HHS-CMS-CMCS
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Coordinator: Good afternoon. And thank you for standing by. Your lines are in a listen-only mode until the question-and-answer session of today's conference. At that time, you may press star followed by the Number 1 to ask a question. Please unmute your phones and state your first and last name when prompted. Today's conference is being recorded. If you have any objections, you may disconnect at this time. It is now my pleasure to turn the call over to Jackie Glaze. Thank you. You may begin.

Jackie Glaze: Thank you. And good afternoon. And welcome everyone to today's Allstate call-in webinar. I'll now turn to Sarah Vitolo, our Deputy Center Director, to provide opening remarks. Sarah?

Sarah Vitolo: Hi everybody, thanks for joining. I hope everyone is safe and well in this bad weather day across the country. So today on the Allstate call, we will be discussing two important topics. First up, Martha Egan from our Medicaid Benefits and Health Programs group will share an overview of home and community-based services spending under Section 9817 of the American Rescue Plan. And infographics that provides an overview of this national expenditure was recently released by CMS on December 12.

Then Melissa Harris from the Medicaid Benefits and Health Programs group will provide a verbal update on the Informational Bulletin on Direct Care Worker Registrate, also recently released on December 12. Before we get started, I want to let folks know that we will be using the webinar platform to share slides today. So if you're not already logged in, I suggest you do so now so you can see the slides for today's presentation. You can also submit any questions you have in the chat at any time during our presentation. With that, I'm pleased to turn things over to Martha Egan for an overview of home and community-based service spending. Martha?

Martha Egan: Great. Thank you, Sarah. And again, my name is Martha Egan, and I am a technical director in the Division of Community Systems Transformation, DCST, and we are a division in the Medicaid Benefits and Health Programs Group. And DCST has been working in partnership with several CMCS divisions and components, and with all 51 states, including the District of Columbia on the implementation of Section 9817 of the American Rescue Plan Act of 2021, or ARP, and I think I'll just refer to ARP moving forward.

But the purpose of today's presentation is to share some highlights around the types of activities that states are spending 9817 ARP funds on to enhance, expand, or strengthen home and community-based services under Medicaid, and these highlights are available in the December release of the National Overview of State HCBS Spending under Section 9817 of the ARP.

So let's go to the next slide, please. So I'm going to start by providing some background information on Section 9817 of the American Rescue Plan Act. The Section 9817 provided additional federal funding to state HCBS systems through a temporary 10 percentage point increase to the Federal Medical Assistance Percentage or FMAP, that states can receive for certain Medicaid HCBS expenditures. And this increased FMAP, this was available for a one-

year period, and that one-year period ran from April 1, 2021, through March 31, 2022.

And states are now expected to spend an amount equivalent to the amount of additional funding they received by March 31, 2025. And states are spending this additional amount on activities that enhance, expand, or strengthen HCBS. So states have been submitting quarterly HCBS spending plans and semi-annual narratives to CMS on these activities, and all these activities are subject to CMS approval.

And we have been working very closely with states to review and approve state 9817 activities or in some cases, to suggest or provide technical assistance on other types of allowable uses of ARP funds when state-proposed activities would not be a permissible use of ARP Section 9817 funds.

So what we will be sharing with you today is information provided in these reports through December of 2022 or through what would be the first quarter of federal Fiscal Year 2023. So let's go to the next slide, please.

So this slide is showing you just a basic overview of plan spending, again, as of that quarter ending December 31, 2022. And states can use that additional funding, that increased FMAP, to implement a variety of activities. And these activities have included things, like reduce or eliminate waiting lists for HCBS waiver programs. Some states are offering additional services in their HCBS programs or providing HCBS to new populations.

Some states are increasing provider payment rates or providing paid leave for home health workers and direct support professionals. Some states are conducting activities to recruit and retain direct support professionals. Some states are providing assistive technology for people with disabilities. And

some states are offering to pay for one-time community transition costs and other transition supports to help individuals transition from institutional settings to the community.

And states are also providing caregivers with additional support, such as training or respite. And states are estimating that they will spend approximately $36.8 billion on these types of activities. Again, all of these activities must enhance, expand, or strengthen HCBS under Medicaid as a result of the ARP.

And this amount, this $36.8 billion, this amount includes $17 billion in state funds that are attributable to that increased FMAP and $19.8 billion in Federal MAP for expenditures eligible for Federal MAP. And this could include things such as HCBS service expenditures, administrative expenditures or information technology or IT expenditures that would be eligible for a 90-10 or 75-25 MAP.

In a $36.8 billion amount, this reflects planned spending. And again, the planned spending is all funding the state has proposed for activities to enhance, expand, or strengthen Medicaid HCBS. And the amount includes both that state and federal share of spending for activities that are eligible for Federal Financial Participation or FFP.

