

VERMONT COVID-19 Section 1115(a) Demonstration Application

The Vermont Agency of Human Services proposes emergency relief as an affected state, through the use of section 1115(a) demonstration authority as outlined in the Social Security Act (the Act), to address the multi-faceted effects of the novel coronavirus (COVID-19) on the state's Medicaid program.

I. DEMONSTRATION GOAL AND OBJECTIVES

Effective retroactively to March 1, 2020, the State of Vermont, seeks section 1115(a) demonstration authority to operate its Medicaid program without regard to the specific statutory or regulatory provisions (or related policy guidance) described below, in order to furnish medical assistance in a manner intended to protect, to the greatest extent possible, the health, safety, and welfare of individuals and providers who may be affected by COVID-19.

II. DEMONSTRATION PROJECT FEATURES

- A. Eligible Individuals:** The following populations will be eligible under this demonstration. To the extent coverage of a particular service is available for a particular beneficiary under the State plan, such coverage will be provided under the State plan and not under demonstration authority.

| Check to Apply | Population |
|----------------|--|
| X | Current title XIX State plan beneficiaries |
| X | Current section 1115(a)(2) expenditure population(s) eligible for/enrolled in the following existing section 1115 demonstrations: 11-W-00194/1 Global Commitment To Health Section 1115 Demonstration |

- B. Benefits:** The state will provide the following benefits and services to individuals eligible under this demonstration. To the extent coverage of a particular service is available for a particular beneficiary under the State plan, such coverage will be provided under the State plan and not under demonstration authority.

| Check to Apply | Services |
|----------------|---------------------------------------|
| X | Current title XIX State plan benefits |

| Check to Apply | Services |
|----------------|--|
| X | Others as described here: Caregiver Support, Evacuation Services, Technologies to provide electronic support (including but not limited to tablets, prepaid cell phones, electronic means of tracking, PERS) |

C. Cost-sharing

| Check to Apply | Cost-Sharing Description |
|----------------|---|
| | There will be no premium, enrollment fee, or similar charge, or cost-sharing (including copayments and deductibles) required of individuals who will be enrolled in this demonstration that varies from the state's current state plan. |
| X | <p>Other as described here: There will be no premiums billed for the following Vermont populations during the emergency period. For any premiums that have already been billed or will be billed after the end of the public health emergency, Vermont will use its authority under 42 CFR 447.55(b)(4) to waive the payment of any premiums if payment creates an undue hardship for the individual or family.</p> <ol style="list-style-type: none"> 1. Children with income > 195% percent through 237% of the FPL 2. Underinsured Children with income > 237% through 312% FPL 3. Uninsured Children with income > 237% through 312% of the FPL |
| X | There will be no copayments for outpayment hospital visits. There will be no copayments for medications used to treat the symptoms of COVID-19. |

D. Delivery System:

| Check to Apply | Delivery System Description |
|----------------|--|
| | The health care delivery system for the provision of services under this demonstration will be implemented in the same manner as under the state's current state plan. |

| Check to Apply | Delivery System Description |
|----------------|--|
| X | Other as described here: The health care delivery system will be implemented in the same manner as under the state’s current 1115 Global Commitment to Health Demonstration. |

III. EXPENDITURE AND ENROLLMENT PROJECTIONS

A. Enrollment and Enrollment Impact.

- i. State projects that approximately 161,743 individuals as described in section II will be eligible for the period of the demonstration. This number represents the enrollment originally projected for 6/30/2020. It does not account for a growth factor due to COVID-related unemployment. The overall impact of this section 1115 demonstration is that these individuals, for the period of the demonstration, will continue to receive HCBS or coverage through this demonstration to address the COVID-19 public health emergency.

B. Expenditure Projection.

The state projects that the total aggregate expenditures under this section 1115 demonstration is \$8.025 Billion. This is a projection of “With Waiver” expenses for all costs, as currently spent and budgeted. It does not account for COVID-19 related pressures.

In light of the unprecedented emergency circumstances associated with the COVID-19 pandemic and consistent with the President’s proclamation that the COVID-19 outbreak constitutes a national emergency consistent with section 1135 of the Act, and the time-limited nature of demonstrations that would be approved under this opportunity, the Department will not require States to submit budget neutrality calculations for section 1115 demonstration projects designed to combat and respond to the spread of COVID-19. In general, CMS has determined that the costs to the Federal Government are likely to have otherwise been incurred and allowable. States will still be required to track expenditures and should evaluate the connection between and cost effectiveness of those expenditures and the state’s response to the public health emergency in their evaluations of demonstrations approved under this opportunity.

