

# **State of Alabama**

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

### **Additional Support for Medicaid Home and Community-Based Services during the COVID-19 Emergency**

**Revised April 14, 2023**

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Letter from the Alabama Medicaid Agency Commissioner



KAY IVEY  
Governor

**Alabama Medicaid Agency**

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STEPHANIE MCGEE AZAR  
Commissioner

July 12, 2021

David L. Meacham, Director  
Division of HCBS Operations and Oversight  
Centers for Medicare & Medicaid Services (CMS)  
U.S. Department of Health and Human Services (HHS)  
601 E. 12<sup>th</sup> Street, Room 355  
Kansas City, Missouri 64106

Dear Mr. Meacham,

Please accept the attached HCBS spending plan projection and narrative from the State of Alabama.

Alabama provides the following assurances:

- Alabama is using the federal funds attributable to the increased FMAP to supplement and not supplant existing state funds expended for Medicaid HCBS in effect as of April 1, 2021;
- Alabama is using the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program;
- Alabama is not imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;
- Alabama is preserving covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
- Alabama is maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

The HCBS spending plan provides a high-level overview of the areas the State believes will be the best utilization of the increased FMAP. The spending plan focuses not only on enhancing HCBS services in the community but reflects an investment in workforce development which increases access and quality of care. Alabama recognizes it must seek all necessary approvals for each area of the HCBS spending plan and looks forward to the important discussions to assist with obtaining additional support for our HCBS community.

The point of contact for the State of Alabama will be Ginger Wettingfeld, Director of Long Term Care Healthcare Reform Development. She may be reached at

[REDACTED]

Thank you for your consideration,

[REDACTED]

Stephanie McGee Azar  
Commissioner

Our Mission - to provide a system of financing health care for eligible Alabamians in accordance with established statutes and Executive Orders.

## Executive Summary

President Joseph R. Biden signed the American Rescue Plan Act of 2021 (ARP) on March 11, 2021. Section 9817 of the ARP provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS).

Alabama recognizes it must utilize federal funds attributable to the increased FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021, and the state must use state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program. Alabama also must increase access to HCBS for Alabama Medicaid beneficiaries, adequately protect the HCBS workforce, safeguard financial stability for HCBS providers and accelerate long-term services and supports (LTSS) reform under section 9817 of the ARP. The federal funding increase described by the ARP will also allow Alabama to increase community living options for people with disabilities, in accordance with Title II of the Americans with Disabilities Act, 42 U.S.C. §§ 12131–12134, as interpreted by the Supreme Court in *Olmstead v. L.C.*, 527 U.S. 581 (1999), which requires public entities to administer services to individuals with disabilities in the most integrated setting appropriate to their needs.

The purpose of this document is to provide an overview of the State of Alabama’s intended implementation of section 9817 of the ARP, as well as to describe the state’s utilization opportunities to strengthen the HCBS system in response to the COVID-19 Public Health Emergency (PHE).

On August 19, 2021, Alabama received a partial approval letter for its section 9817 ARPA spending plan. On January 22, 2022, Alabama Received conditional approval. Below is a status update on Alabama’s ARPA spending plan initiatives. Actual 10% expenditures earned data is contained in accompanying Excel spreadsheet.

04/14/2023

Alabama attests that:

Alabama assures that it’s using federal funds attributable to the increased FMAP (Enhanced Funds) to supplement and not supplant existing state funds expended for Medicaid HCBS in effect as of April 1, 2021;

Alabama assures that’s it’s using the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program(Qualified Expenditures);

Alabama assures that it is not imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;

Alabama is preserving covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021;

Alabama is maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

## Spending Plan Narrative

The State of Alabama offers a wide array of Home and Community Based Programs designed to provide the most convenient and appropriate setting for delivery of health care services to its recipients. These services are administered through various State Agencies that target groups of individuals with common needs. Primarily these populations consist of:

- Elderly and Disabled
- Individuals with Mental Health needs:
  - Intellectual Disabilities
  - Mental Illness
  - Substance Abuse Disorders
- Individuals needing Home Health Services
- Youth who need Behavioral Health Services
- Foster Children

Medicaid is a crucial partner in coordinating the provision of these services to eligible Medicaid beneficiaries. The American Rescue Plan 10% enhanced FMAP will be used to Expand, Enhance and Supplement the current Statewide programs in the following specific ways:

### **Long Term Services and Supports for the Elderly and Disabled:**

The State implemented a 1915b Primary Care Case Management Entity program to provide Medical Management resources to expand the capability of the system to provide a higher level of care outside of an institution. Additional funding will be used to enhance the 1915b (AL 08) and 1915c (0407, 068, 241, 0878) services provided.