So there are five categories or there are top five categories of spending are, one, Workforce Recruitment and Retainment. The second one - the second top five category of spending is workforce training. The third one is quality improvement. The fourth one is reducing or eliminating HCBS waiting lists. And the fifth one is expanding the use of technology. So the national overview does have a slide for each one of these top five spending categories and we will look at each one of them separately. So let's go to the next slide, please.

So the first - over the top category of spending is, Workforce Recruitment and Retainment. And as of December, as of the quarter ending December 31, 2022, 51 states, including D.C. have reported $24.6 billion in total plan spending on Workforce Recruitment and Retainment activities.

The states are implementing several types of provider or direct care worker rate increases and incentive payments that may include things like one-time pay increases or bonus payments, time-limited increases, rate studies, acuity-based rate changes among several other types of rate increases or incentive payments.

(Unintelligible) also establishing career paths for direct care workers and creating direct care worker registries to help match direct care workers with beneficiaries in need of services. And for each one of these spending categories, there is an identified highlight of one or two states that are actually implementing these types of activities.

And here we have, on this particular slide under the Workforce Recruitment and Retainment category, we have highlighted Ohio and New Jersey. And Ohio is using 9817 ARP funds for recruitment and retention bonuses for students pursuing degrees in a behavioral health field. And New Jersey is implementing a pay rate increase for personal care assistance services.

So let's move to the next slide, please. So the second-highest category of spending is Workforce Training. And under this category, there are 35 states that have reported approximately $4.3 billion in total plan spending on Workforce Training initiatives. And states are providing training for workers, for family caregivers and provider agencies. Some states are establishing online training via electronic platforms. Some states are offering certification

programs and tuition support to providers, caregivers, and direct care workers to further their health care careers.

So let's move to the next slide, please. The third category of spending is our activities under Quality Improvement. And under this category, there are 29 states that have reported $3.8 billion in total plan spending on Quality Improvement activity. And examples of Quality Improvement activities have included things like the adoption of new HCBS quality measures, a quality reporting system, the implementation of oversight and improvement activities.

Some states are administering the HCBS Consumer Assessment of Healthcare Providers and Systems or CAHPS survey or another type of experience of care survey. And some states are developing or exploring some outcome-based or value-based payment initiatives. And here we have highlighted Missouri as one state that is doing that, that Missouri is implementing an outcome-based payment initiative, and Colorado is working on adopting some of these standardized functional assessments with their ARP 9817 funding.

So let's go to the next slide, please. So the fourth category of spending has been spending around activities that are reducing or eliminating HCBS waiting lists. And we have 21 states that have reported approximately $2.6 billion in total plan spending on activities to reduce or eliminate HCBS waiting list.

And these activities have included things like eliminating or reducing waiting lists by opening up additional waiver slots, some states are providing support for those on the waiting list or informing individuals of other available services while on the waiting. And in this slide, we have highlighted a couple of states, Alabama, Mississippi, and New Mexico who are increasing their waiver slots. And the box on the right also does indicate a list of states that are

also increasing or eliminating or reducing their waiting list by adding HCBS slots.

Let's go to the next slide, please. And finally, the fifth category of spending is around expanding the use of technology. And 36 states have reported $1.8 billion in total plan spending on expanding the use of technology in their HCBS programs. And these types of technology enhancements have included things like supporting technological enhancements for providers to set up and for individuals or families to use electronic health records. It also included things like enhancing electronic visit verification systems and utilizing technologies and service provisions to address beneficiary functional needs or to promote independence and - and or to support community integration.

So let's go to the next slide, please. So we're also seeing some significant investments in family caregiver training, respite and support activities. So we've got 29 states are using ARP funds to implement activities to support family caregivers. And some of these activities have included training, they've included respite services, the development of training websites and materials. Some states are offering counseling or support groups, and some states are covering or providing personal protective equipment. And states have reported approximately $1.3 billion in total planned spending under this particular spending category.

Let's go to the next slide, please. So, finally, you know, we're also seeing some significant investment in activities that address Social Determinants of Health or SDOH and also that promote equity. And SDOH and equity activities, these are activities that are considered to be cross-cutting. So we haven't really treated them as a separate category, which is why they don't fall into that top five spending category. But there are approximately 43 states that

are using $2.3 billion in ARP funds to provide Social Determinants of Health and equity-related activities.

And the most common activity that states are funding under the SDOH category is some investments in addressing housing-related services and support. Well, one caveat to this is that states are not using or it is not a permissible use of ARP funds to use the funding to support room and board. So that would mean that states cannot use ARP funding for things like ongoing rental payments or ongoing utilities payments.