IV. APPLICABLE TITLE XIX AUTHORITIES

The state is proposing to apply the flexibilities granted under this demonstration opportunity to the populations identified in section II.A above.

| Check to Apply | Program | |
|----------------|---|--|
| X | Medicaid state plan | |
| | Section 1915(c) of the Social Security Act (“HCBS waiver”). Provide applicable waiver numbers below: | |
| X | Section 1115(a) of the Social Security Act (i.e., existing, approved state demonstration projects). Provide applicable demonstration name/population name below: | |
| Population 1 | Mandatory state plan populations, except for the Affordable Care Act new adult group (included in population 3) and Medicare Savings Program beneficiaries (included in populations 7 and 8). | |
| Population 2 | Optional state plan populations (including medically needy) | |
| Population 3 | The new adult group, described in 1902(a)(10)(A)(i)(VIII) and 42 CFR 435.119, pursuant to the approved state plan. | |
| Population 4 | Individuals age 65 and older and age 21 and older with disabilities, not otherwise eligible under the state plan, who meet the clinical criteria for the highest need group, and who would have been Medicaid-eligible under section 1902(a)(10)(A)(ii)(VI) of the Act and 42 CFR §435.217, in conjunction with section 1902(a)(10)(A)(ii)(V) of the Act, if the services they receive under the demonstration would have been provided under an HCBS waiver granted to the state under section 1915(c) of the Act prior to 2014. This includes the application of the post eligibility rules specified at 42 CFR §435.726, and of the spousal impoverishment rules specified at 1924 of the Act, with a resource standard of \$10,000. This only applies to unmarried individuals who have an ownership interest in their principal residence. | |
| Population 5 | Individuals age 65 and older and age 21 and older with disabilities, not otherwise eligible under the state plan, who meet the clinical criteria for the high need group, and who would have been Medicaid-eligible under section 1902(a)(10)(A)(ii)(VI) of the Act and 42 CFR §435.217, in conjunction with section 1902(a)(10)(A)(ii)(V) of the Act, if the services they receive under the demonstration would have been provided under an HCBS waiver granted to the state | |

| Check to Apply | Program | |
|----------------|--------------|---|
| | | under section 1915(c) of the Act prior to 2014. This includes the application of the post eligibility rules specified at 42 CFR 435.726, and of the spousal impoverishment rules specified at 1924 of the Act, and have a resource standard of \$10,000. This only applies to unmarried individuals who have an ownership interest in their principal place of residence. |
| | Population 6 | Individuals who have incomes below 300 percent of the SSI Federal Benefit rate and would be described in Populations 4 or 5 except that they meet the clinical criteria for the moderate needs group and are at risk of institutionalization. |
| | Population 7 | Medicare beneficiaries who are 65 years or older or have a disability with income at or below 150 percent of the FPL, who may be enrolled in the Medicare Savings Program (MSP) but are not otherwise categorically eligible for full benefits. |
| | Population 8 | Medicare beneficiaries who are 65 years or older or have a disability with income above 150 percent and up to and including 225 percent of the FPL, who may be enrolled in the MSP, but are not otherwise categorically eligible for full benefits. |

V. WAIVERS AND EXPENDITURE AUTHORITIES

A non-exhaustive list of waiver and expenditure authorities available under this section 1115 demonstration opportunity has been provided below. States have the flexibility to request additional waivers and expenditure authorities as necessary to operate their programs to address COVID-19. If additional waivers or expenditure authorities are desired, please identify the authority needed where indicated below and include a justification for how the authority is needed to assist the state in meeting its goals and objectives for this demonstration. States may include attachments as necessary. Note: while we will endeavor to review all state requests for demonstrations to combat COVID-19 on an expedited timeframe, dispositions will be made on a state-by-state basis, and requests for waivers or expenditure authorities in addition to those identified on this template may delay our consideration of the state's request.

A. Section 1115(a)(1) Waivers and Provisions Not Otherwise Applicable under 1115(a)(2)

The state is requesting the below waivers pursuant to section 1115(a)(1) of the Act, applicable for beneficiaries under the demonstration who derive their coverage from the relevant State

plan. With respect to beneficiaries under the demonstration who derive their coverage from an expenditure authority under section 1115(a)(2) of the Act, the below requirements are identified as not applicable. Please check all that apply.

| Check to Waive | Provision(s) to be Waived | Description/Purpose of Waiver |
|----------------|--|---|
| | Section 1902(a)(1) | To permit the state to target services on a geographic basis that is less than statewide. |
| X | Section 1902(a)(8), (a)(10)(B), and/or (a)(17) | To permit the state to vary the amount, duration, and scope of services based on population needs; to provide different services to different beneficiaries in the same eligibility group, or different services to beneficiaries in the categorically needy and medically needy groups; and to allow states to triage access to long-term services and supports based on highest need. |

B. Expenditure Authority

Pursuant to section 1115(a)(2) of the Act, the state is requesting that the expenditures listed below be regarded as expenditures under the state plan.