- **Increase the reimbursement rate to Direct Service Providers (DSP).** The current PHE created challenges to the recruitment and retention of qualified personal care workers and has exacerbated the critical need in Alabama for these workers. Alabama is proposing to increase the reimbursement rate of DSPs and provide a per service increase to the providers (above the current PHE rate). These funds will be used for incentives or salary increases for the workers and not as an administrative increase. This activity will be used for providers delivering personal care services as listed in Appendix B.

#### **Alabama Department of Senior Services**

***Initiative:*** Add Service-Paid Supervisory Visit

***Estimated Implementation Start Date:*** FY2023; Approved with 0068 1915c Renewal

***Initiative:*** DSP Rate Increase

***Implementation update:*** 2.5% rate increase was implemented for the providers. The 0068 1915c renewal has been approved by CMS. This new service has been added to 0068 1915c waiver.

#### **Alabama Department of Rehabilitation Services:**

***Initiative:*** Increase DSP Reimbursement Rate

***Goal(s):*** Increase Reimbursement Rate by 5%

***Estimated Implementation Start Date:*** October 1, 2021

***Implementation update:***

The Personal Care rate for SAIL waiver was raised on October 1, 2022. ADRS Finance and Accounting Staff are monitoring this rate change to ensure accurate expenditure and reporting.

- **Add slots for the Elderly and Disabled waiver program to increase capacity of the program. (AL 068 amendment approved 6/1/21)** The services that would be paid for with ARP section 9817 funding under the activity to add slots for the Elderly and Disabled waiver program are included in Appendix B and include personal care services, self-directed services, and case management services. The funding would not be used for institutional services while these individuals are being served in the community through the 1915(c) waiver programs. The state confirms there will be an increase in non-HCBS Medicaid expenditures as a result of the increase in waiver program enrollment for those individuals not previously Medicaid eligible. The state intends to use the funds attributable to the increased FMAP to pay for the additional community-based Medicaid expenditures for these individuals. The funds will not be used to pay for institutional services.

**Alabama Department of Senior Services**

***Initiative:*** Add 3,000 Slots to EDW

***Implementation update:*** Approximately 821 of the additional slots have been utilized through FY23 Q1

- **Workforce Support and Training.** Provide recruitment and retention incentives. Initiate a workforce development initiative. This activity will be used for providers delivering personal care services as listed in Appendix B.
- **Expand Provider Capacity.** Provide payment for services not currently covered in the 1915c waivers. Amendments will be submitted for 0878 and 068 to provide reimbursement to DSP's for Supervisory Visits. The renewal for 0068 1915c was approved by CMS. The renewal includes reimbursement for Supervisory Visits. This activity will be used for providers delivering personal care services as listed in Appendix B.
- **Add Services.** AL 068 will be amended to add services that enable continued living in a community setting. Services will include assistive technology and home modifications.  
***Implementation update:*** Home Modifications and Assistive Technology were added to the 0068 1915c waiver effective 10/1/2022.
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**Minor Medical Supplies. Alabama Department of Rehabilitation Services:**

***Initiative:*** Purchase Monthly PPE (\$15pmpm)

***Goal(s):*** Purchase PPE supplies for distribution beginning January 2022.

***Estimated Implementation Start Date:*** 01/04/22

***Implementation update:***

Case Managers are currently delivering these items at the time of the home visit and are obtaining participant signatures to document delivery.

**Alabama Department of Senior Services**

*Initiative:* Purchase Monthly PPE at \$10 per waiver participant

*Estimated Implementation Start Date:* The renewal for 0068 1915c was approved by CMS. The renewal includes reimbursement for new services including Medical Supplies.