Let's go to the next slide, please. So, finally, this slide just has some notes on some of the footnotes. I think we've primarily covered all of these around the planned spending. And if you are seeking or looking for some additional information around the state program requirements for 9817, then we would certainly encourage you to take a look at the SMDLs, the State Medicaid Director letters that were issued on 9817, and there are links provided to those, and those are available to you on Medicaid.gov.

But we also wanted to share with you or wanted to let you know that last Thursday we did release state spending plan summaries for Section 9817, and these summaries show how each state, including DC or the District of Columbia, expects to spend their respective of ARP funds to enhance, expand, or strengthen HCBS under Medicaid. And so each state summary contains a summarized spending plan of information, and that information does include graphs, data, and at least one example to highlight on each of the 50 states and DC through Federal Fiscal Year 2023, Quarter One. We'll see that December 31, 2022 date. And again, these state summaries are also available to you on Medicaid.gov.

And if you take a look at the state summaries, you will get a really good flavor or picture state by state for how they are really spending their ARP funds in those categories - in the top five categories of spending. So that concludes the overview of Section 9817, (unintelligible) of spending, and I will now turn it over to Melissa.

Melissa Harris: Thanks so much, Martha. My name is Melissa Harris, and I'm a Deputy Director in the Medicaid Benefits and Health Programs group, and for just a couple of minutes, I'm going to walk through an informational bulletin that CMCS issued also on the 12th of December that talked about the utilization of worker registries and the availability of enhanced federal match for the development and maintenance of worker registries.

And we wanted to draw your attention to this document because it serves as a reminder that registries can be a very valuable tool in linking together Medicaid beneficiaries who need most often home and community-based services, such as personal care, and individuals who are qualified in the state to deliver those Medicaid services.

This is really, at its heart, an access tool that links together people who need services and people who can provide them. And registries have been around for some time. They might look very different across states or across programs in states. States have approached registries in different ways.

Some states have different requirements for who can be qualified to deliver services. And as you'll see in the document, there is a caution that only individuals who really have been determined to meet the state provider qualifications should be included on the registry. This is so that when a beneficiary is looking at the individuals on the registry, they have confidence that anyone they pick is going to be able to deliver Medicaid-funded services.

Registries are not new with this informational bulletin, certainly. Some of them have been around, some states have some experience in using registries for many years, either in self-directed programs or in agency-provided programs. But we wanted to issue this guidance as we continue to shine a very bright spotlight on access to care. We certainly know that in the framework of home and community-based services, the direct support workforce crisis continues to be a problem across all states.

And any tools that can be brought to bear to minimize any kind of service disruptions as individuals seek to determine who their provider pool is, who can deliver those services, those tools really need to be lifted up. And we also wanted to make sure that states knew that as with any kind of system, IT system, expenditure for the development and maintenance of those systems, there is a chance that enhanced federal funding could be made available.

And the last couple of pages of the informational bulletin are devoted to talking about the Enhanced Federal Match. 90% Federal Match for the development of registries, 75% Enhanced Match for the maintenance of ongoing operations. Obviously, there are some (unintelligible) that need to be met as states are working with CMS to ensure the availability of the enhanced federal funding and we've got some contact information in the informational bulletin for states that might be interested in receiving technical assistance on ensuring the availability of 90% and 75% federal match.

We also talk about the funding that you just heard Martha discuss. The funding made available to states through Section 9817 of the American Rescue Plan, as states implement the extra 10 percentage points of FMAP for a very broad array of public community-based services, those funds could be used in a few - for the development and implementation of worker registries.

So we note that there as another resource for states as they are looking at funding options for the utilization of registries. We wanted to make sure that states not only knew about the time-limited option of using 9817 funds, but also were made aware of the more typical availability of enhanced federal match.

In the rest of the document, you'll see some best practices on how a worker registry can be used, not only in satisfying its really core purpose of linking beneficiaries and providers together, but in covering a whole host of other activities that could assist a state in implementing its home and community-based services program. These are all best practices. They're not requirements for states to do as they are standing up registries, but certainly they should be taken into account as states determine the possibilities of how they're going to be using their worker registries.

So we wanted to draw this or bring this to your attention. We hope that the reminder about the utility of worker registries is helpful, as well as the confirmation of the existence of enhanced federal funding. And we at CMS on the program side and on the enhanced admin funding side stand ready to provide any technical assistance.

You'll note in the document that the state does not need approval from the CMS to implement a worker registry. It would be through the advanced planning document process that a state would actually receive on the enhanced federal funding. But to stand up and develop a registry does not require any kind of CMS programmatic approval. So that's all I had. Happy to answer any questions. And with that, I'll turn it back over to (Krista). Or Jackie, I'll do it.

