



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

HCBS Funding Plan Overview

May 26-27, 2021

Agenda

- ❖ **Background: The American Rescue Plan Act**
 - **Section 9817**
 - **Eligible Services**
 - **Immediate Planning**
 - **Joint Budget Committee Bill**
 - **Federal Guidance**
 - **Fiscal Impact**
 - **Timeline**
- ❖ **Proposed Plan**

The American Rescue Plan Act

- The American Rescue Plan Act (ARPA) was passed by Congress on March 11, 2021
- Included funding to support a wide range of infrastructure programs and services, as well as direct payments to Americans
- Through ARPA, it is estimated that Colorado will receive **\$3.8 billion**

Section 9817 of ARPA

- Within ARPA, there is a provision outlining additional funding to support **increased access to home and community-based services (HCBS)** for Medicaid beneficiaries
- HCBS are benefits which provide **older adults and individuals with disabilities** critical services in their homes and communities

Eligible Services

- 1915 (c) Home and Community-Based (HCBS) Waivers
- Personal Care
- Targeted Case Management
- Home Health Care
- Private Duty Nursing
- Program of All Inclusive Care for the Elderly (PACE)
- Behavioral Health

Planning Starts with You

- Existing recommendations
 - We reviewed recent reports, studies, and recommendations
- Priorities identified during the legislative session
- Recent stakeholder feedback
 - Before the guidance was released, we discussed potential for these funds with advocacy, trade organizations & in ongoing stakeholder meetings
 - *THANK YOU* to those who've sent comments and suggestions AND those who engage with us regularly



COLORADO

Department of Health Care
Policy & Financing

Joint Budget Committee Bill

- A bill was required in order for the Department to have **spending authority** over the funds
- The Department worked collaboratively with the Governor's Office and the Joint Budget Committee (JBC) to draft a bill that *incorporated initial feedback*
- The [JBC Sponsored bill](#) had its first hearing on May 19 and received a 6-0 vote

5/13 Federal Guidance Takeaways

- The provision will increase Federal Medical Assistance Percentage (FMAP) for Medicaid HCBS spending by **10 percentage points** from April 1, 2021 through March 31, 2022
- The bill specifies that states must use the enhanced funds to “implement, or supplement the implementation of, one or more activities to **enhance, expand, or strengthen**” Medicaid HCBS
- States must maintain service, eligibility, and rate structure that was in place on April 1, 2021 (*not to include PHE provisions*)
- States must spend the money by March 31, 2024
- ***States must submit a spending plan by June 12, 2021***

Potential Fiscal Impact

- The 10% enhanced match is only available for eligible services
- States may spend the funding on both services and administrative activities
- Enhanced match reinvested in eligible services may receive the enhanced match one additional time
- Lower bound of estimated funding is over \$550 million - depending on investment strategies funds may be around \$600-700 million

Timeline

May-September 2021

May 24-June 4: Engage stakeholders on proposed spending plan & incorporate feedback in narrative & budget estimates.

June 12: Submit proposed spending plan to CMS

July 12: CMS required response date

Present proposed spending plan to JBC for approval for before implementation



June 7-June 9: Seek Gov Office & OSPB Approval

July 18: First quarterly report due to CMS

Host a meeting for stakeholders after receiving CMS feedback

North Star

- Supercharge existing initiatives, foster innovation and advance long-term transformative systems change
- Support the COVID-19 response and recovery
- Outcome driven - demand quality and good fiscal stewardship
- Recommendations do not create a funding cliff

Opportunities to Engage

SURVEY

- The survey will include the items we cover today
- Participate to **share your thoughts** on the level of importance for each priority and to contribute other ideas, feedback and recommendations

<https://www.surveymonkey.com/r/CO-HCPF-ARPA>

TODAY

- Following our review of the priorities, we will open up discussion; please **raise your hand** to participate
- Please share your **thoughts or feedback in the Q&A**

Proposed Plan

- **10 Overarching Priorities** - Encompass over 130 ideas from stakeholders
- Must be ***specific enough*** to include in the spending plan, but ***broad enough*** to allow us to figure out exact details in the coming weeks/months

Rate Increase & Wage Passthrough

- Proposed one time funding increases to support infection prevention efforts and staffing shortages for personal care, homemaker, participant directed services (including skilled care under self-direction), long-term home health, private duty nursing, community-based residential programs, respite, PACE, and behavioral health
- Proposed wage pass through for direct care workers within 1915 (c) waivers to provide one time hero pay and/or retention/sign on bonuses

Post COVID Recovery & Innovation

- Incentivize residential providers to create *single occupancy rooms*
- Develop tiered rates for Alternative Care Facilities to *support higher need members in community*
- Explore innovative models of high need residential care *that addresses infection risk and need for individualized care*

Improving Access to HCBS for Underserved Populations

- Tribal grants to increase access & use of HCBS
- Develop culturally competent material to improve HCBS access for Black, Indigenous, and People of Color (BIPOC)
- Develop and implement provider training for disability culturally competent care across services

