

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Centers for Medicare & Medicaid Services**  
**7500 Security Boulevard, Mail Stop S2-25-26**  
**Baltimore, Maryland 21244-1850**



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**State Demonstrations Group**

September 15, 2022

Ben Shaffer  
Deputy Secretary and Medicaid Director  
Rhode Island Executive Office of Health and Human Services  
Virks Building  
3 West Road  
Cranston, RI 02920

Dear Mr. Shaffer:

We are writing to inform you that the Centers for Medicare & Medicaid Services (CMS) is approving Rhode Island's March 25, 2022 Attachment K request to temporarily increase provider payment rates in order to incentivize the recruitment and retention of the home and community-based services direct care workforce under the Rhode Island Comprehensive Demonstration (Project Number 11-W-00242/1), to respond to the COVID-19 public health emergency (PHE). This authority is effective from May 1, 2021 to March 31, 2022. CMS acknowledges that the state has selected various effective dates for the activities approved in this Attachment K. These flexibilities have been incorporated into the demonstration's Special Terms and Conditions as Attachment K.

The state is requesting to increase provider payment rates and make supplemental payments for certain Home and Community-Based Therapeutic Services that are listed in Attachment B of the demonstration's Special Terms and Conditions, specifically the services described in the Attachment K application.

The authorities that CMS is approving in this Attachment K will apply in all locations served by the demonstration for anyone impacted by COVID-19 who receives HCBS through the demonstration. We have included the approved Attachment K pages with this correspondence.

If you need assistance, feel free to contact your Project Officer, Kathleen O'Malley at (410) 786-8987 or by e-mail at [Kathleen.OMalley@cms.hhs.gov](mailto:Kathleen.OMalley@cms.hhs.gov).

Sincerely,

**Angela D.** Digitally signed by  
**Garner -S** Angela D. Garner -S  
Date: 2022.09.15  
15:08:20 -04'00'

Angela D. Garner  
Director  
Division of System Reform Demonstrations

Enclosure

cc: Joyce Butterworth, State Monitoring Lead, Medicaid and CHIP Operations Group

# APPENDIX K: Emergency Preparedness and Response

## Background:

This standalone appendix may be utilized by the state during emergency situations to request amendment to its approved waiver. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.<sup>i</sup> This appendix may be completed retroactively as needed by the state.

## Appendix K-1: General Information

### General Information:

- A. State: Rhode Island
- B. Waiver Title:
- C. Control Number:

D. Type of Emergency (The state may check more than one box):

<input checked="" type="checkbox"/>	Pandemic or Epidemic
<input type="checkbox"/>	Natural Disaster
<input type="checkbox"/>	National Security Emergency
<input type="checkbox"/>	Environmental
<input type="checkbox"/>	Other (specify):

E. **Brief Description of Emergency.** *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state's mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

F. **Proposed Effective Date:** Start Date: 05/01/2021 Anticipated End Date: 03/31/2022

G. **Description of Transition Plan.**

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change. Providers have been notified through Stakeholder meetings and written guidance that these rate increases are short term. All providers signed an attestation form indicating that they understood the timeframe for the rate increases and the allowable uses for the funding.

**H. Geographic Areas Affected:**

Statewide

**I. Description of State Disaster Plan (if available) *Reference to external documents is acceptable:***

N/A

**Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver**

**Temporary or Emergency-Specific Amendment to Approved Waiver:**

*These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.*

**a. \_\_\_ Access and Eligibility:**

**i. \_\_\_ Temporarily increase the cost limits for entry into the waiver.**

[Provide explanation of changes and specify the temporary cost limit.]