- **Support the payment of family caregivers as personal care workers in areas where vendors are unable to provide service coverage.** Allow waiver recipients to have the ability to choose a family member to be their worker, but not have to participate in the current 1915j. Workers who are related to the recipient could work through an approved DSP vendor, undergoing the same application process, background check, and training as all other personal care workers. Amendments to AL 241, 068, 0878, and 0407 may be required.
- **Enhance the Hospital to Home program which is designed to support transitions back to the community via the hospital setting.** This process is especially needed for older adults and adults with disabilities who normally live in the community setting, but after an acute care hospitalization find themselves at risk of nursing home placement because of a need for additional supports and services to maintain their health. Clients participating in the Hospital to Home (H2H) program will be receiving services listed in Appendix B (personal care services, self-directed services, and case management services) through enrollment in one of the 1915(c) waiver programs. This proposed activity will enhance HCBS by allowing these individuals to return directly to the community with needed in-home supports instead of being transferred to an institutional setting from the hospital stay. It also strengthens HCBS by facilitating successful community transitions and potentially decreasing long-term institutional placements. This activity is approved through the Money Follows the Person (MFP) Capacity Building Grant. The MFP funds will allow for 100% administrative support for dedicated individuals for outreach to hospitals in each Area Agency on Aging service region and will be the coordinator for the transition process for Hospital to Home transitions. There will be an additional nurse for Level of Care decisions for waiver approval and entry to AL 0878 at the Operating Agency.  
*Implementation update:* H2H transition coordinators have been selected in the first phase regions. Active training is being completed for those individuals. Throughout the startup process individuals that could benefit from H2H are evaluated and transitioned by existing MFP personnel.

**Mental Health Services:**

The Alabama Department of Mental Health will use the FMAP increase to provide “bridge money” to enhance existing services. Currently, the biggest barriers to service are lack of workforce and lack of provider capacity. DMH intends to develop a State budget request that would support the increased funding after this funding ends. All services for the rate increase are listed in Appendix B. The Tele-Health Infrastructure is listed in Appendix D as Expanding Use of Technology and Telehealth.

The spending plan reflects significant investment in workforce development and expansion of services that support individuals in the community. The FMAP increase will provide funding to stabilize services as the state develops a comprehensive workforce development plan and rate restructure. This investment will allow development of a 2024 budget request built on solid workforce data, well-trained providers and experience with new service delivery so that services moving forward are built on a solid foundation.

Critical to the success of this effort is CMS approval of the following items:

- Community Waiver Program (CWP 1746) – the legislature approved funding in 2019 and work with CMS began. The continued delay in approval is eroding the confidence of providers who have agreed to provide services. The delay combined with the workforce issues caused one provider to withdraw from the program and several to reconsider their decision. This waiver was approved 10/2021.
- Appendix K (ID 0001.R09.03 LAH 0391.R04.03) - the pending Appendix K would provide rate increases to certain providers and increase provider capacity. Funding cannot be provided to providers until the Appendix K is approved. Appendix K activities will sunset in November 2023 if not added to the waivers permanently.
- 1115 Substance Abuse – the FMAP increase will provide a bridge to funding under the 1115. If the waiver is not approved, services will have to be discontinued until the waiver is approved. This waiver will be submitted in the next 60 days.

**Developmental Disabilities:**

- **Workforce Support and Training.** Provide recruitment and retention incentive grants. Initiate a workforce development initiative. Utilize a subject matter expert for development of provider staff competency training opportunities for waivers. Provide training for home health workers and direct support professionals that is specific to COVID-19, i.e., Infection Control, FIT Testing of N-95, and proper use of PPE. This request is directly focused on providers and services covered in Appendix B.

**Alabama Department of Mental Health**

**Developmental Disabilities**

***Initiative:*** Direct Service Workforce Support

***Goal(s):*** Recruitment and retention incentives for service providers and workforce development initiatives

***Estimated Implementation Start Date:*** 12/1/2021

***Implementation update:*** 15% Increase in Waiver Services including Support Coordination were effective 12/1/2021; claims for the increased rates will begin processing in January 2022

- **Expand Provider Capacity.** Provide Provider Service Grants to incentivize expansion of waiver services. Incentives will be provided to reduce service gaps and/or improve individual outcomes and will expand clinical teams. This request is directly focused on providers and services covered in Appendix B.