Jackie Glaze: Thank you, Melissa. So now we're going to use the remaining time to take state questions. So please ask any questions about today's presentation or any other general questions that you may have. We'll start by taking your questions through the chat function, and then we'll follow by taking questions over the phone lines. So I'll ask that you begin submitting your questions now and I'll turn to (Krista).

(Krista): Thanks so much, Jackie. I am seeing a few questions already in here. The first one is not related to the presentation today, but rather about continuous eligibility. So I'm not sure if we have anyone on the call, but I'll still read it out loud and we might need to take this one back. The question is, is it allowable for a child who is ineligible for Child MAGI, whose Medicaid is only being kept open due to continuous eligibility to voluntary term and reapply for Katie Beckett? For our waiver, a child has to be ineligible for Medicaid to be approved for Katie Beckett.

Not sure. It sounds like there might not be anyone on from the continuous eligibility team here today. So I will take this one back and hopefully we can provide an offline response.

The next question is related to unwinding. So again, not related to the presentations today. It is a general question regarding the return of mail guidance. Once a state has completed their 12 months of unwinding from the PHE, will states need to perform two methods of contact when they receive returned mail before terminations can be proposed?

I'm not sure, again, if we have anyone on from the unwinding team today to help answer this question. But if we do, please chime in, otherwise we'll take this one back.

(Alice): Hi, (Krista). It's (Alice) from CAP. Unfortunately, I'm not sure. I think we would want to take that one back 'cause it may speak to sort of how these requirements would apply after the state completes unwinding. So let's take this one back if it's okay. Thanks.

(Krista): Great. Thanks, (Alice). Okay. So the next one is related to the presentation here. What are examples of housing-related services and support that are allowed and being provided?

Martha Egan: This is Martha. There are several examples that states are doing around providing housing-related services and supports. Some of those supports include things like providing pre-tenancy supports, which would include helping individuals perhaps who are transitioning, you know, out of an institutional setting and moving into the community.

And those pre-transition supports might help somebody with identifying housing, securing housing. And they also may include things like one-time community transition services such as a security deposit or paying for first month's rent or a one-time utility hookup fee or setup fee.

Some of the other types of housing-related activities that we're seeing, we're seeing some states are pursuing some activities under a label called capital investments where they are looking for a way to increase HCBS compliance settings. And - so they are actually increasing the supply of housing. It does not include payment for rent and board, but they are looking for ways or using ARP funds to actually develop or increase housing that is HCBS settings compliant. So those are a few examples.

Many states are using ARP funds to provide housing-related services to individuals who are experiencing or at risk of experiencing homelessness, so,

again, those would be providing pre-tenancy services and also tenancy support services, which would include services like helping somebody maintain their apartment, helping somebody negotiate or work with their landlord to understand - understanding, you know, how to pay their rent on time and also to comply with other rules and regulations around their tenancy experience. So those are a few examples.

(Krista): Great. Thank you so much, Martha. At this time, I am not seeing any additional questions in the chat function.

Jackie Glaze: Thank you, (Krista). (Michelle), I'll ask that you provide instructions for how to register questions through the phone lines and if you could open the phone lines, please.

Coordinator: Thank you. At this time, if you would like to ask a question, you may press star 1. Please unmute your phones and state your first and last name when prompted. Again, that is star 1 if you do have any questions or comments. Again, that is star 1 if you do have any questions or comments. At this time, I am showing no questions.

Jackie Glaze: Thank you, (Michelle). I'll circle back to you, (Krista). Are you seeing any questions through the chat?

(Krista): No additional questions in the chat right now.

Jackie Glaze: Okay. So we'll just give it another couple of minutes to see if we do have any additional questions, and then I think we can close early today. (Michelle), if you could let us know if you see any questions that come through, that would be great.

Coordinator: We do have a question from (April Schottinger). You may go ahead.

(April Schottinger): Hi, I'm just wanting to know if it's possible, I was not able to log into the WebEx, I had to call in. Is it possible to get a copy of the slide deck?

(Krista): Hi, this is (Krista). Yes, the slides and also a recording of the presentation will be posted on Medicaid.gov within one week from today.

(April Schottinger): Okay. Great. Thank you.

(Krista): You're welcome.

Coordinator: And I am showing no further questions.

Jackie Glaze: Thank you. (Krista), anything from your end?

(Krista): No additional questions in the chat here.

Jackie Glaze: Thank you. So with that in closing, I would like to thank Martha Egan and Melissa Harris for their presentations today. Looking forward, we will provide the topics and the invitations. If you do have questions that come up before the next call, feel free to reach out to us. Your state leads will bring the questions to us at the next call. We do thank you for joining us today, and we hope that everyone has a great afternoon. Thank you.

Coordinator: And thank you. This concludes today's conference call. You may go ahead and disconnect at this time.

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