**ii. \_\_\_ Temporarily modify additional targeting criteria.**

[Explanation of changes]

**b. \_\_\_ Services**

**i. \_\_\_ Temporarily modify service scope or coverage.**

[Complete Section A- Services to be Added/Modified During an Emergency.]

ii. **\_\_\_ Temporarily exceed service limitations (including limits on sets of services as described in Appendix C-4) or requirements for amount, duration, and prior authorization to address health and welfare issues presented by the emergency.**

[Explanation of changes]

iii. **\_\_\_ Temporarily add services to the waiver to address the emergency situation (for example, emergency counseling; heightened case management to address emergency needs; emergency medical supplies and equipment; individually directed goods and services; ancillary services to establish temporary residences for dislocated waiver enrollees; necessary technology; emergency evacuation transportation outside of the scope of non-emergency transportation or transportation already provided through the waiver).**

[Complete Section A-Services to be Added/Modified During an Emergency]

iv. **\_\_\_ Temporarily expand setting(s) where services may be provided (e.g. hotels, shelters, schools, churches) Note for respite services only, the state should indicate any facility-based settings and indicate whether room and board is included:**

[Explanation of modification, and advisement if room and board is included in the respite rate]:

v. **\_\_\_ Temporarily provide services in out of state settings (if not already permitted in the state's approved waiver).** [Explanation of changes]

c. **\_\_\_ Temporarily permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver.** Indicate the services to which this will apply and the safeguards to ensure that individuals receive necessary services as authorized in the plan of care, and the procedures that are used to ensure that payments are made for services rendered.

d. **\_\_\_ Temporarily modify provider qualifications (for example, expand provider pool, temporarily modify or suspend licensure and certification requirements).**

i. **\_\_\_ Temporarily modify provider qualifications.**

[Provide explanation of changes, list each service affected, list the provider type, and the changes in provider qualifications.]

ii. **\_\_\_ Temporarily modify provider types.**

[Provide explanation of changes, list each service affected, and the changes in the provider type for each service].

**iii. \_\_\_ Temporarily modify licensure or other requirements for settings where waiver services are furnished.**

[Provide explanation of changes, description of facilities to be utilized and list each service provided in each facility utilized.]

**e. \_\_\_ Temporarily modify processes for level of care evaluations or re-evaluations (within regulatory requirements). [Describe]**

**f. X Temporarily increase payment rates**

[Provide an explanation for the increase. List the provider types, rates by service, and specify whether this change is based on a rate development method that is different from the current approved waiver (and if different, specify and explain the rate development method). If the rate varies by provider, list the rate by service and by provider].

Supporting and building the HCBS workforce is a cornerstone of Rhode Island’s Covid-19 pandemic recovery strategy as well as a fundamental approach in the State’s long-term services and supports (LTSS) re-balancing initiative. The support that direct care workers and licensed health professionals provide to Medicaid enrollees who have physical or behavioral support needs helps to promote individual wellness and self-determination, allowing enrollees the choice to remain in their homes and communities and avoid unnecessary acute care or facility-based care. The pandemic has exacerbated challenges in meeting consumer demand for HCBS services due to workforce shortages.

Based on policy analysis and substantial stakeholder survey feedback highlighting a critical need to strengthen the HCBS workforce via improved compensation, EOHHS is dedicating an estimated \$30 million of its HCBS ARPA funds to a HCBS Workforce Recruitment and Retention plan for LTSS providers, with the goal of improving HCBS workforce recruitment and retention by increasing compensation to frontline HCBS workers. Most of the funding for this program will be distributed over a short period of time through temporary fee-for-service rate increase described below. In some cases, the fee for service rate increase would have resulted in an unequal distribution of funding across providers. In these limited circumstances, supplemental payments will be provided, either instead of or in addition to the rate increases.

For both rate increases and supplemental payments, all participating providers will be required to sign an attestation form and provide a baseline workforce report. The attestation form includes a confirmation that the provider will pass through a minimum of 85% of the funding to direct care workers, through increased compensation and/ or increased benefits. Providers will be required to report quarterly on their spending and are subject to audit.

RI's Section 9817 ARP spending plan includes the following rate increases for the following 1915(c) services that are listed as Home and Community-Based Therapeutic Services in Attachment B of the RI Comprehensive 1115 Waiver Demonstration. This plan allocates \$62 million in funding for workforce recruitment and retention to reduce direct care worker turnover and attract additional workers to these hard-to-fill position. With support from our actuarial vendor, we applied this funding equitably across all eligible HCBS provider types based on their total Medicaid claims (managed care and fee for service). This provided the total funding per provider. Next we calculated the rate increase required to distribute the funding over a period of three to four months through fee for service rates only. This process resulted in rate increase of more than 50% for every provider type, but the specific rate increase varies by provider group.

