Centers for Medicare & Medicaid Services
Long-Term Services and Supports Open Door Forum
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Webinar recording:
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Jill Darling: Hi, everyone. Good morning and good afternoon. My name is Jill Darling, and I am in the CMS Office of Communications. Welcome to today's Long-Term Services and Supports Open Door Forum. Before we begin with our agenda, I have a few announcements. This webinar is being recorded. The recording and transcript will be available on the CMS Open Door Forum Podcast and Transcript, excuse me, Transcript webpage. That link was on the agenda, and I will also post it in the chat for you today. If you are a member of the press, please refrain from asking questions during the webinar. If you do have any questions, please email press@cms.hhs.gov. All participants are muted upon entry for those who need closed captioning. A link was provided and located in the chat function of the webinar, and I will provide it again for today's webinar. We have our agenda slide as well as a presentation from one of our speakers today, as well as a resource slide that will be after the presentation. We will be taking questions at the end of the agenda today, and we note that we will be presenting and answering questions on the topics listed, excuse me, the topic listed on the agenda during today's Open Door Forum webinar. We ask that any live questions relate to the topic presented today. And if you do have questions unrelated to these agenda, to the agenda items, we will get the answer, I'm sorry, get your question to the appropriate policy component, and then we'll be in correspondence and get you the appropriate answer. You may use the raise hand feature at the bottom of your screen, and we will call on you when it's time for Q&A. When the moderator says your name, please unmute yourself on your end to ask your question and one follow-up question, and we will do our best to get to your questions. So now I will turn the call over to Jen Bowdoin.

Jennifer Bowdoin: Hi everyone, and welcome to today's Open Door Forum. So, it's great to be with you all today. My name is Jen Bowdoin. I'm the Director of the Division of Community Systems Transformation in the Medicaid Benefits and Health Programs Group at CMS. Today I'm joined by Martha Egan, who is a Technical Director in the same division, in the division of Community Systems Transformation. She's going to talk with you about a national overview and state summaries we recently released about state activities under section 98 17 of the American Rescue Act of 2021 or the ARP. So, for anyone who is not familiar with ARP section 98 17, it provided states with additional federal funding for their home community-based services, or HCBS systems. And it did this through a temporary 10 percentage point increase to the federal

medical assistance percentage, or the FMAP, that states can receive for certain Medicaid HCBS expenditures.
So, the increased FMAP was available for one year from April 1, 2021, until March 31, 2022, and states were expected to spend an amount equivalent to the amount of additional federal funding they received, and they're expected to do this by March 31, 2025, on activities that enhance, expand, or strengthen HCBS. States are also expected to meet several maintenance of the effort requirements related to eligibility, covered services, and provider payment rates until those funds are fully expended. So, states submit to CMS regular reports, which we refer to as spending plans and narratives, and these spending plans and narratives describe the activities they are implementing to enhance, expand, or strengthen HCBS under ARP section 98 17. So, the information that Martha is going to share is based on the CMS analysis of the spending plans and narratives that states submitted for federal fiscal year 2023, quarter one. And we're actually really excited about the information that Martha is going to share. We view ARP section 98 17 as really providing a historic opportunity for states to invest in their HCBS systems. And you'll see in just a moment that all states and Washington, DC, are taking advantage of this opportunity to strengthen and improve their HCBS systems, including by addressing workforce shortages, expanding access to services, promoting community integration for people with disabilities and older adults, and a really just much broader array of activities than just those are over 1,200 activities in states spending plans. So, there's lots of diversity across states and just a tremendous amount of innovation and creativity and just lots of energy going into and resources going into state HCBS systems. So, we're very, very excited about the work that's happening across all states in this area. And so, with that, I'm going to hand the call over to Martha, and she'll talk about the information that we've recently released on ARP section 1917. Martha.

Martha Egan: Here I am. I'm not quite showing my, can you see me?

