

# Aging and Long-Term Support Administration Developmental Disabilities Administration FMAP Enhancement Q&A



*Below is a set of questions and answers captured from staff and stakeholder webinars held on March 19 and March 22, 2021 with regard to American Rescue Plan Act Enhanced FMAP proposals.*

1. Will the 11.3% temporary rate adjustment for Supported Living likely continue through March 31, 2022?

The quarterly COVID-related rate enhancements have been authorized to continue by the Legislature through June 30, 2021. We have requested that these continue through the Public Health Emergency period which the Biden Administration has indicated may extend through calendar year 2021. This will be a decision made by the Legislature.

2. How can this help my small business? I have an Adult Family Home.

Adult Family Home providers are part of the requested continued quarterly COVID-related rate enhancements. Additionally, DDA put forward a proposal for a DDA/AFH pilot for an Enhanced Adult Family Home waiver for people with I/DD that would offer individualized supports that may include habilitation, behavior supports, community integration, meaningful activities, AFH transition services and transportation. There may be latitude for provider investment funds to be used for physical plant changes (e.g. remodel, HVAC, etc.) – CMS will have to provide guidance on the extent of this flexibility.

3. If the wage is increased for caregivers, will other providers' wages increase?

The Legislature has approved the temporary COVID-related rate enhancements through June 30, 2021. DSHS has proposed that these rate enhancements continue through the Public Health Emergency (expected to be continued through December 2021). However, nursing facilities are not considered Home and Community Based services providers under the new enhanced FMAP of 10%.

4. Do all of the funds have to be spent?

No, not all of the funds have to be spent, however there are limits on what the additional 10% FMAP can be spent on and when the dollars will have to be spent by. We are seeking additional guidance from CMS to better understand any limits on how the funding can be spent, how they will determine supplementation vs. supplanting on the funding and the time period in which it must be spent.

5. Can we consider a rate increase for DDA respite providers in community settings?

This was not included in our proposals, but we could look at this long-term. OFM and the Legislature approved a list of service providers to receive the temporary COVID rate increase. The Department is following that direction.

6. Will there be funding available to support an increase in the number of diversion beds available?

DDA has requested crisis support in the form of mobile crisis diversion teams in each region to support individuals with challenging behaviors.

7. Will there be an opportunity to purchase curriculum related to professional development and retention?

We believe that training curriculum designed to strengthen the Home and Community Based system would be an acceptable use of the funding. There are a number of proposals made by DSHS that touch on training of the workforce. AL TSA has requested funding for the LTC Workforce Development Pilot. AL TSA has also requested funding to strengthen the tribal HCBS development with would expand training for in-home and residential staff specific to tribal culture. AL TSA has also requested funding for eLearning for family caregivers of loved ones with dementia. DDA has requested additional training resources for hiring and retaining staff in SOLAs and has also requested funding for training and outreach to families with children with complex behavioral issues. Options to purchase curriculum could be part of these proposals.

8. Would there be a short-term increase to the IFS waiver for individuals whose funding has been more quickly exhausted due to increased rates?

This was not included in our proposals, however DDA is looking at a possible long-term increase. During the Public Health Emergency we do have the ability to increase individual annual allocations for individuals when there is a need up to the maximum of \$3,600.

9. When will the Legislature need to make these decisions? What is the timeline? How will providers know if they are getting additional funding?

We could see a few things come through that are the proposed House and Senate budgets that are coming out this week. It is likely that decisions may not be made until the conference budget is negotiated and passed by the Legislature. We use a variety of methods to notify our providers of changes in their rates including issuance of management bulletins, Dear Provider letters and notification through GovDelivery.

10. Are funds usable for preparedness for future pandemics? If so, any ideas on what that might look like?

Both AL TSA and DDA have put forward proposals for one-time provider grants to allow providers flexibility in addressing pandemic-related needs, service delivery improvements or infrastructure needs. There are also proposals for generators in ALF and AFHs as part of

emergency preparedness.

11. What will the process be for agencies to request funds and/or participate in development of new initiatives that are funded?

We will keep you informed as information becomes available. You can also sign up for electronic updates from our administrations by visiting: <https://public.govdelivery.com/accounts/WADSHSALTSA/subscriber/new> for ALTSA and <https://public.govdelivery.com/accounts/WADSHSDDA/subscribers/new> for DDA, and by following budget activities of the Legislature and Governor's office. Once we receive final information on which proposals were funded, we will communicate with providers as to whether there are specific instructions they need to follow to gain access or request funding.

12. [Evelyn], you stated you are attempting to continue current rate enhancements. Will that mean the increases for home care and private duty nursing will be proposed in the upcoming budget cycle or just for the FMAP money for use until March of 2022?

The current rate enhancements are expected to continue through December of 2021 or the period of the Public Health Emergency. This is a decision to be made by the Legislature. Beyond the temporary COVID rate increases, home care rates are determined by collective bargaining for home care and the Legislature is considering whether to fund the 2021-23 agreement. The Governor's budget proposal did not include a rate increase for private duty nursing beyond the temporary COVID rate increases.

