

American Rescue Plan ODP One-Time Supplemental Payments General Guidelines

Please refer to ODP Announcement 21-086, American Rescue Plan Act: One-Time Supplemental Payment to Address Recruitment, Retention, and COVID-19 Related Staff Expenses, and its attached Provider Attestation Form for One-Time Supplemental Payment for complete instructions and details published and distributed by the Pennsylvania Office of Developmental Programs (ODP). All guidance included is subject to change based on additional information, guidance, and interpretation from ODP. ODP has ultimate authority in the development, implementation, and enforcement of policies developed related to one-time funding from the American Rescue Plan Act.

Application, Eligible Claims, Request Amount, Attestation, and Funding

1. **American Rescue Plan Act (ARPA) one-time supplemental payments apply only to HCBS Waiver Services.** Include only those services listed on the Provider Attestation Form. Do not include base-funded services or Waiver ineligible services within your funding request. Funds may only be used for Waiver recipients and employees funded by Waiver dollars.
2. **Supplemental payments are based on ODP claims for the services listed on the Provider Attestation Form.** Do not include retainer payments, Act 24 funds, settlements from rate appeals, blocks grants, or any other revenue that is not related to claims for services identified on the Provider Attestation Form.
3. **Do not include service claims reimbursed by OLTL, ICF/ID, Assisted Living or other sources on your application form.** For locations and areas where ODP individuals are served with individuals funded by other programs, or in a location licensed or approved by another entity, include only the ODP portion of claims for that location, program, or facility.
4. **Do not include claims based on needs-exception rates.** No portion of rates approved through the needs exception process are to be included in allowable claims. These claims are not funded through the prevailing fee schedule and are therefore ineligible for payment. Exclude all claims derived from needs-exception rates from your 5% calculation. Do not include any amount, including the standard Need Group rate that would have otherwise applied. These claims may be covered in a later round of funding at the discretion of ODP.
5. **Transportation claims are not eligible for one-time payments.** Transportation is not included in the allowable list of services. Transportation should be excluded from your allowable claims calculation.
6. **Enhanced CPS rates under Appendix K are included in allowable claims.** CPS enhanced rates are fee schedule rates approved under Appendix K and are included in the list of allowable services. You may use claims billed at enhanced CPS rates to determine your request amount.
7. **Deadline for submission of the Provider Attestations Form is January 31, 2022.** Requests received and validated by December 17 will be processed for payment on January 5, 2022. Payments will be posted to the service location with the greatest dollar value of claims for the billing period. All requests submitted and validated prior to December 17 will be processed in a single batch, not processed individually on a rolling basis.

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8. **Maximum amount issued for one-time payments is based on percentage of claims.** Funding amount is calculated at 5% of allowable claims (services listed on Provider Attestation Form) from either FY2019-20 **OR** FY2020-21 per PROMISe data, whichever is greater. For AWC claims, the allowable amount is 2% of claims.
9. **One-time supplemental payments are available to Supports Coordination Organizations.** Request amount is to be determined using the same 5% method as used for other claims.
10. **Targeted Services Management (TSM) is not to be included.** TSM is a base-funded service so it should be excluded. There may be other ARPA resources that address TSM at a later date.
11. **Payment amount requested is subject to adjustment.** ODP will validate your request using HCSIS data by service date. If you do not exceed the limit and use only allowable service claims in your calculation you can expect to be paid the requested amount. ODP will adjust any requests over the allowable amount as needed.
12. **Unused funds must be returned.** If not used funds will be required to be returned to the state. Allowable uses are stated within the scope and description contained in ODP Announcement 21-086. Additional information related by ODP is included in the following section of the Allowable Use of Funds section of this guidance.
13. **ODP will not provide a confirmation of receipt and there will not be posting where providers can check status.** If follow-up is necessary, contact Rick Smith at riesmit@pa.gov for any critical inquiries. ODP advises to assume that requests are in process unless you are informed otherwise.
14. **Planned closings or service reductions already in progress will not preclude approval of supplemental payment.** Requests should be approved as long as regional staff and Administrative Entities have been previously involved and informed.
15. **ODP has communicated its intent to provide notice of status to all applicants on Saturday December 18. For submissions received and validated by December 17, 2021 providers should expect payment to be reflected on next remittance advice and payment should be received on January 5, 2022.**
16. **The announcement with instructions and Provider Attestation Form may be founds at MyODP.org or the TPA website (www.provideralliance.org)**

Allowable Use of Funds

17. **Funds must be used for “COVID-19 Recruitment and Retention and COVID-19 Related Staff Expenses.”** As stated within ODP Announcement 21-086, “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.”