**Alabama Department of Mental Health**

**Developmental Disabilities**

***Initiative:*** Expand Provider Capacity

***Goal(s):*** Expand provider and service capacity and quality to include performing comprehensive rate study.

***Estimated Implementation Start Date:*** 1/1/22

***Implementation update:*** Behavioral services capacity study is on-going

- **Training and Respite.** Enhance self-directed services training. Provide education and training. Development of resources and training materials. Expand Life Course training opportunities to youth. This request is directly focused on providers and services covered in Appendix B.



**Alabama Department of Mental Health**

**Developmental Disabilities**

***Initiative:*** Training and Respite

***Goal(s):*** Self-directive services education and training, enabling technology planning and implementation, transportation vouchering, life course training opportunities for non-waiver transition youth

***Estimated Implementation Start Date:*** 4/1/22

***Implementation update:*** Reimbursement payments are being made to providers who complete Relias Behavioral Training

**Alabama Department of Mental Health**

**Developmental Disabilities**

***Initiative:*** Training

***Goal(s):*** Consultant to train and provide other technical assistance to providers that address human rights challenges and protections within disability services systems; The individual providing the training will be Amy T with Organizational Dimensions. Contractor will evaluate the current Administrative Code and provide recommendations for language changes if and where needed. The goal is to strengthen the Alabama Department of Mental Health's oversight practices and community provider network statewide. Contractor agrees to provide a training curriculum for the Alabama Department of Mental Health for ongoing staff and HCBS provider development. The training focuses on helping HCBS providers and their human rights committees ensure that individuals are being allowed to experience opportunities of community integration without undue restrictions. Providers receiving the training and delivering the services are listed in Appendix B. For all HCBS requirements related to community inclusion, this training activity will assist the agency and its providers in exploring and availing individuals of more opportunities.

***Estimated Implementation Start Date:*** Upon approval

***Implementation update:*** Pending CMS approval (submitted 1/17/23)

- **Improve Tele-Health Infrastructure.** Expand the use of technology and telehealth which will increase access to services. Provide Electronic Visit Verification (EVV) equipment grants and provide funding for Data Management System Enhancements. This request does not include ongoing internet connectivity costs to improve telehealth infrastructure. This request only includes potential costs to providers for equipment to meet EVV compliance and funding to enhance the Operating Agency's Data Management System.

**Alabama Department of Mental Health**

**Developmental Disabilities**

***Initiative:*** Expand Use of Technology and Telehealth

***Goal(s):*** Data management systems enhancement, EVV and technology equipment grants

***Estimated Implementation Start Date:*** 11/1/21

***Implementation update:*** Consultants have begun work on quality enhancement; Proposed expense includes cost of three consultants

**Substance Abuse:**

- **Increase the reimbursement rate to Direct Service Providers (DSP).** The current PHE created challenges to the recruitment and retention of qualified personal care workers and has exacerbated the critical need in Alabama for these workers. Alabama is proposing to increase the reimbursement rate of DSPs and provide a per service increase to the providers (above the current PHE rate). These funds will be used for incentives or salary increases for the workers and not as an administrative increase. State Plan Amendment (SPA) to be submitted. This activity will be used for providers delivering personal care services as listed in Appendix B.

**Alabama Department of Mental Health**

**Substance Abuse**

***Initiative:*** 2% Rate Increase

***Goal(s):*** Get Rate Increase before end of fiscal year.

***Authority to be updated:*** Potential State Plan Amendment

***Estimated Implementation Start Date:*** October 1, 2022

***Implementation update:*** A SPA was not required. The 2% was effective 10/1/22. It has been applied to the administration of Buprenorphine and Methadone.

- **Increase Capacity for Opioid Treatment Program.** Increasing the capacity for Opioid Treatment Programs (OTP) will allow for an expansion of these services for the Medicaid population. DMH intends to increase the service capacity within the current providers listed in Appendix B. This change will allow DMH to service more individuals by allowing more clients into the program.

**Alabama Department of Mental Health**

**Substance Abuse**

***Initiative:*** Opioid Treatment Program

***Goal(s):*** To increase OTP expenditure after funding received.

***Authority to be updated:*** Department of Mental Health Contracts

***Estimated Implementation Start Date:*** October 1, 2022

***Implementation update:*** The \$80,000 from the 2% rate increase has been applied to this initiative and it was implemented 10/01/2022.

