



Agenda

1. American Rescue Plan Overview
2. ODP Announcement 21-086
3. Provider Attestation Form for One Time Supplemental Payment
4. Review of December 3 Guidance, Q&A/FAQs
5. Open Items, Follow-up, & New Questions



Themes and Objectives

1. Encourage Participation and Support Accuracy
2. Highlight ODP Rules & Requirements
3. Focus on Application and One-Time Payment Process
4. Answer or Address Remaining Outstanding Questions from Friday's Webinar



Key Points

1. Funding Amount is based on ***ODP Claims***
2. Scope of Use: ***Recruitment, Retention, and COVID-19 Related Staff Expenses***
3. Submit Request by ***December 17*** to be paid by December 31 through Location Code with Greatest Amount of Claim Dollars
4. Payment Can Be Used for Allowable Costs from ***April 1, 2021 through March 31, 2022***

SMD# 21-003

**RE: Implementation of American Rescue
Plan Act of 2021 Section 9817: Additional
Support for Medicaid Home and
Community-Based Services during the
COVID-19 Emergency**

May 13, 2021

Dear State Medicaid Director:

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARP) (Pub. L. 117-2). Section 9817 of the ARP provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid...

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Appendix E: State Example

States may use the state funds equivalent to the amount of federal funds attributable to the increased FMAP to cover additional Medicaid-covered HCBS. **If a state chooses to cover additional Medicaid-covered HCBS, the state would be able to use the applicable portion of the state funds attributable to the increased FMAP as the state share and receive federal financial participation (FFP) for the additional HCBS expenditures it incurs.** States that are approved to use their initial reinvestment funds for Medicaid-covered services may be eligible for the increased FMAP on those initial expenditures once, if the additional expenditures are incurred between April 1, 2021, and March 31, 2022. However, once states have reinvested state funds equivalent to the amount of federal funds attributable to the increased FMAP for additional Medicaid-covered services listed in **Appendix B**, states should not claim the increased FMAP for subsequent expenditures occurring between April 1, 2021, and March 31, 2022, on Medicaid-covered HCBS. This example shows how the state could reinvest the funds in additional Medicaid-covered HCBS to receive additional federal match.

Table 1: State Example Showing State and Federal Share and the Funds Attributable to the HCBS FMAP Increase

	Q3 FY 2021	Q4 FY 2021	Q1 FY 2022	Q2 FY 2022	Total – Q3 FY 2021-Q2 FY 2022
Total computable	\$625.00 million	\$625.00 million	\$625.00 million	\$625.00 million	\$2,500.00 million
State share¹³	\$86.25 million	\$86.25 million	\$86.25 million	\$86.25 million	\$345.00 million
Federal share¹⁴	\$538.75 million	\$538.75 million	\$538.75 million	\$538.75 million	\$2,155.00 million
Funds attributable to the HCBS FMAP increase	\$62.50 million	\$62.50 million	\$62.50 million	\$62.50 million	\$250.00 million

Table 2: State Example Showing Reinvestment in Additional Medicaid-Covered HCBS

	Q3 FY 2021-Q2 FY 2022	Q3 FY 2022-Q2 FY 2023	Q3 FY 2023-Q2 FY 2024	Total
Total computable¹⁵	\$603.84 million	\$277.77 million	\$277.77 million	\$1,159.39 million
State share¹⁶	\$83.33 million	\$83.33 million	\$83.33 million	\$250.00 million
Federal share¹⁷	\$520.51 million	\$194.44 million	\$194.44 million	\$909.39 million
Funds attributable to the HCBS FMAP increase	\$60.38 million	\$0.00 million	\$0.00 million	\$60.38 million

Table 1: PA Example Showing State and Federal Share and the Funds Attributable to the HCBS FMAP Increase					
	Q3 FY 21	Q4 FY 21	Q1 FY 22	Q2 FY 22	Total Q3-Q2
Total Computable	824.50	824.50	824.50	824.50	3,298.00
State Share ¹³	260.54	260.54	260.54	260.54	1,042.17
Federal Share ¹⁴	563.96	563.96	563.96	563.96	2,255.83
Funds Attributable to the HCBS FMAP Increase	82.45	82.45	82.45	82.45	329.80

