

Home and Community Based Services Spending Plan and Narrative – Quarterly Report

**American Rescue Plan Act of 2021
Section 9817**



**Florida Agency for Health Care Administration
Florida Medicaid Program
FY 2023 – 1st Quarter**

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July 15, 2022

Ms. Jennifer Bowdoin
Director, Division of Community Systems Transformation
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850

Dear Ms. Bowdoin:

Enclosed you will find the State of Florida's Quarterly Spending Plan and Narrative for the 1st Quarter of Fiscal Year 2023. This update provides a progress report on the State's activities intended to enhance, expand, and strengthen home and community-based services (HCBS) using the enhanced HCBS Federal Medical Assistance Percentages (FMAP) allocated under Section 9817 of the American Rescue Plan Act. This quarterly appraisal also presents an estimate of the funds attributable to the increase in FMAP that the State has claimed, and anticipates claiming between April 1, 2021, and March 22, 2022. Further, this brief will enumerate any expenditures, both anticipated and actual, for the State's upcoming and implemented activities.

The State contact, Jason C. Weida, Assistant Deputy Secretary for Medicaid Policy and Quality, Jason.Weida@ahca.myflorida.com, assures that the plan 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;
- 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;
- Not imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;
- Preserving covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
- Maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

Sincerely,

Tom Wallace
Deputy Secretary for Medicaid

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American Rescue Plan Act of 2021 (ARPA) and Enhanced Home and Community-Based Services (HCBS) Funding

FY 2023 – 1st Quarter Summary

On September 28, 2021, the Center for Medicare and Medicaid Services (CMS) approved Florida's initial state spending plan for enhancing, expanding, and strengthening home and community-based services (HCBS) programming using the enhanced Federal Medical Assistance Percentages (FMAP) allocated under Section 9817 of the American Rescue Plan Act.

Since receiving CMS's conditional approval of Florida's initial state HCBS spending plan, the State's Agency for Health Care Administrations (the Agency) staff worked to execute the proposal's activities. Agency staff continued to identify expenditures claimed since April 1, 2021, that were eligible for the FMAP enhancement. Further, the Agency and Florida's Agency for Persons with Disabilities (APD) collaborated with CMS personnel to revise the State's Delayed Egress activity to ensure it conformed with rules and guidance. Additionally, within the Agency, a multi-disciplinary team, charged with creating a distribution plan, developed a two-phase approach for providers application for, and reception of, funding. The Agency's application period for the Provider Stipend, Provider Retention, and Delayed Egress activities opened on December 17, 2021, and closed on February 14, 2022. During this application period the Agency received 2,111 total applications.

Comprehensive Assessment of HCBS Activities for Florida

I. Improving Provider Delivery System Capacity

As a part of its HCBS FMAP increase plan, Florida is proposing a series of incentives to directly confront the recruitment and retention challenges faced by the healthcare sector. Florida proposes several measures to take on this challenge, including:

One-Time Provider Stipends and One-Time Provider Retention Payments: The Agency developed the following guidelines for these activities:

- This funding is offered to eligible providers who are enrolled as Assistive Care Services, Home Health Services, Home and Community-Based Services, and Case Management Agency provider types.
- Providers applying for One-Time Provider Stipend Payments may each request funding for the following:
 - Staffing Capacity: Increase the ability of your practice to hire and maintain increased staffing levels (e.g., hero pay for caregivers of Florida's seniors throughout the pandemic).
 - Staffing Stability: Reduce staff turnover, reward exceptional employees, offer more set schedules (e.g., hazard pay or sick pay).
 - Staffing Flexibility: Offer more flexible hours, provide transportation options (e.g., transportation incentive such as agency-supplied car service).
 - Professional Development: Offer CEU courses or pay for additional training or coursework (e.g., training conferences and CEU credits).

- Providers applying for One-Time Provider Retention Payments may request funding for the following:
 - Staffing Recruitment: Increase the number and/or quality of available staff in your practice (e.g., hiring bonus).
 - Staffing Retention: Reduce staff turnover, retain quality staff (e.g., employment milestones).
 - Staffing Quality: Improve education and training levels of staff (e.g., educational or credentialing milestones).
- The Agency accepted applications for the One-Time Provider Stipend and One-Time Provider Retention payments through February 14, 2022, with 2,077 applications being received during this period. The Agency began notifying providers of their awarded amounts on April 1, 2022, with the first payment disbursements occurring on June 9, 2022. Since June 9, the Agency disbursed \$328,747,198 to iBudget Waiver providers.
- Florida worked with CMS on the development of the appropriate federal authority documents, including 438.6 pre-prints and Appendix K, required by CMS to implement these activities. CMS approved Florida's 438.6 pre-prints on March 18, 2022. The Agency continues to work with CMS on the final approval of its Appendix K for these activities.

Provider Outcome summary: Will be provided in the Spending Plan and Narrative quarterly report submitted after the end of the second full quarter following the disbursement of funding to providers and submission of outcome reports.