**Mental Illness:**

- **Increase the reimbursement rate to Direct Service Providers (DSP).** The current PHE created challenges to the recruitment and retention of qualified mental health treatment providers and direct care staff, which has exacerbated the critical need in Alabama for these workers. Alabama is proposing to increase the reimbursement rate of DSPs and provide a per service increase to the providers (above the current PHE rate). These funds will be used for incentives or salary increases for the workers and not as an administrative increase. It will be determined if a SPA will need to be submitted. This activity will be used for providers delivering mental health treatment services as listed in Appendix B.

**Alabama Department of Mental Health**

**Mental Illness**

***Initiative:*** 5% Rate Increase - \$4,000,000 state dollars will be matched

***Goal(s):*** Implement rate increase before end of fiscal year

***Authority to be updated:*** The rate changes were applied using the currently approved State Plan methodology.

*Estimated Implementation Start Date:* October 1, 2022

*Implementation update:* DMH and AMA worked collaboratively to gather needed data and documentation, develop financial models, complete fee schedules, and address infrastructure changes needed within our systems for payment process and authorizations for Chapter 105 Rehab Option, Chapter 106 Targeted Case Management, and NET regarding increases.

- **Increase Capacity for Mental Health Services.** This will address increases in mental health services needs by recruiting additional behavioral health providers and implementing new behavioral health services through Adult Peers and High Intensity Care Managers. This activity will be used for providers delivering personal care services as listed in Appendix B.

**Alabama Department of Mental Health**

**Mental Illness**

*Initiative:* ~~High Intensity Adult Care Managers and Adult Peers (Rehab) — \$0 state dollars~~ The state has removed this activity as of FY22Q4. No ARP funding was spent for this activity.

*Goal(s):* ~~To increase High Intensity and Peer Services~~

*Authority to be updated:* ~~State Plan Amendment~~

*Estimated Implementation Start Date:* ~~October 1, 2022~~

*Implementation update:* ~~The goal of High Intensity Care Managers was removed, and the \$2.5 million state funding was moved to Workforce Recruitment. The goal of Adult Peers (Rehab) was removed, and the \$1.5 million state funding was moved to Workforce Recruitment.~~

- **Transitional Housing Supports.** The state has removed this activity as of FY22Q4. No ARP funding was spent for this activity. The funding originally allocated for this activity has been moved to the Workforce Recruitment activity (\$1,500,000) ~~Providing Transitional Housing Supports will help address social determinants of health and health disparities. This will include housing related supports such as one time transitions costs, employment supports, and community integration. This is a new service that is eligible for ARPA funding. This service is to facilitate individuals transitioning from an institutional or other group home to community based living arrangement.~~

**Alabama Department of Mental Health**

**Mental Illness**

*Initiative:* ~~Transitional Housing Support — \$0 state dollars~~ Goal was removed Q4

*Goal(s):* ~~To increase contracts shortly after funding.~~

*Authority to be updated:* ~~DMH Contracts~~

*Estimated Implementation Start Date:* ~~03/01/2022~~

*Implementation Update:* ~~This goal was reduced in Quarter 3 by \$1 million state funding and moved to Workforce Recruitment, leaving a total of \$500,000 in Quarter 3. This goal was removed in Quarter 4 with a total of \$1,500,000 being moved to Workforce Recruitment.~~

- **Telehealth Infrastructure.** Expand the use technology and telehealth which will increase access the services. Provide funding for Data Management System Enhancements. This request does not include ongoing internet connectivity costs to improve telehealth infrastructure. This request only includes potential costs to providers for equipment to enhance the Operating Agency's Data Management System and telehealth service delivery.

*Initiative:* Telehealth Infrastructure - \$700,000 state dollars – will not be matched

*Goal(s):* To increase contracts shortly after funding.

*Authority to be updated:* DMH Contracts

*Estimated Implementation Start Date:* 10/01/2022

*Implementation update:* This goal was reduced in Quarter 3 from \$2,400,000 to \$700,000. The amount of \$1,700,000 was moved to Workforce Recruitment. DMH has placed funding in contracts.

