

# **Home and Community Based Services Spending Plan and Narrative**

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



**Florida Agency for Health Care Administration  
Florida Medicaid Program  
July 2021**

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RON DESANTIS  
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July 12, 2021

Daniel Tsai  
Deputy Administrator and Director  
Center for Medicaid & CHIP Services (CMCS)  
7500 Security Blvd  
Baltimore, MD 21244

Dear Mr. Tsai:

Enclosed you will find the State of Florida's Spending Plan and Narrative, which delineates the State's strategy to support 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. The Agency for Health Care Administration (Agency), Florida's state Medicaid agency, will serve as the oversight organization for the distribution of, and accounting for, these funds. Florida Medicaid's designated contacts for the quarterly spending plan and narrative submissions are Lisa Smith, Bureau Chief, Medicaid Program Finance, [Lisa.Smith@ahca.myflorida.com](mailto:Lisa.Smith@ahca.myflorida.com) and Ann Dalton, Acting Bureau Chief, Medicaid Policy, [Ann.Dalton@ahca.myflorida.com](mailto:Ann.Dalton@ahca.myflorida.com).

The State of Florida's development of its enhanced HCBS FMAP plan began with the core foundation that HCBS exists to ensure each recipient receives equity and access to the diverse HCBS services they require, so they might thrive in their community and live in the least restrictive setting possible. After thoughtful deliberations, which included consideration of stakeholder ideas and concerns, Florida's plan focuses on expanding provider delivery system capacity, enhancing infrastructure that supports and encourages HCBS quality of care, and enhanced services to assist recipients following the pandemic.

The plan devotes approximately \$1.1 billion to enhance Florida's HCBS program, and the State 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



## Executive Summary

### Florida's Home and Community-Based Services Programs

Florida's HCBS programs serve Florida's growing 65+ population, as well as beneficiaries with physical, intellectual, and/or developmental disabilities. As of May 2021, there were over 108,000 individuals enrolled in Florida's HCBS Waiver programs. The State's HCBS programs strive to ensure each recipient receives equity and access to the diverse services they require, so they might thrive in their community and live in the least restrictive setting possible. The Agency for Health Care Administration (Agency), which administers Florida's Medicaid program, does so through Medicaid Managed Care and fee-for-service Medicaid through the following Federal Authorities:

- 1915(c) Developmental Disabilities Individual Budgeting (iBudget) Waiver
- 1915(c) Model Waiver
- 1915(c) Familial Dysautonomia (FD) Waiver
- 1915(b)/(c) Long Term Care (LTC) Waiver
- 1915(j) Consumer Directed Care Plus (CDC+) Program
- State Plan

As Florida's population grows, Florida's HCBS programs continue to evolve to serve the distinct needs of their beneficiaries.

### Florida's Healthcare Workers

Within Florida, more than 1 million residents are employed in the healthcare field, ranging from doctors, direct care workers, and healthcare support workers, accounting for more than ten percent of the total workforce. The Agency is aware of the complex challenges providers experience in recruiting and retaining a talented workforce.

### Florida's HCBS Plan and Stakeholder Input

In developing Florida's spending plan for Section 9817, providing increased HCBS federal funding, the Agency received input from numerous stakeholders including advocacy organizations, provider associations, individual providers, and state agency partners. These providers offered many excellent suggestions on how Florida might consider using the increased Federal Medical Assistance Percentage (FMAP).

Several stakeholders reinforced the necessity to provide caregiver and healthcare worker support, particularly through workforce retention payments. In addition, stakeholders suggested funding technology programs which would help HCBS beneficiaries combat social isolation and allow for compliant telehealth services. State agency partners reinforced the need for opportunities to improve the quality of care, recruit and retain health workers, and assist Floridians in maintaining independence in their community. All HCBS stakeholders' initiatives were considered in developing the final HCBS spending plan.

## Florida's Increased HCBS FMAP Plan

To achieve the goals of supplementing and enhancing care for the Florida's HCBS population as well as supporting the state's healthcare workforce, Florida will implement initiatives based on three key foundations:

1. Accomplish changes to HCBS programs and increase support for healthcare workers.
2. Employ available funds, even if only a one-time expenditure, in ways that have lasting impacts.
3. Develop projects that can be implemented quickly, to maximize this program's impact.

This narrative and spending plan is submitted on behalf of the Agency and outlines the approach Florida will take supporting the State's HCBS programs. Florida Medicaid's plan anticipates allowing the State to employ \$1.1 billion to develop and/or expand HCBS programs.

## Proposed Activities for Florida – Summary

### Activities to Support State HCBS Capacity Building:

- Improving provider delivery system capacity
- Enhancing infrastructure that supports and encourages HCBS quality of care
- Expanding patient access to HCBS services

### Activities to Support COVID-19 Related HCBS Needs:

- Help recipients regain skills lost during the COVID-19 Public Health Emergency

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

## The American Rescue Plan, Section 9817, and Center for Medicare & Medicaid Services Guidance

Section 9817 of the ARPA stipulates that the ten (10) percentage point FMAP increase will be based on State Medicaid spending on HCBS services during the period between April 1, 2021, and March 31, 2022, and that these funds must be expended by March 31, 2024. Furthermore, Center for Medicare & Medicaid Services (CMS) guidance that requires states to use state funds equivalent to the amount of federal funds attributable to the FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program.