13. [Bill], at the beginning of the presentation you mentioned that all Medicaid services expenditures received a rate increase. Medicaid home health did not get a rate increase. Do you know why?

During the webinar, Bill indicated that the enhanced FMAP applied to all Medicaid services. OFM and the Legislature approved a list of service providers to receive the temporary COVID rate increases. The Department is following that direction. In ALTSA and DDA, Private Duty Nursing, Nurse Delegation and Skilled Nursing received COVID-related rate enhancements.

14. In the next operating budget, is ALTSA proposing to increase rates to the new enhanced levels or will they drop back down after the FMAP is gone?

These rate enhancements are time-limited and may not continue after the enhanced FMAP is no longer available. DSHS will use existing budget development timelines and processes in evaluating any agency requests for the 2022 legislative session and supplemental budget.

15. Do you have a plan to make more providers available? It is hard to find available providers.

We have proposed several things to incentivize providers such as the LTC workforce development package that includes a variety of strategies designed to increase the recruitment pool of direct care workers and to improve retention of the workforce.

16. Are you planning to get people off of the waiting list for services? What can be done to help reduce the waitlist?

We must keep in mind that this funding is time-limited so we don't want to open up the waitlist and then have to cut people off of services once the funding ends. We want to avoid creating a bow wave that we cannot manage once the funding is gone.

17. Can you speak to how this supports in-home care providers?

There are several incentives proposed for in-home care providers: Temporary rate increases and the LTC Workforce Development pilot outlined above, signing and retention bonuses for IPs, ongoing PPE supplies, vaccination incentives, etc. We also have a proposal that suspends in-home client participation which will be helpful for both clients and their providers.

18. What about ongoing state expenditures such as CBA/parity, or shared benefit rate adjustments?

The Legislature could choose to use the enhanced FMAP funding to fund costs in SFY 22 related to these things such as CBA/parity, shared benefit settlement. However, the funding is time-limited so they would also need to fund these on-going investments with other fund sources once the FMAP enhancement is no longer available.

19. Did you say rates for providers will stay the same? Are you referring to the temporary rate increases or our previous rates (specifically for employment and day programs)?

The COVID-related rate enhancement is proposed to continue through December of 2021 and the Department has proposed that the current temporary rate increases continue. For Adult Day Services, rate enhancements are added as part of our proposal as they were not included in the initial temporary COVID-related increases. This will be a decision made by the Legislature.

20. You mentioned investment in the workforce. Were you referring to training people to support our DD population or increased funding to CRPs to help find employment for our people? (CRP vocational question)

DDA is proposing an increase for the Employment and Day Information and Education portion of the rate to counties.

21. As a day program provider, I don't believe there has been an increase in funding rates for some years now. I am aware of the increase this past year to the residential assisted living support fee structures. Is there any discussion about raising the rates for vocational day program services? We have a large task in looking for re-employment for many who have been affected by COVID-19 layoffs.

See response to #20, above.

22. Regarding agency infrastructure, are there any proposals to reduce the number of furlough days for staff to implement any changes that are approved?

While we cannot use this money to impact furloughs, we think this will ultimately be covered by the change in the larger fiscal picture and will not continue. We will have a clearer picture of this when we see the proposed Senate and House budgets in the next week or so.

23. What are your plans for strengthening the workforce? Will nursing homes be included? Have you considered offering hazard pay for the direct support workforce?

The new Medicaid investments will not be earned on nursing home services, it is limited to Home and Community Based services. See previous responses related to proposals to strengthen the workforce. The Legislature has approved COVID-related rate enhancements in most settings along with retainer payments in residential and adult day services settings. These rate enhancements have been used by providers to manage increased costs including those related to labor. For the in-home population, rate enhancements have been directed to increases in hourly wage to compensate for performing work during a pandemic.

24. After watching the webinar from the Office of Financial Management I was under the impression we had till 2024 to spend the FMAP increase. Can you please clarify?

The statute is complex and has many components, under some of the sections of the law spending is longer term. For the HCBS related FMAP it is only earned on a brief period from April 1, 2021-March 20, 2022 and must be used to supplement and not supplant. By all accounts that we have heard through federal and state communications, this enhanced FMAP funding is effective through March 31, 2022.

25. Under client assistance it would be nice to see clients who are so tight financially get some assistance with rent. Is that part of a proposal?

Yes, one of the proposals we have identified as a high priority is to raise the Personal Needs Allowance for clients served in their own homes under AL TSA. This would support clients in keeping more of their income to meet their monthly expenses and necessities.

We did not put anything forward related to supportive housing primarily because of the concern that the funding is only available for a limited period of time.

26. The 10% FMAP needs to be spent on HCBS services and can't supplant existing funding. Do you know if this is specific to each sector of HCBS programs (Supported Living 10% must be spent on SL services, IFS 10% must be spent on IFS) or just that the total amount received in increased FMAP must be spent across all of the HCBS services once computed?

It is not specific to each sector, it is more flexible than that and is across all HCBS.

27. How would you increase capacity for Medicaid assisted living? Would it be through long-term base rate increases? Could there also be a COVID rate add-on?

