

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the left and right sides of the slide, framing the central text. The overall aesthetic is clean and modern.

# The Global Commitment to Health 1115 Demonstration Waiver

# 1115 Waivers

- ▶ Federal government can “waive” many, but not all, of the laws governing Medicaid, including eligible people and services.
- ▶ Section 1115 waiver authority is intended to encourage state innovation in the Medicaid program.
- ▶ Often, states identify ways to save Medicaid funds and are permitted to use the savings to expand coverage
- ▶ The federal government approves Section 1115 Demonstrations for five-year terms, but Demonstrations can be extended.
- ▶ **Section 1115 waivers must be budget neutral.**

## Without a waiver:

- Medicaid is limited to what is approved by CMS in the Medicaid State Plan – mandatory and optional populations and services.
- Medicaid is strictly administered in compliance with Medicaid regulations (either FFS or Managed Care).

Section 9817 of the  
American Rescue Plan:  
State Proposal to  
Enhance, Expand or  
Strengthen HCBS under  
the Medicaid Program

DAIL Advisory Board Meeting  
May 12, 2022

# Program Overview

- ▶ Section 9817 of the American Rescue Plan Act provides states with a 10% federal medical assistance percentage (FMAP) increase for Medicaid home and community-based services (HCBS) for activities to enhance, expand, or strengthen HCBS.
- ▶ HCBS is defined broadly within Centers for Medicare and Medicaid Services (CMS) Guidance.
- ▶ **Estimated projections** indicate Vermont will claim over \$67M in funds attributable to the increase in FMAP which will be employed as the state share to implement approved activities valued at \$149.5M.
- ▶ Time periods
  - ▶ Increased FMAP is for expenditures occurring between 4/1/21 and 3/31/22
  - ▶ Funding may be used through 3/31/24

## HCBS Services

State Plan Services	HCBS Authorized under 1115 waiver
<ul style="list-style-type: none"> <li>• Home Health Care</li> <li>• Personal Care Services</li> <li>• Case Management</li> <li>• School Based Services</li> <li>• Rehabilitative Services</li> <li>• Private Duty Nursing</li> </ul>	<ul style="list-style-type: none"> <li>• Brain Injury Program</li> <li>• Developmental Disability Services</li> <li>• Choices for Care Highest/High (excludes skilled nursing facilities)</li> <li>• Choices for Care Moderate Needs (for participants who are Medicaid-eligible only)</li> <li>• Community Rehabilitation and Treatment (CRT) (for participants who are Medicaid-eligible only)</li> <li>• Children's Mental Health</li> </ul>

# Process Steps

Requirement	Status
CMS approval of HCBS Spending Plan*	Vermont received full approval of its HCBS Spending Plan this month
State submission of CMS forms to claim enhanced federal medical assistance percentage (FMAP)	Vermont has successfully claimed the enhanced funding
CMS Approval: 1) Medicaid Match for Planned Activities 2) HCBS Spending Plan activities will not impact 1115 Waiver budget neutrality	In progress
State appropriation of funds for HCBS Spending Plan activities	<ul style="list-style-type: none"><li>• 3% rate increases approved in 2021</li><li>• State fiscal year 2022 appropriations were received through Act 83 of 2022</li><li>• State fiscal year 2023 appropriations are anticipated</li></ul>
Implementation of HCBS Spending Plan activities	<ul style="list-style-type: none"><li>• 3% rate increases approved in 2021 were implemented</li><li>• New activities funded through Act 83 of 2022 are under development</li></ul>

\*States can update the HCBS Spending Plan on a quarterly basis.

# Premium Pay for Workforce Recruitment and Retention Grant Program

## ▶ **Who**

- ▶ Per Act 83 of 2022, certain health care and social services employers may apply for grant funding.

## ▶ **What**

- ▶ \$25 million of the \$60 million program is funded through Section 9817 of the American Rescue Plan Act (i.e. HCBS FMAP).
- ▶ Grant funding must be distributed by eligible employers as premium pay to eligible employees.
- ▶ Employees must make a commitment to continue employment with the employer.

## ▶ **Why**

- ▶ Aims to mitigate the negative impacts these employers have sustained throughout the COVID-19 public health emergency by providing premium pay to essential employees.
- ▶ Supports recruitment and retention efforts.

## ▶ **How**

- ▶ Eligible employers may apply for \$2,000 per full-time equivalent employee (FTE).

## ▶ **When**

- ▶ Grant applications can be submitted online between May 18<sup>th</sup> and May 24<sup>th</sup>, 2022 (anticipated).
- ▶ Grant funds must be disbursed as premium pay within twelve months.

# Employers that can apply for funding

- ▶ The following types of employers can apply to receive grant funding:
  - ▶ An assisted living residence as defined in 33 V.S.A. §7102,
  - ▶ A nursing home as defined in 33 V.S.A. §7102,
  - ▶ A residential care home as defined in 33 V.S.A. §7102,
  - ▶ A home health agency as defined in 33 V.S.A. §6302,
  - ▶ An agency designated to provide mental health or developmental services, or both, pursuant to 18 V.S.A. chapter 207 or an agency with which the Commissioner of Mental Health or of Disabilities, Aging, and Independent Living, or both, has contracted to provide specialized services pursuant to 18 V.S.A. §8912,
  - ▶ A substance use treatment provider in the Department of Health's preferred provider network,
  - ▶ A recovery center,
  - ▶ An adult day service provider,
  - ▶ An area agency on aging,
  - ▶ A program licensed by the Department for Children and Families as a residential treatment program
- ▶ ARIS Solutions has the authority to apply for a grant in the same manner as an Eligible Employer and to disburse funding to eligible Independent Direct Support Providers as defined in 21 V.S.A. §1631.