced FMAP
- Must consider parity/equity of enhancement activities across HCBS programs/providers
- Ongoing discussion with CMS on programmatic requirements
- District has requested additional time to finalize submissions
- Initial submissions originally required by 6/12; Extension to 7/12 approved by CMS
- CMS expects review and approval within thirty (30) days of initial submissions

Suggestions from Budget Hearing Testimony

- Fund best practices to increase vaccinations among DSPs and people supported by DDA
- Survey of access to technology, improve access to technology
- Implement Self-Direction
- Expand telehealth options and virtual health beyond licensed placements
- Fund DSP Payment Rate Act

Draft DDS ARPA Plan

- Enhance Waiver Technology Supports
- Implement Urgent Care Telehealth Services
- Upgrade MCIS
- Implement Self-Direction in IFS Waiver
- Conduct HCBS Waiver Rate Study
- Provide Vaccine Incentive Payments
- Housing Counselor Position within DDS Operations
- Study Health Effects of COVID on People Supported by DDA
- Through Appendix K Implement new round of retainer payments for day services

QUESTIONS?