Note: Checking the appropriate box(es) will allow the state to claim federal financial participation for expenditures that otherwise would be ineligible for federal match.

| Check to Request Expenditure | Description/Purpose of Expenditure Authority |
|------------------------------|--|
| X | Allow for self-attestation or alternative verification of individuals’ eligibility (income/assets) and level of care to qualify for long-term care services and supports. |
| X | Long-term care services and supports for impacted individuals even if services are not timely updated in the plan of care, or are delivered in alternative settings. |
| X | Ability to pay higher rates for HCBS providers in order to maintain capacity. |
| X | The ability to make retainer payments to certain habilitation and personal care providers to maintain capacity during the emergency. For example, adult day sites have closed in many states due to isolation orders, and may go out of business and not be available to provide necessary services and supports post-pandemic |
| X | Allow states to modify eligibility criteria for long-term services and supports. |
| X | The ability to reduce or delay the need for states to conduct functional assessments to determine level of care for beneficiaries needing LTSS. |

| Check to Request Expenditure | Description/Purpose of Expenditure Authority |
|------------------------------|--|
| X | Other: Institutions of Mental Disease (IMD) . Waive all IMD requirements in order to maintain continuity of care for individuals in all care sites while awaiting other care sites that might not otherwise be available due to the emergency. |
| X | Other: Provider Retainer Payments . Federal financing match for payments, such as hardship or retainer payments, to stabilize Medicaid-enrolled providers who are identified as suffering extreme disruptions to their standard business model and/or revenue streams as a result of the public health emergency, and to ensure maintenance of service capacity during this period and after the COVID-19 emergency has terminated. |
| X | Other: Self-attestation of expenses for patient share amount . Allow Vermont to use self-attestation of medical expenses to reduce the patient's cost of care if verification of expenses would normally be provided by the patient. 42 CFR 435.725, 435.726, 435.832 |
| X | Other: Self-attestation of income for patient share amount . Allow Vermont to use self-attestation of patient's income in determining patient's cost of care. |
| X | Other: Temporarily suspend transfer-of-assets rules for individuals placed into nursing facilities or comparable institutions and for individuals receiving Home and Community-Based Services. Vermont would complete the full look-back period assessment once the emergency period is over. |
| X | Other: Signature on application . 42 CFR § 435.907(a). Allow a responsible adult to sign an application for any individual who is unable to sign the application or appoint an authorized representative due to COVID 19 issues. |
| X | Other: COVID-related treatment for the uninsured . The Families First Coronavirus Response Act (FFCRA) allows States to extend Medicaid eligibility to "uninsured individuals" for the purposes of COVID-19 diagnostic testing, including services furnished during the visit associated with the testing. Allow coverage for uninsured individuals that extends to the resulting necessary treatment for COVID-19. |
| X | Other: Ability to send communications, including notices, by alternative methods if paper mail is not available, including email or phone. |
| X | Other: Waiver of in-person internal appeals for services (42 CFR 438.402(b)(4)) |
| X | Other: Allow spouses and parents of minor children to provide personal care services; Allow a family member to be paid to render services to an |

| Check to Request Expenditure | Description/Purpose of Expenditure Authority |
|------------------------------|---|
| | individual; Allow other practitioners in lieu of approved HCBS (Choices for Care and Special Programs) providers within the 1115 waiver. |
| X | Other: Allow an electronic method of service delivery (e.g. telephone or other means) allowing services to continue to be provided remotely in the home setting for home and community-based services by non-practitioner staff providing the same manner of services (e.g. private non-medical institution staff providing support to residents who have been removed from the program to facilitate social distancing). |
| X | Other: Allow an extension for reassessments and reevaluations for up to one year past the due date. |
| X | Other: Allow the option to conduct evaluations, assessments, and person-centered service planning meetings virtually/remotely in lieu of face-to-face meetings. |

VI. Public Notice

Pursuant to 42 CFR 431.416(g), the state is exempt from conducting a state public notice and input process as set forth in 42 CFR 431.408 to expedite a decision on this section 1115 demonstration that addresses the COVID-19 public health emergency.

VII. Evaluation Indicators and Additional Application Requirements

A. Evaluation Hypothesis. The demonstration will test whether and how the waivers and expenditure authorities affected the state’s response to the public health emergency, and how they affected coverage and expenditures.

B. Final Report. This report will consolidate demonstration monitoring and evaluation requirements. No later than one year after the end of this demonstration addressing the COVID-19 public health emergency, the state will be required to submit a consolidated monitoring and evaluation report to CMS to describe the effectiveness of this program in addressing the COVID-19 public health emergency. States will be required to track expenditures, and should evaluate the connection between and cost effectiveness of those expenditures and the state’s response to the public health emergency in their evaluations of demonstrations approved under this opportunity. Furthermore, states will be required to comply with reporting requirements set forth in 42 CFR 431.420 and 431.428, such as information on demonstration implementation, progress made, lessons learned, and best practices for similar situations. States will be required to track separately all expenditures associated with this demonstration, including but not limited to administrative costs and program expenditures, in accordance with instructions provided by CMS. CMS will provide additional guidance

on the evaluation design, as well as on the requirements, content, structure, and submittal of the report.

VIII. STATE CONTACT AND SIGNATURE

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Authorizing Official (Typed): _____
Authorizing Official (Signature): _____
Date: _____

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