Table 2: PA Example Showing Reinvestment in Additional Medicaid-Covered HCBS				
	Q3-Q2 FY 22	Q2-Q3 FY 23	Q3-Q2 FY 24	Total
Total Computable ¹⁵	1,043.67	0	0	1,043.67
State Share ¹⁵	329.80	0	0	329.80
Federal Share ¹⁷	713.87	0	0	713.87
Funds Attributable to the HCBS FMAP Increase	104.37	0.00	0.00	104.37

13 Assumes FFCRA is available through 3/31/2022. PA share is equal to 31.6% with enhanced FMAP and FFCRA increase (federal share = 52.2% + 6.2% + 10%).

14 Assumes FFCRA is available through 3/31/2022. Federal share is equal to 68.4% with enhanced FMAP and FFCRA increase (federal share = 52.2% + 6.2% + 10%).

15 Determines Total Computable by dividing PA State Share amount derived from enhanced FMAP by 31.6%.

16 Assumes the FFCRA increase is no longer available after 3/31/22. PA share is 31.6% prior to 3/31/22 and 47.2% for all subsequent periods.

17 Assumes the FFCRA increase is no longer available after 3/31/22. Federal share is 68.4% with enhanced FMAP and FFCRA and 52.2% without enhanced FMAP and FFCRA.

ODP 21-086: ARP One-Time Supplemental Payment to Address Recruitment, Retention, and COVID-19 Related Staff Expenses



PURPOSE:

To provide guidance about the process to request one-time payments to cover COVID-19 related expenses for high staff vacancy and turnover rates.

DISCUSSION:

The American Rescue Plan Act of 2021 (ARPA) provides a temporary 10% increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS). The funding is to be used to enhance, expand, or strengthen HCBS beyond what is available under the Medicaid program as of April 1, 2021 and through March 31, 2024.

As part of the Office of Developmental Programs' (ODP) ARPA spending plan to strengthen HCBS, providers can receive a one-time supplemental payment to address recruitment, retention and COVID-19 related staffing expenses for direct support professionals or supports coordinators to include funding for hazard pay, costs of recruitment efforts, sign-on bonuses, retention bonuses, and other incentive payments.



Provider Attestation Form for One-Time Supplemental Payment

Instructions:

Providers will complete this attestation form to be considered to receive a one-time supplemental payment under the **1915(c) Home and Community-Based Services Waivers or Appendix K**. Providers seeking a one-time supplemental payment for the period of April 1, 2021 through March 31, 2022 must submit: (1) a requested amount of supplemental payment, (2) provider details and (3) acknowledge and attestation sections.

Completed forms should be sent to Rick Smith at riesmit@pa.gov. In the subject line of your e-mail, please use "MPI xxxxxxxxx Supplemental Payment Attestation," (xxxxxxx is 9 digit MPI).

Once the attestation form is submitted and the amount requested is confirmed, providers will receive the funds via a **Gross Adjustment at their largest billing service location**. Further communication on timing of payments will follow.

For questions regarding the completion of this form, please contact Rick Smith at riesmit@pa.gov. Requested Amount



Provider Attestation Form for One-Time Supplemental Payment

Requested Amount of Supplemental Payment:

Requested amount may not exceed **5% of total claims** (or 2% total claims for AWC providers) paid in the Consolidated, Community Living, P/FDS, and Adult Autism Waivers for the period of **7/1/19-6/30/20 or 7/1/20-6/30/21**, whichever is greater **and** for the following services: **Advanced Supported Employment; Behavioral Support; Benefits Counseling; Communication Specialist; Community Participation Support; Companion; Consultative Nutritional Services; Family/Caregiver Training and Support; Homemaker/Chore; Housing Transition and Tenancy Sustaining Services; In-Home and Community Support; Licensed and Unlicensed Life Sharing; Music, Art and Equine Assisted Therapy; Licensed and Unlicensed Residential Habilitation; Respite (Excluding Respite Camp); Shift Nursing; Small Group Employment; Supported Employment; Supported Living; Supports Broker and Supports Coordination.**

Please exclude revenue associated with cost-based and/or exceptional residential rates (if applicable) from your calculation.