## Proposed 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:*

This proposal provides a one-time stipend to all HCBS providers. Each provider will determine the criteria for distributing the funds to build provider capacity and identify areas of workforce development. These funds would be available to providers of HCBS Waiver services and delivered through both the managed care and fee-for-service delivery systems.

#### *One-Time Provider Retention Payments:*

This proposal provides a one-time direct retention payment to all HCBS providers who employ direct service workers. These funds will be used to create financial incentives to both recruit new workers and increase the retention rates of the direct care workforce.

### 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:*

These funds would allow group homes and adult day training centers to purchase delayed egress systems to minimize potential elopements.



#### *One-Time Subsidy Payment:*

The Agency understands the importance of investing in aging in place programs that allow Florida's seniors to continue to thrive within a home-based setting over institutional or nursing home care. The Agency, in consultation with its partner agency, The Florida Department of Elder Affairs (DOEA), would provide a one-time subsidy to those Floridians aged sixty (60) and older participating in a public assistance program administered by DOEA and who reside in family-type living arrangement in private homes, as opposed to institutional or nursing home care.

This payment would help to keep Florida seniors aging in place, avoid institutionalization, and prevent caregiver burnout while further supporting and extending the time that clients and caregivers can remain in a home and community-based setting as opposed to a long-term care setting. This investment also has the potential to save taxpayer dollars by avoiding additional Medicaid costs if the beneficiary were to transition out of a home-based setting into a long-term care setting. The State of Florida supports similar state programs that enable Florida seniors to continue to thrive within their own homes.

Examples of services that would be provided by these funds include caregiver support and training, repairing flooring to prevent falls and reduce possible hospitalization, replacing essential kitchen appliances to safely store and prepare food, replacing a refrigerator to properly store medications such as insulin, preparing clients' homes for natural disasters such as hurricanes, providing air condition units to prevent heat exhaustion and dehydration, and supplying broadband and technology assistance to support telemedicine appointments in both rural and more densely populated areas of the state.

#### *Assistance with Implementation Services:*

To ensure the highest quality of care is received and to avoid fraud, waste, and abuse, the Agency would direct a portion of funds to contract additional technology and personnel services to assist with program implementation, reporting, and accountability.

### 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.

#### *Access to Additional Equipment that Promotes Independence:*

These funds would support 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.

*Expand iBudget Waiver:*

Pursuant to the state fiscal year 2021-22 General Appropriations Act, funds were appropriated to increase the iBudget Waiver by removing the greatest number of individuals permissible from the waiting list.

*PPEC Rate Increase:*

Pursuant to the state fiscal year 2021-22 General Appropriations Act, a rate increase was funded that assists eligible children with medically complex conditions to receive continual medical care.

IV. COVID-19 Related HCBS Needs

*Mental Health and Substance Use Disorder Services:*

This proposal would allow the Agency to distribute funds to 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. This goal will be accomplished by providing funds to eligible providers, including providers of School-Based Medicaid services, to incentivize expanded provider capacity and broader access to services.

## Appendix: Proposed Activities for Florida – Spending Plan

Activity Title	Description	Cost Estimate <sup>1</sup>
<b><u>HCBS Capacity Building- Expanding Provider Capacity: One-time provider stipend</u></b>	Offer one-time stipend to HCBS waiver providers to support program activities.	\$356,426,996
<b><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></b>	Offer one-time direct payments to all HCBS waiver providers for capacity building and workforce retention/development.	\$266,604,000
<b><u>HCBS Capacity Building- Quality Improvement Activities: Implementing Improvements to quality oversight activities</u></b>	Purchase delayed egress systems for group homes and adult day training centers.	\$12,000,000
<b><u>HCBS Capacity Building- Expanding Use of Technology</u></b>	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
<b><u>HCBS Capacity Building- Providing Access to Additional Equipment or Devices</u></b>	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

<sup>1</sup> Cost estimate includes both federal and state funds

<b>Activity Title</b>	<b>Description</b>	<b>Cost Estimate<sup>1</sup></b>
<b><u>HCBS Capacity Building- Addressing Social Determinants of Health and Health Disparities</u></b>	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.	\$127,932,000
<b><u>COVID Related HCBS Needs - Mental Health and Substance Use Disorder Services</u></b>	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
<b><u>HCBS Capacity Building- Implementation</u></b>	Use contracted services funding to assist with implementation activities and required reporting.	\$4,000,000
<b><u>HCBS Capacity Building- Expand iBudget Waiver</u></b>	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
<b><u>HCBS Capacity Building- PPEC Rate Increase</u></b>	Increasing provider rates to assist eligible children with medically complex conditions to receive continual medical care.	\$10,755,580
<b><u>TOTAL</u></b>		<b>\$1,146,221,268</b>