

Section 9817 of the
American Rescue Plan:
Vermont's Proposal to
Enhance, Expand or
Strengthen HCBS under
the Medicaid Program

House Committee on
Human Services

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Presented by:

Wendy Trafton, MPH

Deputy Director of Health Care
Reform, Agency of Human
Services

Tracy O'Connell

Financial Director, Agency of
Human Services



Program Overview

- ▶ Section 9817 of the American Rescue Plan Act provides states with a 10% federal medical assistance percentage (FMAP) increase for Medicaid home and community-based services (HCBS) for activities to enhance, expand, or strengthen HCBS.
- ▶ HCBS is defined broadly within Centers for Medicare and Medicaid Services (CMS) Guidance.
- ▶ **Estimated projections** indicate Vermont will claim over \$65M in funds attributable to the increase in FMAP which will be employed as the state share to implement approved activities valued at \$146.6M.
- ▶ Time periods
 - ▶ Increased FMAP is for expenditures occurring between 4/1/21 and 3/31/22
 - ▶ Funding must be used by 3/31/24

HCBS Services

State Plan Services	HCBS Authorized under 1115 waiver
<ul style="list-style-type: none"> • Home Health Care • Personal Care Services • Case Management • School Based Services • Rehabilitative Services • Private Duty Nursing 	<ul style="list-style-type: none"> • Brain Injury Program • Developmental Disability Services • Choices for Care Highest/High (excludes skilled nursing facilities) • Choices for Care Moderate Needs (for participants who are Medicaid-eligible only) • Community Rehabilitation and Treatment (CRT) (for participants who are Medicaid-eligible only) • Children's Mental Health

HCBS Spending Plan Overview

- ▶ States were required to submit an initial HCBS Spending Plan and narrative for CMS approval
 - ▶ Funding may only be used on activities that are in the HCBS Spending Plan and are approved by CMS
 - ▶ Plans may be modified during the quarterly reporting process
- ▶ Vermont's initial HCBS Spending Plan received partial approval
 - ▶ CMS indicated that Vermont qualifies for the temporary 10 percentage point FMAP increase
 - ▶ CMS asked clarifying questions to ensure the mental health-related and permanent supportive housing activities were focused on allowable HCB services and populations. Responses were provided in the October quarterly report
 - ▶ Approval of the HCBS Spending Plan does not constitute approval for claiming federal financial participation for the activities within the plan. AHS will continue to work with CMS to maximize federal match on activities and to ensure spending does not impact Global Commitment to Health budget neutrality.

Focus on One-Time Investments

- ▶ The HCBS Spending Plan has a strong emphasis on one-time, transformational investments to minimize ongoing sustainability concerns while strengthening the HCBS system such as:
 - ▶ Supporting the availability of high-performing providers
 - ▶ Furthering care integration across the care continuum including SDOH
 - ▶ Promoting value-based purchasing within HCBS programs
 - ▶ Developing infrastructure and systems to support program improvement and population health management
- ▶ The emphasis on one-time investments reflects concerns about ongoing budget pressures as well as CMS requirements to include a sustainability plan

HCBS Spending Plan Overview (Revised 10/21)

Funding Category	Activity	Funding Amount
Improve Services	New and/or Additional Services	\$20,000,000
	Increase Payment Rates <i>(includes rate increases previously approved by the legislature)</i>	\$51,839,612
	Strengthen Assessment and Person-Centered Planning Processes	\$4,000,000
	Address COVID-19 related concerns	\$2,000,000
Promote a high-performing and stable workforce	Training	\$3,000,000
	Recruitment and Retention	\$15,109,244
Utilize Systems and Data to Improve Care, Promote Value-Based Payment Models and Support Program Oversight	Quality Improvement	\$17,327,556
	Use of Technology and Cross-System Data Integration Efforts	\$19,500,000
	Improve Care Coordination and Care Management	\$3,824,912
	Address Social Determinants of Health (SDOH)	\$3,000,000
	Administration of Activities	\$1,000,000
	Capital Investments	\$6,000,000
	Total	\$146,601,324

HCBS FMAP Initiatives Appropriation Summary

Passed in SFY22 Big Bill	Amount	
DVHA (ACCS rate increase)	\$ 506,667	
DMH (3% rate increase)	\$ 4,121,421	
DCF CDD (CIS rate increase)	\$ 1,192,302	
DAIL Grants (3% rate increase)	\$ 57,000	
DAIL DS (3% rate increase)	\$ 8,434,927	
DAIL TBI (3% rate increase)	\$ 165,090	
DAIL LTC (3% rate increase)	\$ 2,659,247	
	\$ 17,136,654	
Subtotal (annualized rate increases over life of opportunity (11 qtrs))	\$ 47,125,799	
New one-time appropriations SFY22 BAA Big Bill language	Amount	Proposed uses
AHS Secretary's Office	\$ 85,601,939	Recruitment and retention initiatives; strengthen assessment and person-centered planning process; address COVID-related concerns; technical assistance to address new/additional HCBS; evaluate training needs; quality improvement; support use of technology and cross-system data integration; improve care coordination and care management; initiatives that address social determinants of health; capital investments; administrative costs
DAIL	\$ 2,370,000	Contractor support to explore HCBS residential alternative options; accessibility reviews and inspections; increase current limits on assistive devices and home modifications.
DMH	\$ 6,171,000	Programming to provide alternatives to emergency room mental health crisis care; credentialing peer specialists; data warehouse to store Child and Adolescent Needs and Strengths (CANS) and Adult Needs and Strengths Assessment (ANSA) data; database to enable system-wide coordination for children referred to residential treatment; electronic platform for Preadmission Screening and Resident Review (PASRR); operations development and technology that will support a mobile response hub; develop and implement a pilot program to follow-up with individuals identified as suicidal through 988 or other recognized avenues; provider performance incentive payment for Adult and Children's Mental Health.
DVHA	\$ 390,000	Rate studies on HCBS
VDH	\$ 4,942,586	3% rate increase for the substance use treatment preferred provider network effective January 1, 2022; expand the use of VTHelplink; pediatric palliative care supply carts.
Subtotal New	\$ 99,475,525	
Total (October 2021 spending plan sent to CMS)	\$ 146,601,324	

Stakeholder Engagement

- ▶ Public comments on the initial HCBS Spending Plan
 - ▶ Received 65 written comments with over 125 ideas and suggestions for funding uses
 - ▶ Comments informed revisions submitted to CMS in October
 - ▶ Link: [October HCBS Spending Plan](#)
 - ▶ AHS intends to use program funding to hire a contractor to develop and implement a multi-year stakeholder engagement plan that is accessible and meaningful for people with HCBS needs and their families