- **Supported Employment.** The state has removed this goal as of FY22Q4. No ARP funding was spent on this activity.  
~~Providing and expanding Supported Employment treatment and support services will help address social determinants of health and health disparities, as well as decrease unemployment and an over reliance on the Medicaid system as individuals can shift to alternative insurance.~~

~~*Initiative:* Supported Employment – \$0.00 State dollars~~

~~*Goal(s):* To increase contracts shortly after funding.~~

~~*Authority to be updated:* DMH Contracts~~

~~*Estimated Implementation Start Date:* 10/01/2022~~

~~*Implementation update:* This goal was removed, and \$200,000 state funding was moved to Workforce Recruitment.~~

- **Workforce Support.** Provide recruitment and retention incentive grants. Initiate a workforce development initiative. Utilize a subject matter expert for development of provider staff competency training opportunities for waivers. Provide training for direct support professionals. This activity will be used for providers delivering personal care services as listed in Appendix B.

**Alabama Department of Mental Health**

**Mental Illness**

*Initiative:* Workforce Recruitment - \$7,400,000 state dollars – will not be matched

*Goal(s):* To increase contracts shortly after funding.

*Authority to be updated:* DMH Contracts

*Estimated Implementation Start Date:* 10/01/2022

*Implementation update:* DMH received and approved Workforce R&R plans from the providers, along with baseline data on staffing. For FY23, DMH coordinated with providers to determine funding amounts, invoice process, and completed contract exhibits.

**Home Health:**

ADPH (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.** Provide training for home health workers and direct support professionals that is specific to COVID-19, i.e., Infection Control, FIT Testing of N-95, and

proper use of PPE. Provide training for direct support professionals. This activity will be used for providers delivering personal care services as listed in Appendix B.

**Alabama Department of Public Health:**

***Initiative:*** Work Force Training-Infection Control

***Goal(s):*** To increase Infection Control trainings amongst our staff to prevent and stop the transmission of infections to include enhancing our standard precautions, contact precautions, droplet precautions, and airborne precautions.

***Estimated Implementation Start Date:*** May 2022

***Implementation update:*** MedBridge has been identified as the vendor to provide infection control training to ADPH staff. Procurement of services has been initiated. RFP for services have been issued.

**Alabama Department of Public Health:**

***Initiative:*** PPE and Supplies

***Goal(s):*** To limit the spread of infection by purchasing individual personal hygiene kits and supplies for our patients so that each patient will have their own when receiving Home Health services.

***Estimated Implementation Start Date:*** March 2022

***Implementation update:*** Currently awaiting supplies from Wells Printing and McKesson

**Children Specific Services:**

The State proposes to add a new service type to enhance, expand, and strengthen community-based services that provide services consistent with nationally recognized best practices. It is anticipated that the creation of this new service delivery practice will result in improved outcomes for youth who need behavioral health services. These programs will be targeted in the larger metropolitan areas of the state where most of admissions to DYS and commitment to state custody come from. These enhancements will require capacity enhancement and development of reimbursement methodologies. It is anticipated that other child-serving agencies such as mental health and child welfare could benefit from similar service development/expansion of evidence-based practices.

- **Expand services for Department of Youth Services (DYS).** Create a new service delivery method to serve children in the custody of the DYS. SPA to be submitted. The Alabama Department of Human Resources will develop an enriched community-based home model to serve children and youth with complex emotional and behavioral needs. Children and youth targeted for this type of program include those diagnosed with mental health conditions, such as autism, bipolar disorder, schizophrenia, oppositional defiant disorder, conduct disorder, and others. This target group may have current or prior involvement with the juvenile justice and mental health systems.

The enriched homes would act as an extended community, managed by professionals in a home setting. Services provided by these programs would be tailored to each individual's needs. Overall, these services would address safety, emotional and physical well-being, educational needs, and other areas crucial to a successful transition from foster care. Psychological testing and other services would be available. DYS proposes to expand coverage of intensive family-based services as permitted under Appendix B. The expansion will 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.

**Alabama Department of Youth Services:**

***Initiative:*** New Evidence Based Community Service Delivery

***Goal(s):*** The goal is to develop additional evidence-based programs that meet the fidelity standards from the respective national organizations.

***Estimated Implementation Start Date:*** Implementation has already begun by developing a proposed service definition to be submitted to Alabama Medicaid and the Center for Medicare and Medicaid Services (CMS) for approval. Actual service delivery depends on when the State Plan Amendment (SPA) is approved.