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18. **The time frame during which costs must be Incurred is April 1, 2021 through March 31, 2022.**
19. **Funds cannot replace lost revenue or cover program losses.**
20. **Wage increases implemented prior to the effective date of updated fee schedule rates may be allowable if they meet criteria for COVID-19 recruitment and retention.** Providers should develop a plan, document, and confer with their auditors.
21. **Overtime costs are an acceptable use to the extent necessary and related to COVID-19 staffing issues.**
22. **Overtime costs related to open positions are allowable.** Providers should be prepared to provide clarification and justification. Overtime cost is allowable if it meets criteria for COVID-19 recruitment and retention. Providers should develop a plan, document, and confer with their auditors.
23. **Payment to frontline supervisors is an allowable expense.** Criteria for COVID-19 recruitment and retention should be met. Providers should develop a plan, document, and confer with their auditors.
24. **Program managers are eligible to receive payments.**
25. **Incentive payments to Program Specialists are considered eligible costs.** Allowable if costs meet criteria for COVID-19 recruitment and retention. Providers should develop a plan, document, and confer with their auditors.
26. **Employees may be provided one-time bonus for retention or hazard pay.** ODP does not intend to be prescriptive. Funds are Intended for those who provided direct care, with the exception of executives.
27. **According to questions answered by ODP during recent Q&A sessions and in follow-up, the following have been identified as potential allowable uses, pending proper documentation and use within the stated scope of funding:**
 - a) Retention bonuses
 - b) Incentive payments
 - c) Holiday bonuses
 - d) Payments to office, administrative, or support personnel except for CEO and other executive compensation
 - e) Can you use the funding to provide payments to staff who miss work due to covid or quarantine related to covid? Open item.
 - f) Life Sharing: Are families eligible? Yes, to the extent they are providing care and an approved provider or reimbursed by the organization.

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- g) Are advertising costs allowable? Yes. Allowable if it meets criteria for COVID-19 recruitment and retention. Providers should develop a plan, document, and confer with their auditors.
 - h) Retain staff temporarily January to March for retention purposes? Yes, if applying criteria stated in ODP announcement.
 - i) Vaccine incentives
 - j) Previously incurred expenses for COVID-19 related costs between the period April 1, 2021 through March 31, 2022
 - k) Payments for media to promote recruitment and hiring
 - l) Advertising costs other than for DSPs
 - m) Recruiting costs
 - n) Marketing and branding costs related to recruitment
 - o) Ongoing employment advertising
 - p) Health and Wellness programs for employees
 - q) Costs incurred in Waiver homes for autism services
 - r) COVID-19 testing related to vaccination mandates
 - s) Payments to Life Sharing providers
 - t) FICA and other employee related expenses resulting from payments to staff
 - u) Discretionary contributions to retirement or 401(k) plans (check with plan consultants for further compliance requirements and guidance)
 - v) For all items above providers should develop a plan, document, and confer with their auditors.
28. **If you provide both Waiver and ICF services, funds cannot be used for ICF staff.**
29. **Purchases indirectly related to staff retention, such as investments in newer vehicles, may be allowable with proper support.** Costs are allowable if they meet criteria for COVID-19 recruitment and retention. Providers should develop a plan, document, and confer with their auditors.
30. **ODP is not imposing any cap amount on incentive payments to eligible employees.**
31. **Qualified expenses may be documented on an accrual basis under Generally Accepted Accounting Principles (GAAP).**

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Cost Reporting, Classification of Funding, and Audit Implications

32. **There are no formal cost reports to be completed at this time.** ODP recommends tracking use of funds on a simple spreadsheet, retaining source documents, and categorizing by type of payment (e.g., Hazard Pay, Recruitment, Sign-on Bonuses, Other Incentive Payments, etc.)
33. **ARPA One-Time Supplemental Payments will not be reportable by providers as federal awards.** Providers have inquired whether or not ODP can designate ARPA one-time supplemental funding as “fee for service” as was done during the audit confirmation process for previously issued Act 24 payments. Based on possible designation of ARPA funding as a federal award, providers have expressed concern that ARPA payments could trigger a single-audit requirement under Uniform Guidance. At this time ODP is stating that payments should not be shown on the Schedule of Expenditures of Federal Awards. Under GAAP these payments could be classified as a conditional grant. Further guidance or clarification may be issued at a later time. **It is recommended that providers confer with their auditors and CPAs to confirm federal guidance on reporting and use of ARPA funding.**
34. **At this time, one-time payments will not be considered subrecipient funding and therefore would not be reportable on the Schedule of Expenditures of Federal Awards (SEFA) in a single audit.** Fee for service claims paid to providers are typically classified as vendor payments, which do not imply a subrecipient relationship in the use of federal funds. Further guidance or clarification may be issued at a later time. **It is recommended that providers confer with their auditors and CPAs to confirm federal guidance on reporting and use of ARPA funding.**

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ODP Slides from December 3, 2021 Webinar

ODP ARPA Q&A



- Dates:
 - April 1, 2021 thru March 31, 2024 – General ARPA Timeline
 - April 1, 2021 thru March 31, 2022 – Specific to use of funds associated with this one-time supplemental payment
- Specific to ODP Waiver providers. Other Offices will be distributing their funds
- Includes all ODP Waivers – Consolidated, PFDS, Community Living and Adult Autism
- Unsure on reporting requirements – Recommend keeping a simple spreadsheet and source documents on use of funds and categories (i.e. Hazard Pay, Recruitment, Sign-on bonuses, Other Incentive Payments)
- Payments processed in batches
- I do not plan to contact you unless you request too much or are unqualified

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ODP ARPA Funding Proposals



• **Provide Funding to Address High Staff Vacancy and Turn Over Rates**

- One time funding for COVID-19 related staffing expenses, recruitment and retention of Direct Support Professionals or Supports Coordinators to include funding for hazard pay, costs of recruitment efforts, sign-on bonuses and other incentive payments.

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