



American Rescue Plan Act Home and Community Based Services Opportunity

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Background and Context

- The American Rescue Plan Act (ARP):
 - Allows states to claim a 10% increase in federal matching funds on current Medicaid home and community based services (HCBS) expenditures from April 1, 2021 to March 31, 2022.
 - In this context, HCBS is broadly defined, including the services provided through DDDS and DSHP Plus, but also behavioral health rehabilitative services and private duty nursing.
 - The federal funds generated on current HCBS expenditures must be used:
 - To supplement and not supplant current state expenditures.
 - For activities that expand, enhance or strengthen HCBS.
 - By March 31, 2024.
 - These are different funds with different goals than the \$30m in federal CARES Act funding announced June 16th.

Maintenance of Effort Requirements

- To access the 10% FMAP increase, Delaware must attest to the following:
 - The State has not imposed stricter eligibility standards, methodologies, or procedures for HCBS programs or services than those in place on April 1, 2021;
 - The State has preserved HCBS, including the services themselves and the amount, duration, and scope of these services in effect as of April 1, 2021; and
 - The State must maintain HCBS provider payments at a rate no less than those in place on April 1, 2021 until the additional federal funds have been spent.

Source: CMS State Medicaid Director Letter released May 13, 2021. <https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf>

Examples of Allowable Activities that Enhance, Expand, or Strengthen HCBS

New or additional HCBS	Institutional diversion activities
Supports for family caregivers	Workforce development and investments
Community transition costs or transition coordination	Addressing social determinants of health
Expanding capacity of behavioral health services	Adoption of enhanced care coordination
Upgrading critical incident management reporting systems	Employing cross-system data integration efforts
Strengthening assessment and person-centered practices	Expanding use of technology and telehealth
Quality improvement activities	Addressing health disparities

Delaware must have a plan for sustaining HCBS enhancements beyond March 31, 2024.

Source: CMS State Medicaid Director Letter released May 13, 2021. <https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf>

The HCBS Spending Plan

- By July 12, Delaware needs to submit an initial HCBS Spending Plan to CMS that describes proposed enhancement activities.
 - Your feedback today and this summer will help inform this Plan.
- The initial spending plan may evolve and can be updated with CMS
- Delaware is planning additional public input sessions
- Delaware will provide ongoing quarterly reporting until all claimed funds are spent

Delaware's Guiding Principles for Spending Initiatives

- This is a short-term opportunity that should lead to long-term, sustainable changes that address gaps and barriers in Medicaid HCBS.
- Initiatives should support an HCBS delivery system that is person-centered and maximizes individuals' opportunities for choice, independence and community integration.
- Investments should be focused on improved health outcomes for members and a reduction in health disparities.
- Services and supports should be provided by well trained and culturally competent providers.
- Families and other informal supports are an essential component of the HCBS delivery system.
- Initiatives should not create unhealthy competition within our own delivery systems.
- Innovation and partnerships is highly desired.

Medicaid Priorities

- Addressing the needs of members, families and providers to emerge from the public health emergency.
- Investing in Delaware's HCBS Provider workforce
- Supporting family caregivers
- Creating more community-based options and addressing known gaps in our care system (e.g., brain injury)
- Expanding infrastructure and capacity-building to support HCBS
- Supporting mental health and substance use disorder services
- Supporting transitions

Stakeholder Feedback