***Implementation update:*** Upon approval of the FMAP plan by CMS and approval of the proposed definition by State Medicaid, the definition will be submitted for approval in the State Plan. Depending upon the timeframe needed to secure approval of the State Plan Amendment (SPA), the additional steps for implementation will commence. The first step is to modify the Provider Manual to include the new definition. The proposed service definition has been developed in consultation with the Department of Mental Health, the Department of Human Resources, and the Medicaid agency. It is ready to begin the submission process to receive approval of the SPA.

DYS has also begun to develop licensing standards for the new programs. When the internal review process is completed, the standards will be submitted for inclusion in the Administrative Code.

A Request for Proposal will be finalized to initiate development and implementation of the first new services so that DYS will be positioned to act quickly when the SPA is approved. SPA AL-22-0009 has been submitted and the RAI process is actively ongoing

- **Expand mental health services for Department of Human Resources (DHR).** Create a new community-based model to serve children with mental health/behavioral health/psychiatric needs in the custody of DHR. SPA to be submitted. DHR proposes to develop an enriched community-based home model to serve children and youth with complex emotional and behavioral needs through a State Plan Amendment. The state plans to submit by October 1, 2022. The community-based home model proposed will expand services permitted under Appendix B. The community-based home model will provide mental health services to the target group currently residing in residential placements or otherwise hard to serve youth.

***Implementation update:*** Informal conversations with subject matter experts at CMS has been ongoing. AL was awarded ARPA Technical Assistance through Advancing States and are using the TA for this initiative.

**Statewide Improvements:**

- **Provide broadband installation and equipment.** The HCBS population has been significantly affected by the pandemic as changes in service provision and quarantine recommendations have increased isolation and decreased access to the community at large. Providing assistive technology to support access to virtual services will enhance access to health and mental health services, allow for social interaction, and support

person-centered service provisions. Internet access has the potential to reduce social isolation and to allow successful participation in telehealth opportunities. Such virtual appointments are now commonplace due to both closure of rural hospitals and individual transportation issues. The administration of waiver programs will be positively affected by this service because self-directed waiver recipients will have increased access to EVV options, which will provide a more consistent oversight of needed services. This request does not include ongoing internet connectivity costs to improve telehealth infrastructure. This request only included potential cost to providers for equipment to meet EVV compliance and funding to enhance the Operating Agency’s Data Management Systems.

- **Purchase Personal Protective Equipment (PPE).** Purchase PPE and COVID supplies for direct service workers and people receiving HCBS, to enhance access to services and to protect the health and well-being of home health workers and direct support professional. Supplies to purchase would be gowns, gloves, face shields, N95 mask, KN95 mask (for those not able to be fit tested), surgical mask, and hand sanitizers. To help prevent the spread of COVID and other germs several of each these items may be needed or utilized on one visit.
- **Improve Tele-Health Infrastructure.** Expand the use of technology and telehealth. Alabama will make investments in technology infrastructure to cover telecommunication start-up costs, which will increase access to services. Provide EVV equipment grants and provide funding for Date Management System Enhancements.
- **Improve technology and upgrade Information Technology systems.** The intent for this request is to provide HCBS participants seamless care between settings. The HCBS waiver agencies currently operate with several different HCBS management systems. The goal would be to connect those systems where the HCBS participant information can be accessible from one system.

**Conditionally Approved Projected Spending**

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 Disabilities	\$ 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
State share from 10%					\$ 78,410,885

**Stakeholder Feedback**

On Friday, June 25, 2021 the Alabama Medicaid Agency sent the draft spending plan and narrative to stakeholders throughout the State of Alabama. These stakeholders included other state agencies, advocacy groups, and other interested parties. Medicaid received comments from several groups. A large portion of the requests received from stakeholders were already included in the draft spending plan and narrative. Alabama Medicaid plans to continue to evaluate the

stakeholder's proposals and research further some of the suggestions before incorporating changes into future iterations proposed to CMS. Alabama Medicaid is eager to receive feedback from CMS on the content of Alabama's proposed plan.

Alabama looks forward to working with CMS to bring this great opportunity to the State and most importantly the most vulnerable of our population.