Jennifer Bowdoin: We can hear you. We cannot see you. Just keep going. That's okay.

Martha Egan: No, let me try this one more time on my video. Well, my video is not turning on, but I am here as long as you guys can hear me. Sorry about that. So again, as Jen said, my name is Martha Egan, and I am a Technical Director in the Division of Community Systems Transformation, or DCST, and we are a division in the Medicaid Benefits and Health Programs Group, MBHPG. As Jen said, DCST has been working in partnership actually with several CMCS, Center for Medicaid and CHIP Services, divisions and components, and with 51 states, including the District of Columbia, on the implementation of Section 98 17 of the American Rescue Plan Act of 2021. So, the purpose of today's presentation is to share some highlights around the types of activities that states are spending 98 17 ARP funds on to enhance, expand, or strengthen home and community-based services under Medicaid. So, let's move to the next slide, please.

So, I'm just going to start by providing some background. Jen has covered some of this, but I'm just going to touch on a few of the points that she made. So again, Section 98 17 provided

additional federal funding to states' 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 as Jen said, this was available for one year, April 1, 2021, through March 31, 2022. And states then were expected to spend an amount equivalent to this amount of additional funding they received. They're expected to spend it by March 31, 2025, on activities to enhance, expand, or strengthen HCBS. And as Jen mentioned, again, states have been submitting these quarterly HCBS spending plans and semi-annual narratives on these activities. And again, all these activities are subject to CMS approval. So, we really have been working very closely with states to review and approve state 98 17 activities or, in some cases, to suggest or provide technical assistance on other available or types of allowable uses of ARP funds when a state-proposed activity would not be a permissible use of art Section 98 17 funds. And so, for example, paying for room and board is something that we, that CMS, would not find a permissible use. So, what we will be sharing with you today is information provided in these reports through December of 2022 or through that first quarter of federal fiscal year 2023. So, let's go to the next slide please.

So, this first slide here basically just gives you this sort of full overview or picture of plan spending again as of the quarter ending December 31, 2022. So, what states did was they could use the additional funding to implement a variety of activities, and these really range, we had a very broad range of activities that states were implementing and using their ARP funds on. And these included things like reducing or eliminating wait lists for HCBS waiver programs. Some states offered additional services in their HCBS programs or provided HCBS to new populations. Some states worked on increasing provider payment rates, or they provided paid leave for home health workers and direct support professionals. Some states have been involved in conducting activities to recruit and retain direct support professionals or provide assistive technologies and technologies for people with disabilities. Some states are implementing activities around one-time, community transition costs and other transition supports to help individuals transition from institutional settings to the community. And some states are providing caregivers with additional support, such as training or respite activities. So, states are estimating that they will spend $36.8 billion on these types of activities. Again, these are all activities to enhance, expand, or strengthen HCBS under Medicaid as a result of the American Rescue Plan Act. And this amount includes $17 billion in state funds that are attributable to the increased FMAP and $19.8 billion in federal match for expenditures eligible for federal match. And that the types of activities or expenditures that would be eligible for federal match would be things like service, HCBS service expenditures. Some states had some spending that were administrative in nature, so they did receive admin, match admin, claiming for those particular types of activities. And some states had expenditures around information technology or systems improvements that were eligible for the 90 10 or our 75 25 FFP match rate. But the $36.8 billion amount, this reflects the plan spending, and plan spending, again, it's all funding a state has proposed for activities to enhance, expand, or strengthen Medicaid HCBS. And so again, this amount would include both that state and federal share of spending for activities that are eligible for federal financial participation or FFP. So, the top five categories of spending are one, workforce recruitment and retainment;

workforce training; quality improvement; reducing or eliminating HCBS waiting lists; and five, expanding the use of technology. So, what we'll do over the next couple of slides is talk about each one of these five categories of spending. Let's go to the next slide, please.