Claims Revenue Calculation

1. Include Waiver Eligible Claims Only (Consolidated, PFDS, CLW, AAW)
 - a) No Base Funding
 - b) No Ineligible Funding
 - c) No Cost-Based Funding or Cost-Based Rates
 - d) No Rate Appeal Settlement Revenue
 - e) No Retainer Payments, Act 24, Provider Relief Fund, PPP Loans Forgiven, etc.
2. Do NOT include any portion of needs-based Exception Rates
3. Do NOT include Transportation/Trip, Supplemental Habilitation
4. Include ONLY Services Identified on the Attestation

One-Time Supplemental Payment FAQs



- 1. Time Frame for which Costs Must be Incurred?**
April 1, 2021 through March 31, 2022
- 2. Are Wage Increases Allowable?** [Discussion of Fee Schedule Rates; Not Preferred Use – Open Item]
- 3. What is Maximum Amount?** Highest Claims from FY19-20 OR FY20-21 per PROMISE Data
- 4. Can funds be used to cover program losses due to staffing vacancies?** No. Funds cannot replace revenue. Can be used for recruitment-type initiatives.

One-Time Supplemental Payment FAQs



5. **Avail to SCs?** Yes. They are. Not under OLTL. Apply for ODP portion, but if you are OLTL exclusively you cannot apply here.
6. **Total claims for FY, should I include funds received from retainer payments?** No. Claims only. Not Act 24, retainers.
7. **ARPA Waiver only?** Yes, no base funds. Do not include Base-funded services in request.
8. **Overtime for DSPs?** Yes. Acceptable use to the extent necessary due to COVID-19.

One-Time Supplemental Payment FAQs



9. **Frontline managers?** Yes, with clarification [Open Item].
10. **For tax purposes can we delay application and payment?** You can wait until after January 1 to submit attestation. Forms are due by January 31, 2022.
11. **Is amount subject to adjustment?** If you do not exceed limit you can expect to be paid requested amount.
12. **Without return receipt will there be a list somewhere to check?** No. Check with Rick Smith.
13. **Will it be fee for service like Act 24?** Contact your CPA and check federal guidance on use of ARPA funding.

One-Time Supplemental Payment FAQs



14. **TSM cannot be included. SC is only half our revenue?** Understood. 13 other pieces of our ODP spending plan/proposals. Some of those other impact. Find this on DHS site [ARPA Plan]. This is big piece but not all ARPA for ODP.
15. **Advertising?** Yes. Recruitment. Eligible.
16. **Claims paid by service date or cash basis?** Yes. Service date. Will validate using HCSIS data by service date.
17. **Assisted Living facilities?** No OLTL. Not sure. Check your funding source. If ODP it applies.
18. **Overtime costs related to open positions allowable?** Yes, with clarification/justification. Not part of original ODP intent or preferred use.
19. **Transportation claims not specifically listed?** No. Not included. (1) partially cost-based (2) fee schedule has enhanced rates associated. Transportation should be excluded from your calculation.

One-Time Supplemental Payment FAQs



- 20. Payment to actual claims?** Yes. That is my validation process. Ensure you are not exceeding 5%.
- 21. Will newer providers be eligible who did not provide services for past two years?** No not this part.
- 22. Is there a cap amount on incentive payment? Payments made to staff/prospective employees?** No. We are not specifying.
- 23. Can we use funds for training DSPs?** Generally, not.

One-Time Supplemental Payment FAQs



- 24. **Retain staff temporarily January to March for retention purposes?**
- 25. **Raised wages in May for R/R. Would this count? I think you said No earlier. I wouldn't apply to this funding specifically.** We are updating rates.
- 26. **Vaccine incentives?** Interesting question. I would think so. Kind of a retention type payment. Will probably have better answers going forward but think that would be an acceptable use.
- 27. **SCs are included. Can providers include Program Specialists?** Yes. I would think so. DSPs, Frontline supervisors, program specialists
- 28. **Previous expenses allowable?** Between April 1, 2021 – March 31, 2022.
- 29. **Can all employees be provided one-time bonus for retention/hazard pay?** ODP does not want to be prescriptive. Intended for those who provided direct care, with exception of executives.