II. Enhancing Infrastructure that Supports, and Encourages, HCBS Quality of Care

Florida is committed to ensuring its HCBS population can not only live safely, but also thrive within their communities. To that end, the Agency wants to provide an infrastructure that will allow beneficiaries to flourish in the least restrictive setting possible. As a component of its HCBS FMAP increase strategy, Florida is proposing a series of incentives to meet the many needs of our residents. The measures proposed to strengthen infrastructure include:

Implement Improvements to Quality Oversight Activities: The Agency and APD, with technical assistance from CMS developed the following guidelines for these activities:

- This reimbursement is available to applicants who currently operate an existing facility licensed pursuant to s. 393.076, F.S. or and Adult Day Training (ADT) through Florida's iBudget Waiver program.
- The Delayed Egress system must meet all of the following conditions:
 - Egress is prevented for a maximum of 30 seconds.
 - Approval of the system by the local authority having jurisdiction over fire safety or the State Fire Marshall, and Locks are automatically disengaged in the event of a fire, power outage, or activation of the fire alarm.
 - Facility Residents and ADT participants who will be subject to delayed egress requirements must have delayed egress included within their person-centered service plans as an identified safety intervention.
 - Facility residents and ADT participants who do not require delayed egress and/or do not have such an intervention identified as a need within their person-centered services plans must be provided a keypad code, key fob,

or other means by which they can exit the building independently and at any time without delay. Facility and ADT providers are responsible for training such residents on the process for exiting the buildings with delayed egress systems.

- Reimbursement for the purchase and installation of a single delayed egress system is limited to the maximum amount of \$10,000 and will not be available for delayed egress systems purchased or installed prior to January 1, 2022.
- The Agency accepted applications for Delayed Egress reimbursements through February 14, 2022, receiving 33 applications during this period. The Agency began notifying providers of their awarded amounts on April 1, 2022, with disbursements of payments being made following the purchase of the systems.
- CMS approved the Agency's Appendix K, submitted to obtain appropriate Federal authority to implement this activity, on June 7, 2022.

III. Expanding Patient Access to HCBS Services

Providing Additional Equipment or Devices:

Funds would provide technology resources such as smartphones, computers, and/or internet activation fees for people receiving HCBS services to address functional needs, promote independence, and/or support community integration. The Agency is currently planning for the implementation of this activity.

Access to Additional Equipment that Promotes Independence: Currently planning for the implementation of this activity.

Expand iBudget Waiver: On July 1, 2021, Florida's FY 2022 budget takes effect. This financial plan included \$95 million to reduce the number of people on the iBudget Waiver waiting list. Since July 1, the Florida Agency for Disabled Persons sent letters offering removal from the iBudget waiting list to 870 clients. 175 clients have accepted addition to the iBudget Waiver. With the enhanced FMAP increase Florida expects to continue to reduce the number of clients on the iBudget waiting list.

PPEC Rate Increase: Currently planning for the implementation of this activity.

IV. COVID-19 Related HCBS Needs

Mental Health and Substance Use Disorder Services: Currently planning for the implementation of this activity.

Appendix A: Proposed Activities for Florida – Spending Plan

<i>Activity Title</i>	<i>Description</i>	<i>Cost Estimate¹</i>
<u>HCBS Capacity Building- Expanding Provider Capacity: One-time provider stipend</u>	Offer one-time stipend to HCBS waiver providers to support program activities.	\$498,744,988
<u>HCBS Capacity Building- Expanding Provider Capacity: Creating financial incentives to both recruit new workers and increase the retention rates of the direct care workforce</u>	Offer one-time direct payments to all HCBS waiver providers for capacity building and workforce retention/development.	\$266,604,000
<u>HCBS Capacity Building- Quality Improvement Activities: Implementing Improvements to quality oversight activities</u>	Purchased delayed egress systems for group homes and adult day training centers.	\$12,000,000
<u>HCBS Capacity Building- Expanding Use of Technology</u>	Not limited to the purchase of smartphones, computers, and/or internet activation fees for people receiving HCBS to address functional needs, promote independence, and/or support community integration.	\$63,584,500

¹ Cost estimate includes both federal and state funds

<i>Activity Title</i>	<i>Description</i>	<i>Cost Estimate¹</i>
<u>HCBS Capacity Building- Providing Access to Additional Equipment or Devices</u>	Not limited to the purchase of eyeglasses, wheelchair transfer boards, adaptive cooking equipment (as not otherwise available), and additional environmental modifications that address functional needs, promote independence, and/or support community integration.	\$63,584,500
<u>HCBS Capacity Building- Addressing Social Determinants of Health and Health Disparities</u>	Supports care for Floridians aged 60 and older in family-type living arrangements within private homes, as an alternative to institutional or nursing home care.	\$48,614,160
<u>COVID Related HCBS Needs - Mental Health and Substance Use Disorder Services</u>	Assist eligible individuals in receiving mental health services, substance abuse treatment and recovery services, and necessary rehabilitative services to regain skills lost during the pandemic by expanding provider capacity.	\$50,000,000
<u>HCBS Capacity Building- Implementation</u>	Use contracted services funding to assist with implementation activities and required reporting.	\$4,000,000
<u>HCBS Capacity Building- Expand iBudget Waiver</u>	Expand the Home and Community Based Services Waiver by removing the greatest number of individuals permissible under the additional funding from the waiting list.	\$191,333,692
<u>HCBS Capacity Building- PPEC Rate Increase</u>	Increasing provider rates to assist eligible children with medically complex conditions to receive continual medical care.	\$10,755,580
<u>TOTAL</u>		\$ 1,225,885,633