This methodology was chosen to ensure that we could maximize federal match.

**FEE FOR SERVICE RATE INCREASES**

**Effective for services rendered 5/1/21-7/31/21:**

- **HBTS/PASS rate to increase by 261.1%**

This rate increase will be effective for services rendered between May 1, 2021 through July 31, 2021. Effective August 1, 2021, this temporary rate increase will end, and the rate will return to the rate that was in effect prior to May 1, 2021. The additional dollars provided through this rate increase creates a pool of funding that can be utilized for workforce recruitment and retention through March, 2023.

Provider Type	Proc. Code	Proc. Code Description	Program Indicator Code	Rate Increase
080	97150	Therapeutic Procedures, Group	MCE030	261.1%
080	H0046	Mental Health Services, Not Otherwise Specified	MCE025	261.1%
080	H2014	Skills Training and Development, per 15 mins	MCE025	261.1%
080	H2016	Comprehensive Community Support Services, per diem	MCE025	261.1%
080	H2021	Community Based Wrap Around Services, per 15 mins	MCE030	261.1%
080	T1005	Respite Services 15 mins	MRP019, MRP20, MRP021	261.1%
080	T1016	Case Management, each 15 mins	MCE025	261.1%
080	T1019	Personal Care Services, per 15 mins, Not for inpatient or Residential ICF	MCE025	261.1%

080	T1023	Screening to Determine Appropriateness of Consideration of an Individual	MCE025	261.1%
080	T1024	Team Evaluation & Management per encounter	MCE025	261.1%
080	T1027	Family Training and Counseling for Child Development, per 15 mins	MCE025	261.1%
080	T2024	Service Assessment/Plan of Care Development, Waiver	MRP019, MRP020, MRP021	261.1%

**Effective for services rendered 11/1/21-3/31/22**

- **Day Habilitation rate to increase by 74%**
- **Self Directed Community Services Personal Choice Program Financial Management Service rate to increase by 10%**
- **Self Directed Community Services Independent Provider Financial Management Service rate to increase by 10%**
- **Budget Population 10 Adult Day (DEA Co-Pay) rate to increase by 120%**
- **Rehabilitation Program Rate to increase by 116%**

These rate increases will be effective November 1, 2021 through March 31, 2022. Effective April 1, 2022, this temporary rate increase will end, and the rates will return to the rates that were in effect prior to November 1, 2021. The additional dollars provided through this rate increase creates a pool of funding that can be utilized for workforce recruitment and retention through March, 2023.

Provider Code	Proc. Code	Proc. Code Description	Program Indicator Code	Rate Increase
055	T2021	Day Habilitation, Waiver, Per 15 Mins	MHB010	74%
1639- Only 1 NPI	H2001	Rehabilitation Program, Per ½ Day		116%
061	H2001	Rehabilitation Program, Per ½ Day		116%
116 FI	T2025	Waiver Services, Not Otherwise Specified	MIP010	10%
071 FI	T2025	Waiver Services, Not Otherwise Specified	MSD020	10%
050	S5102	Day care services Adult, per diem	MDE030	120%
050	S5102	Day care services adult, per diem	MDE040	120%
050	T1016	Case management, each 15 mins	MDE030	120%

**Effective for services rendered 12/1/21-3/31/22**

- **Peer Recovery and Family/Youth Support Services (Budget Service 6) rate to increase by 78.8%**

This rate increase will be effective December 1, 2021 through March 31, 2022. Effective April 1, 2022, this temporary rate increase will end, and the rate will return to the rate that was in



effect prior to December 1, 2021. The additional dollars provided through this rate increase creates a pool of funding that can be utilized for workforce recruitment and retention through March, 2023.