One-Time Supplemental Payment FAQs



- 30. **Needs exception?** Exclude any rates that are needs-excepted (full needs-based exceptions to be included) Possibly covered later.
- 31. **Increased wages to be fair with new recruits. Isn't that fair to include?** As long as intent is going to the right place I don't know it will be questioned. You will have to make the argument and support.
- 32. **All staff/office staff?** Again, yes. Don't want funding directly to CEO salaries.
- 33. **Media spots, etc.?** Yes. Recruitment/hiring.
- 34. **Advertising other than DSPs?** Yes.
- 35. **Vacancies/filling positions?** Probably okay.
- 36. **Recruiter costs?** Yes.
- 37. **Marketing/Branding Costs (related to recruitment)?** Yes.
- 38. **One-time retention bonus?** Yes
- 39. **Incentive payments?** Yes.

One-Time Supplemental Payment FAQs



- 40. Ineligible claims not eligible?** Correct. Exclude from calculation.
- 41. Ongoing employment advertising?** Yes. Acceptable use.
- 42. Retention bonuses?** Yes as long as within time period specified.
- 43. Eligible and ineligible?** No. Ineligible is not included.
- 44. Total combined or highest of two years?** Highest.

One-Time Supplemental Payment FAQs



- 41. **ICF?** No. Cost-based.
- 42. **Health and Wellness eligible?** Yes. ODP does not want to define/prescribe details. Not a one-size-fits-all. We intend flexibility.
- 43. **Waiver homes for autism?** Yes.
- 44. **Staff training?** There will be additional ARPA for training. Do not use this funding.
- 45. **COVID testing related to vaccination mandate?** Probably yes.
- 46. **Is PTO considered retention bonuses?** Not sure. Accounting question. You can probably make argument.
- 47. **If you have both Waiver and ICF can you use for ICF staff?** No.

One-Time Supplemental Payment FAQs



48. **Needs exception rates no dollars?** Exclude needs-exception rates. CMS can only apply to services that have a fee schedule rate. Needs exception rates are not a fee schedule rate. Later, we may be able to include the base-amount of the rate.
49. **Closing a service location per attestation (already planned – moving individuals)?** Yes, it is okay as long as regional staff and AE are aware you are doing that.
50. **Why is increasing wages not allowable?** You can make that argument. I am advising this is not best use of funds as you will be receiving fee schedule rate increases to cover wages.
51. **TSM?** TSM is a base funded service so it should be excluded.
52. **Bonuses for retention eligible?** Yes.
53. **Indirect staff retention? Newer vehicles?** Again, probably okay. Bit of a stretch. If you can make argument that it is recruitment.
54. **Payments to Life Sharing providers?** Yes.

One-Time Supplemental Payment FAQs



- 55. **Can Act 24 be included as revenue?** No.
- 56. **ODP payment [retainer payments]?** No. One time GA or service payments should not be included.
- 57. **Is date flexible?** No.
- 58. **Max dollar amount?** 5% of 19-20 or 20-21.
- 59. **One-time FFS SC rate-incurred losses?** Not sure I understand.
- 60. **Any of these categories?** Yes.
- 61. **Does this exclude block grant funded services?** Yes. I think you are asking about base.
- 62. **Frontline or program managers?** PMs would be acceptable.
- 63. **FICA or any other employer costs related to employee costs?** I think that's an accounting question.

One-Time Supplemental Payment FAQs



- 64. **If you are both ODP and OLTL are you eligible?** Yes, but for ODP portion only per revenue calculation.
- 65. **Does money need to be repaid?** If not used yes. It is our hope everyone would spend it.
- 66. **Give you all costs for joint ODP/OLTL and let you sort it out later?** No. Apply for ODP portion of revenues first/separately.
- 67. **Additional discretionary to 401k plan for DSPs?** Would seem to be allowable.
- 68. **Holiday bonus before?** Yes.
- 69. **Don't we need to justify expenses?** Yes. Keep source documents. Document how you used the funds.

New Questions, Open Items & Discussion





Thank You!

PLEASE COMPLETE THE TPA MEMBER
SURVEY BY DECEMBER 31