Again, as of the quarter and December 31, 2022, we had all 51 states, including the District of Columbia. They all reported that they are planning to spend $24.6 billion in total plan spending on workforce recruitment and retainment activities. So, states are implementing several types of provider or direct care worker rate increases and incentive payments that include things like one-time pay increases or bonus payments. Some of those pay increases include time-limited increases or even rate studies. Some states are working on some acuity-based rate changes. And those were just a few of the examples, but those are the primary types of rate increases in incentive payments that states are using their ARP Section 98 17 funds for. And states are also doing some activities around 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 example, we have included some on each one of these slides for each one of the five top categories of spending, we do include some examples of state, we highlight states and for example, New Jersey is implementing a pay rate increase for personal care assistance services and Ohio is using the 98 17 ARP funds for recruitment and retention bonuses for students pursuing degrees in a behavioral health field. So, let's go to the next slide please.

So, the second highest category of spending has been around workforce training. And for this particular category, there are 35 states that are reporting $4.3 billion in total plan spending on workforce training initiatives. So, states are providing training for workers, family caregivers, and provider agencies. Some states are establishing online training, and they're doing this through electronic platforms. Some states are offering certification programs and tuition support to providers, to caregivers, and also to direct care workers to further their health care, their health care careers. And here on this slide around workforce training, we highlight Connecticut, who was making some investments in capacity building and training to improve medication assisted treatment. And California is working on some dementia care training and continuing education in geriatrics and dementia for some of their licensed health and primary care providers. So, let's go to the next slide, please.

So, the third category of spending is around quality improvement activities. We have 29 states that have reported $3.8 billion in total plan spending on quality improvement activities. Some of the examples of activities that states are pursuing under this category include the adoption of new HCBS quality measures or quality reporting systems, implementing oversight and improvement activities. Some states are administering the HCBS consumer assessment of health care providers in systems survey or CAHPS or another experience of care survey. And some states are also developing or exploring outcome-based or value-based payments. Let’s go to the next slide, please.

So, the fourth category of spending has been around reducing or eliminating HCBS home and community-based services waiting lists. And we have, as of December 31, 2022, 21 states have reported 2.6 billion in total plan spending on activities to reduce or eliminate HCBS waiting lists. So, states are doing this by eliminating or reducing waiting lists by opening additional waiver slots. Some states are providing supports for those on the waiting list. Some states are informing individuals of other available services, excuse me, while on the waiting list. And then there's a text box in the corner here, and it is kind of small, and I can just kind of call out all of the different states that are proposing to eliminate or reduce waiting lists by adding HCBS slots. And those states include California, New Mexico, Mississippi, Alabama, Oklahoma, North Carolina, Washington, Texas, Michigan, Tennessee, Florida, West Virginia, Iowa, Rhode Island, Massachusetts, Pennsylvania, and South Carolina. So, let's go to the next slide, please.

So, the fifth category of spending has been around expanding the use of technology. And under this category, 36 states have reported $1.8 billion in total plan spending on expanding the use of technology in their HCBS programs. And this has involved things like technology enhancements to support technological enhancements for providers to set up and for individuals and families to use electronic health records. It's included enhancing electronic visit verification systems. Some states are utilizing technologies in service provision to address beneficiary functional needs to promote independence or to support community integration. So again, these are the top five categories of spending, workforce recruitment, workforce training, quality improvement, reducing HCBS waiting lists, and also expanding the use of technology in HCBS. But we also wanted to share with you a couple of other areas where states are also making some investments. Next slide, please.

So, we are also seeing some significant investments in family caregiver training, respite, and support. Under this area of spending or category of spending, there are 29 states that are using funds to implement activities to support family caregivers that include training, respite services, development of training, website, and materials. Some states are offering counseling or support groups and also covering or providing personal protective equipment. And states have reported $1.3 billion in total plan spending around family caregiver support. Let's go to the next slide, please.