Provider Type	Proc. Code	Proc. Code Description	Program Indicator Code	Rate Increase
109	H0038	Self-Help/Peer Services, per 15 Mins	MBP010, U2	78.8%
109	H0038	Self-Help/Peer Services, per 15 Mins	MBP010, U2, HQ	78.8%
109	H0038	Self-Help/Peer Services, per 15 Mins	MBP010, U2, HQ, HH	78.8%
109	H0038	Self-Help/Peer Services, per 15 Mins	MBP011, U3	78.8%
109	H0038	Self-Help/Peer Services, per 15 Mins	MBP011, U3, HQ	78.8%
109	H0038	Self-Help/Peer Services, per 15 Mins	MBP011, U3, HQ, HH	78.8%

**Effective for services rendered 1/1/22-3/31/22**

- **Case Management (rate to increase by 132%)**

Per Budget Services #4, EOHHS has the authority to provide the service listed above in the 1115 Waiver to eligible youth who are at risk for out-of-home care or hospitalization. This service is listed in Appendix B under the “Section 1115” category which states “Any of the Medicaid-covered HCBS services described above are eligible for the enhanced match when authorized under an approved 1115 demonstration.”

These rate increases will be effective January 1, 2022 through March 31, 2022. Effective April 1, 2022, these temporary rate increases will end, and the rates will return to the rates that were in effect prior to January 1, 2022. The additional dollars provided through this rate increase creates a pool of funding that can be utilized for workforce recruitment and retention through March, 2023.

Provider Type	Proc. Code	Proc. Code Description	Pgm Indicator Code	Rate Increase
044	T1016	Case Mngmnt, Each 15 Mins	MDE050	132%
044	T1016	Case Mngmnt, Each 15 Mins	MWA070	132%
044	T1017	Trgtd Case Mngmnt, Each 15 Mins	MCS010	132%
044	T1017	Trgtd Case Mngmnt, Each 15 Mins	MDE010	132%
044	T1017	Trgtd Case Mngmnt, Each 15 Mins	MDE060	132%
044	T1017	Trgtd Case Mngmnt, Each 15 Mins	OOR010	132%

**SUPPLEMENTAL PAYMENTS**

RI’s spending plan includes the following supplemental payments, distributed April 14, 2022, for the following 1915(c) services that are listed as Home and Community-Based Therapeutic Services in Attachment B of the RI Comprehensive 1115 Waiver Demonstration

- **Self-Directed Programs**

Fiscal Intermediaries for the state self-directed programs (Personal Choice and Independent Provider) will be awarded \$4 million in supplemental payments for the

implementation of a defined Workforce Recruitment and Retention program. The agencies shall use at least 85% of grant funds to pay direct bonuses to PCAs, specifically by providing a \$500 recruitment bonus for new hires and a quarterly retention bonus equivalent to 10% of the quarter's gross wages for existing PCAs. Self-Directed service advisement agencies must report quarterly on their spending. If they do not spend all the funds by 3/31/23, the remaining funds must be returned to the state for redistribution.

- **HBTS/ PASS**

Through the fee-for-service rate enhancements described above, HBTS/ PASS providers receive funding that equals at least 92% of their total Medicaid claims from May 1, 2021 – July 31, 2021. Providers who do not meet the threshold of a 92% total increase through the temporary fee for service rate enhancements, which would occur due to a heavy volume of managed care clients, will receive a direct payment from the state to make up that amount. If they do not spend all the funds by 3/31/23, the remaining funds must be returned to the state for redistribution.

**g. \_\_\_ Temporarily modify person-centered service plan development process and individual(s) responsible for person-centered service plan development, including qualifications.**

[Describe any modifications including qualifications of individuals responsible for service plan development, and address Participant Safeguards. Also include strategies to ensure that services are received as authorized.]

**h. \_\_\_ Temporarily modify incident reporting requirements, medication management or other participant safeguards to ensure individual health and welfare, and to account for emergency circumstances. [Explanation of changes]**

**i. \_\_\_ Temporarily allow for payment for services for the purpose of supporting waiver participants in an acute care hospital or short-term institutional stay when necessary supports (including communication and intensive personal care) are not available in that setting, or when the individual requires those services for communication and behavioral stabilization, and such services are not covered in such settings.**

[Specify the services.]

**j. \_\_\_ Temporarily include retainer payments to address emergency related issues.**

[Describe the circumstances under which such payments are authorized and applicable limits on their duration. Retainer payments are available for habilitation and personal care only.]

