



DELAWARE HEALTH AND SOCIAL SERVICES

Delaware Division of Medicaid & Medical Assistance

To: Home and Community-Based Services (HCBS) Stakeholders
From: Stephen M. Groff, Director, Division of Medicaid and Medical Assistance
Date: March 8, 2022
RE: American Rescue Plan (ARP) HCBS Spending Plan Update

The Division of Medicaid and Medical Assistance (DMMA) is pleased to announce that on December 8, 2021, the Centers for Medicare & Medicaid Services (CMS) granted partial approval to Delaware's enhanced federal match percentage (FMAP) Spending Plan for Home and Community-Based Services (HCBS). CMS has approved Delaware to begin drawing down the 10% enhanced FMAP for currently provided HCBS services.

WHAT IS THE ENHANCED FMAP?

The American Rescue Plan (ARP) Act allows states to claim a 10% increase in federal matching funds on current Medicaid HCBS expenditures from April 1, 2021 to March 31, 2022. In this context, HCBS is broadly defined and includes services provided in the Diamond State Health Plan (DSHP)-Plus, Lifespan Waiver as well as many of the Medicaid behavioral health rehabilitative services administered through the Medicaid (DSHP) health plans and Division of Substance Abuse and Mental Health (DSAMH) (through PROMISE). DMMA, in collaboration with partner DHSS Divisions, has the opportunity to earn an additional 10% on eligible expenditures and reinvest these funds in activities that expand, enhance or strengthen HCBS. This funding must be used to supplement, and not supplant, current expenditures and must be spent by March 31, 2024. In order to spend this money to benefit Medicaid HCBS in Delaware, DMMA is required to submit and receive approval of their Spending Plan from CMS.

WHAT IS THE HCBS SPENDING PLAN?

In order to claim this temporary enhanced federal funding, states must develop and submit a detailed spending plan to CMS for approval and provide updates to the plan quarterly. The Spending Plan is required to outline how the state plans to reinvest these dollars to enhance, expand, or strengthen HCBS in the state, while in a manner that is sustainable after this enhanced funding ends.

Delaware submitted an [Initial Spending Plan](#) to CMS on July 12, 2021 and submitted a quarterly update to the Spending Plan to CMS on November 1, 2021. DMMA received partial approval from CMS to begin drawing down 10% match for approved activities on December 8, 2021 and submitted another quarterly update to the Spending Plan to CMS on January 28, 2022. Delaware is required to submit quarterly updates to the Spending Plan until all funds are spent.

APPROVED ACTIVITIES TO IMPLEMENT THROUGH ARP FUNDS

- **Division Of Developmental Disabilities Services (DDDS) Direct Support Professionals (DSP) Recruitment and Retention Payments**
 - This activity supports a retention payment of \$1,000 to DSPs employed by any DDDS HCBS service provider prior to April 30, 2021 and who work 25 hours or more per week. Additionally, new DSPs hired since May 1, 2021 by any DDDS HCBS service provider and who work 25 hours or more per week are eligible for a series of recruitment payments, totaling \$1,000. Each DSP is eligible for only one type of payment and a total of \$1,000.

Delaware Division of Medicaid and Medical Assistance
American Rescue Plan Home and Community-Based Services Spending Plan Update
March 8, 2022
Page 2

- **Rate Study for DSPs**
 - This project will include a rate study for DSPs supporting members in DSHP, DSHP-Plus or state-funded services through the Division of Seniors and Adults with Physical Disabilities (DSAAPD) to assess the adequacy of current reimbursement rates.
- **Critical Incident Management System Upgrade**
 - This multi-phase project begins with a review and update of existing policies and procedures to align with practices and processes across DMMA partner agencies and national best practices.
 - This work will form the basis of business requirements for an integrated Incident Management IT System procured in the second phase of this work.

ACTIVITIES UNDER DEVELOPMENT FOR CMS REVIEW

CMS is currently reviewing the following activities.

- **Respite for Caregivers of Children with Complex Medical Conditions and Behavioral Health Needs**
 - Delaware is developing a Medicaid funded respite service for caregivers of children with complex medical conditions, severe emotional disorders, and dual diagnoses of mental health and intellectual or developmental disabilities (I/DD).
- **Children and Adults with Complex Medical Needs**
 - This activity supports the development of a cross-division and interdepartmental team to review, analyze and determine the course of possible action for complex cases.
- **Long-Term Services and Supports (LTSS) Strategic Planning Study**
 - DMMA plans to conduct a study to assess the current long-term services and supports delivery system in the State and develop recommendations for short term and long-term changes to the LTSS infrastructure in order to support Delawareans in receiving their LTSS in the settings of their choice. The study will include exploration of key LTSS themes identified by stakeholders via the feedback process for the development of the Spending Plan.

NEW ACTIVITIES PROPOSED IN JANUARY 2022 QUARTERLY UPDATE

As a part of the January 2022 Spending Plan update, DMMA included the following new activities for CMS review and approval.

- **DSHP, DSHP Plus, and DSAAPD Support Professionals Bonus Payments**
 - This activity supports a retention payment of \$1,000 to DSPs employed by any HCBS service provider prior to April 30, 2021 and who work 25 hours or more per week. Additionally, new DSPs hired since May 1, 2021 by any HCBS service provider and who work 25 hours or more per week are eligible for a series of recruitment payments, totaling \$1,000. Each DSP is eligible for only one type of payment and a total of \$1,000.
- **No Wrong Door Information Technology Upgrade**
 - This activity plans enhancements to the Aging and Disability Resource Center to create a No Wrong Door (NWD) Information Technology (IT) infrastructure. The transition to NWD will require enhanced IT adaptations to properly support all key functions.

Delaware Division of Medicaid and Medical Assistance
American Rescue Plan Home and Community-Based Services Spending Plan Update
March 8, 2022
Page 3

- **Support for Local Contact Agencies**

- Delegate Local Contact Agency (LCA) functions to Delaware’s two Centers for Independent Living (CILs) and strengthen operations, hire necessary staff and/or obtain contractual help, and engage in strategic planning to outline the process for CILs to serve as the LCA for MDS options counseling to support members who may wish to return to the community following an institutional stay.

- **Education, Marketing and Outreach on HCBS and Delaware’s No Wrong Door**

- This activity plans for a one-time investment in a comprehensive education, marketing, and outreach campaign aimed at educating the general public about HCBS options available throughout the State.

HOW CAN I GET INVOLVED?

Delaware’s Initial Spending Plan and information on other state plans can be found on the [DMMA website](#).

To submit additional feedback, comments or questions about activities proposed as part of the HCBS Spending Plan or activities you would like to see supported, please contact MedicaidInfo@Delaware.gov.

UPCOMING SESSIONS TO OBTAIN PUBLIC INPUT

Virtual public forums with stakeholders targeted at behavioral health are scheduled for March 23, 29, 31 and April 5, 2022. Please see the [DMMA website](#) for meeting and registration information.

DMMA is excited about the opportunities this funding provides for the future of HCBS in Delaware and looks forward to continuing discussions with stakeholders on this Spending Plan.

Sincerely,

DocuSigned by:
Stephen M. Groff
164BC1A0F95D49B...

Stephen M. Groff
Director
Division of Medicaid and Medical Assistance