Behavioral Health & HCBS

- This funding **MUST** be used for projects that **enhance, expand, or strengthen Medicaid HCBS services**
- Behavioral health focused efforts apply to services for:
 - ◆ Individuals who are disabled due to severe mental illness or
 - ◆ Individuals who are disabled and also have co-occurring mental health or substance use disorder service needs

Behavioral Health Community Based Services Waiver

AKA “b(3)” services, referring to the 1915b(3) waiver

- Prevention/Early Intervention
- Clubhouses/Drop-in Centers
- Vocational Services
- Intensive Case Management
- Assertive Community Treatment
- Short Term Residential (Mental Health)
- Respite Care
- Peer Services

Comprehensive Safety Net

Need to support the *cost of growth during transitions* towards increased access and service provision such as:

- RAE/Provider Incentives for capacity building for **higher-intensity outpatient BH services**
- Research, analysis & design for **Value Based Payment** and for expanding whole person care (i.e. b(3) and peer services)
- **Technical Assistance** for providers and partners, community education and engagement
- **SUD Benefit:** Training RAEs and providers on use of American Society of Addiction Medicine to determine the right care, at the right place, at the right time to include training on assessments of indiv with disabilities

Improve Quality Outcomes

- Research and develop *pay for performance reimbursement methodologies* for HCBS, PACE providers & LTHH
- Establish a PACE licensure type to ensure *comprehensive oversight and compliance*
- Establish metrics and develop *provider scorecards*

Case Management Redesign

- National review of case management *best practices*
- *Change management and transition* support funding
- *Standardized Case Management & Care Coordination* training for professionals, members, and families
- Development of member/family facing materials to *support knowledge of system and services*

Home & Community Based Services Innovation

- Develop policy to implement Community First Choice (CFC) as a new waiver in Colorado. Long term this will save money by providing 6% enhanced match
- Temporarily increase home modification budgets within waivers which currently offer the benefit (BI, CES, CMHS, EBD, SCI, and SLS)

Improving Crisis & Acute Services to Keep People in their Communities

- Short term grants to mitigate placement in behavioral health institutional settings and to support transitions from those settings back to the community (prevention/postvention)
 - ◆ Grants and projects to improve state capacity for acute care
 - ◆ Cannot be used directly for institutional care
- Provider training and processes mapping on use of mobile crisis services and 988 mental health hotline
- Potential to supercharge and align with secure transport bill
- Funding for providers and communities to increase crisis program capacity for children/youth, indiv. with disabilities

Emergency Preparedness

- Grant funds to support the development of provider emergency response plans, to include member support with emergency preparedness efforts
- Funds to support members, who live independent to be prepared for potential emergencies

Strengthening the Workforce

- Expand the data infrastructure to better understand the current supply and demand for direct care workers
- Raise public awareness about the value and importance of the direct care workforce
- Develop a standardized curriculum and training program for homemakers and personal care workers; establish clear pathways for advancement
- Explore opportunities for increasing compensation for the HCBS workforce, including direct care workers and case managers

Strengthening the Workforce

- Invest in strategies to expand the provider network in rural communities to avoid a ‘care desert’
- **Provider Network:** Contractor to explore options for expansion and recruitment
- **Workforce Assistance:** Partner with consultant to explore RN delegation to CNAs and tuition assistance options for LPN training

Strengthening the HCBS Workforce: BH Focus

- *Provider training funds that can be scaled* Examples:
 - ◆ Assessments for individuals with co-occurring BH needs and disabilities
 - ◆ Connection to housing & other Social Determinants of Health
 - ◆ High intensity outpatient, evidence based practices
 - ◆ State-specific policy, funding, standards
- *Create trainings* so they can be used long after funding is gone
- *Quality and cultural competency training* is needed for BH/HCBS providers and for non-BH/HCBS providers serving this population

Investing in Tools & Technology

- Create an assessment tool for Adult Home Health and a new assessment tool for Private Duty Nursing
- Expand the provider finder tool to enable a specialist search
- Develop a mechanism for exploring and implementing innovative technology that will improve diagnoses, service access, health outcomes, and program delivery
- Invest in system and hardware to advance the new care and case management system

Investing in Tools & Technology

- Grant funds for Digital Transformation of HCBS Providers
- Funding to connect new Care & Case Management Tool to social determinants of health infrastructure
- Funding to provide technical assistance and workflow to implement telemedicine/telehealth/remote supports
- Enhanced education on virtual solutions
- Create a member portal to allow for easy access to benefit and service information
- Expand data sharing across entities, including agencies, to improve member services

Discussion

- If you would like to offer verbal comment:
 - Please raise your hand and we will call your name and unmute your line
 - If you are on the phone, we will give you the opportunity to share comments
- If you would like to offer written comment:
 - Please submit your comments in the Q&A box

Please submit the survey to rate the priorities!



Next Steps

- Following all Stakeholder meetings and the collection of written comments:
 - Tabulate the survey results
 - Collate all feedback and recommendations
 - Review current proposal for gaps identified by stakeholders
- Draft spending plan, seek approval, and submit by June 12th

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