**k. \_\_\_ Temporarily institute or expand opportunities for self-direction.**

[Provide an overview and any expansion of self-direction opportunities including a list of services that may be self-directed and an overview of participant safeguards]

**l. \_\_\_ Increase Factor C.**

[Explain the reason for the increase and list the current approved Factor C as well as the proposed revised Factor C]

**m. \_\_\_ Other Changes Necessary [For example, any changes to billing processes, use of contracted entities or any other changes needed by the State to address imminent needs of individuals in the waiver program]. [Explanation of changes]**

**Contact Person(s)**

**A. The Medicaid agency representative with whom CMS should communicate regarding the request:**

**First Name:** Katy  
**Last Name** Thomas  
**Title:** Senior Economic and Policy Analyst  
**Agency:** Rhode Island Executive Office of Health and Human Services  
**Address 1:** 3 West Rd.  
**Address 2:** Click or tap here to enter text.  
**City** Cranston  
**State** Rhode Island  
**Zip Code** 02920  
**Telephone:** 401-462-2598  
**E-mail** Kathryn.thomas@ohhs.ri.gov  
**Fax Number** Click or tap here to enter text.

**B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:**

**First Name:** Click or tap here to enter text.  
**Last Name** Click or tap here to enter text.  
**Title:** Click or tap here to enter text.  
**Agency:** Click or tap here to enter text.  
**Address 1:** Click or tap here to enter text.  
**Address 2:** Click or tap here to enter text.  
**City** Click or tap here to enter text.  
**State** Click or tap here to enter text.  
**Zip Code** Click or tap here to enter text.  
**Telephone:** Click or tap here to enter text.  
**E-mail** Click or tap here to enter text.  
**Fax Number** Click or tap here to enter text.

## 8. Authorizing Signature

Signature 

**Date:** 3/24/2022

State Medicaid Director or Designee

**First Name:** *Kristin*  
**Last Name** *Sousa*  
**Title:** Acting Medicaid Director  
**Agency:** Rhode Island Executive Office of Health and Human Services  
**Address 1:** 3 West Rd.  
**Address 2:** Click or tap here to enter text.  
**City** Cranston  
**State** Rhode Island  
**Zip Code** 02920  
**Telephone:** Click or tap here to enter text.  
**E-mail** [Kristin.sousa@ohhs.ri.gov](mailto:Kristin.sousa@ohhs.ri.gov)  
**Fax Number** Click or tap here to enter text.

## Section A---Services to be Added/Modified During an Emergency

Complete for each service added during a time of emergency. For services in the approved waiver which the state is temporarily modifying, enter the entire service definition and highlight the change. State laws, regulations and policies referenced in the specification are readily available to CMS upon request through the Medicaid agency or the operating agency (if applicable).

Service Specification				
Service Title:				
<i>Complete this part for a renewal application or a new waiver that replaces an existing waiver. Select one:</i>				
Service Definition (Scope):				
Specify applicable (if any) limits on the amount, frequency, or duration of this service:				
Provider Specifications				
Provider Category(s) <i>(check one or both):</i>	<input type="checkbox"/>	Individual. List types:	<input type="checkbox"/>	Agency. List the types of agencies:
Specify whether the service may be provided by <i>(check each that applies):</i>	<input type="checkbox"/>	Legally Responsible Person	<input type="checkbox"/>	Relative/Legal Guardian
<b>Provider Qualifications</b> <i>(provide the following information for each type of provider):</i>				
Provider Type:	License <i>(specify)</i>	Certificate <i>(specify)</i>	Other Standard <i>(specify)</i>	
<b>Verification of Provider Qualifications</b>				
Provider Type:	Entity Responsible for Verification:		Frequency of Verification	
Service Delivery Method				
<b>Service Delivery Method</b> <i>(check each that applies):</i>	<input type="checkbox"/>	Participant-directed as specified in Appendix E	<input type="checkbox"/>	Provider managed



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<sup>i</sup> Numerous changes that the state may want to make necessitate authority outside of the scope of section 1915(c) authority. States interested in changes to administrative claiming or changes that require section 1115 or section 1135 authority should engage CMS in a discussion as soon as possible. Some examples may include: (a) changes to administrative activities, such as the establishment of a hotline; (b) suspension of general Medicaid rules that are not addressed under section 1915(c) such as payment rules or eligibility rules or suspension of provisions of section 1902(a) to which 1915(c) is typically bound.