So, finally, we're also seeing some significant investments in activities that address social determinants of health, or SDOH, and also activities that promote equity. And these two areas of spending on SDOH, social determinants of health and equity activities, these are more or less considered to be sort of cross-cutting. So, we haven't treated them as a separate category, which is why they wouldn't fall into that top five category of spending. Under this category or under this area of spending, there are 43 states that are using ARP funds to provide, to provide social determinants of health and equity-related activities. And most commonly, under the SDOH sort of category, states are investing in addressing housing-related services and supports. And again, this does not mean payments for room and board, but it does include all kinds of different

activities around providing housing-related services and support. So, let's go to the next slide, please.

So, finally, this slide just provides some notes and explanations on some of the footnotes. I think we have covered most of these today. I think we also want to take the opportunity to let you know that we also recently did release some state spending plan summaries for Section 98 17, and the summaries show how each state, including DC, the District of Columbia, expect to spend their respective ARP funds to enhance, expand, or strengthen HCBS under Medicaid. And under these state summaries, each state summary contains a summarized spending plan information that includes graphs, data, and at least one example to highlight from each of the 50 states in the district through federal fiscal year 2023 quarter, one of that, excuse me, December 31, 2022, time frame. And these summaries are, I mean, they're a nice complement to this national overview, and they are also available on medicaid.gov. And I think we have one more slide.

So, this slide just provides some, excuse me, some helpful resources, and links around 98 17. And excuse me, on that left-hand corner, I believe that is a link to the landing page on medicaid.gov. So, here on the landing page, you can find this overview that we just shared with you today. You can also find the summaries of each state's spending plans that I just talked about will also be available to you on that link. We also have available to you two state Medicaid director letters that we issued on Section 98 17. So, if you're interested in learning more about 98 17 and some of the requirements that states are following in order to participate in 98 17, you can access those two SMDLs, or State Medicaid Director Letters.

And then finally we do, we are posting on this webpage, on this web landing page, each state's spending plans in narratives. And those are the quarterly reports that we talked about in the semi-annual narratives that this overview is based on. And those spending plans on medicaid.gov, I believe they are current through federal fiscal year 2023 through the third quarter. So, I believe that would be through June of 2023. And we do periodically continue, and we will continue to update those plans and provide you with more recent ones on medicaid.gov. So, I think at this point, I'm going to turn it back to Jill.

Jill Darling: Great. Thank you, Martha, and thank you to Jen. So, we will open for Q&A. Please reminder, use the raise hand feature to get yourself in queue. You may ask one question and one follow-up question. We'll give it a moment.

Isaac Fisher: Kathy, you can speak now. Katy, thank you.

Katy Stafford-Cunningham: This is Katy Stafford-Cunningham from Indiana, and I was just wondering, first of all, thank you for the report that you put out a few weeks ago, but also for this information, one question I do have, are the states required to post any additional granular data or spending information on their own websites that we should be looking for? I know Indiana has a

page that we've been looking at for additional information, but is there any kind of requirement for any kind of granular level spending data?
Jennifer Bowdoin: We are not requiring states to post more granular information, although states are certainly welcome to, and some states are posting more granular information, but they're not required to.

Katy Stafford-Cunningham: Thank you.

Jill Darling: Okay. I'm not seeing any more hands raised. We'll give it about just a couple more seconds in case anything should come up. In the meantime, I'm going to send some emails and some links out to everyone. That will be helpful. Okay, I'll pass it back to Jen for closing remarks.

Jennifer Bowdoin: So, thank you all so much for joining the call today. We really appreciate your time. We would encourage you all to take a look at the materials that we've posted, and you are, of course, always welcome to email us if you have questions about ARP Section 98 17. Our mailbox for Section 98 17 is HCBSincreasedFMAP@cms.hhs.gov. That's HCBSincreasedFMAP@cms.hhs.gov. You can always, of course, Google ARP Section 98 17 and should also go to the CMS web pages on it. So, thank you all. I hope you all have a great rest of the day.