We are exploring if there are ways within the time-limited nature of the funding that incentives could be created that would increase the number of Medicaid residents served under an Assisted Living contract. Because the funding is time-limited we did not propose a long-term base rate increase.

28. I am a little confused about the restrictions on the money as some of the projects suggested look like they could obligate the state for ongoing expenditures - such as rate increases? How can increased wages be sustained over time?

These increases utilizing the enhanced FMAP funding are time-limited in nature. We are proposing that the COVID-related rate enhancements be extended for the period of the Public Health Emergency which is time-limited. The Legislature must appropriate authority for short-term and longer-term investments like increases in rates and anything proposed after the time-limited FMAP funding would need to utilize an ongoing funding source.

29. Could this funding pay for resource development - like recruiting behaviorists or others to help with staff and family consultation (in DD system)?

Yes, there is funding for mobile crisis diversion teams in each region to support individuals with challenging behaviors. There is also the training and outreach proposal for children with complex behaviors.

30. Can you fund training on person-centered supports and services for case managers and providers that is delivered by people with developmental disabilities?

Yes, time-limited training to strengthen home and community-based services would be an appropriate use of this type of funding. DDA has also proposed support to increase the skill and availability of providers of residential habilitation.

31. Can this be used for housing for people with DD in SOLAs, etc.?

This funding is time-limited in nature and we are very conscientious to not propose use of this funding on services that would result in a loss of new services when the funding runs out. DDA has proposed using these funds for new SOLA and SAIF remodeling costs before occupancy.

32. You mentioned guardians – is that funding to set them up?

Guardianship is a component of the DDA Family Support and Aging Caregivers proposal which would offer assistance in long-term planning to include guardianship, housing, and a network of support to care for the future needs of individuals with developmental disabilities whose parents/caregivers may no longer be able to care for them.

33. What about directly enhancing provider rates for providers of employment? The ones you have done...is that referring to the up to \$105 starting this month? We haven't seen any other rate changes.

DDA is proposing an increase for the Employment and Day Information and Education portion of the rate to counties.

34. Can some money be put toward respite care training?

Within the LTC Workforce Development Pilot proposal put forward, training was included that could potentially training for individual providers.

35. Will you provide any financial support for non-paid family caregivers who cannot be contracted?

Although financial support is not specifically called out in our proposals, this is something we could consider. There are a number of proposals put forward that support unpaid family caregivers:

The tribal infrastructure proposal includes support of enhancements for of family caregivers and intergenerational families; the IT learning management system for family caregivers proposal provides an innovative eLearning program for family caregivers; the family support and aging caregivers proposal put forward by DDA provides for free virtual training courses with a trained therapist and allows for peer mentoring for up to 20 parents.

36. Will there be funding for supported employment agencies for DDA?

DDA is proposing an increase for the Employment and Day Information and Education portion of the rate to counties.

37. Could this funding be used to provide support for start-up costs for example for respite homes or other vendors who may be interested in providing services?

We are exploring this with the Department of Commerce and the Legislature.

38. Can this funding be used to open up DDA slots for the undocumented adults receiving personal care through HCS?

This is time-limited funding and we are conscientious not to propose the creation or expansion of services that require an ongoing fund source to sustain.

39. Are you proposing anything to support Coordinated Personal Care in Supported Housing and/or Shelter-Based Home Care?

We did not propose any projects related to coordinated personal care, but did propose expansion of a personal care pilot in homeless shelters.

40. Can funds be allocated to provide mental health training for Positive Behavioral Supports (PBS)? We have had clients ask for this.

DDA has put forward proposals for training and outreach to support families and caregivers of children with complex behavioral health support needs.

41. Anything around more funds for specialized dementia care?

We did propose that potentially these time-limited funds could be used, if the Legislature intended, to allocate resources for an ongoing rate increases for specialized dementia care. AL TSA is also investigating whether it will be possible to use these funds to increase provider capacity through capital grants. The Governor's budget did propose an increase in specialized dementia care for a finite number of slots for individuals transitioning from acute or state hospitals.

42. Please consider an increase to the HCS HCBS Waiver in-home personal needs allowance (PNA).

We did put forward a proposal to raise the personal needs allowance through March 31, 2022 to assist in-home clients.

43. Will the pandemic add-ons continue to providers?

The Legislature has appropriated funding to continue these add-ons through June 30, 2021. DSHS has proposed continuation of these increases through the end of the Public Health Emergency. This will be a decision made by the Legislature.

44. Can we raise IP wages to encourage more people to become IPs?

IPs have received an hourly rate enhancement through the pandemic and we have proposed that those remain in place through the Public Health Emergency. There are several incentives for workforce development and retention within our proposals. See related answers above.

45. Can this funding be used to go fully electronic filing/paperless system in DDA?

Within the proposal, DDA did request \$5 million and 14.0 FTE to change from paper systems to an electronic document management system, including health records. This is needed to fully and successfully meet client and provider needs while working remotely to comply with federal requirements timely.

46. Could we use it for increasing Assistive Technology and more PERS like devices for clients?

We did propose purchase of technology devices and broad band access for a number of clients.

47. Could we consider hot spot devices for client who have connectivity issues?

We did include technology asks within our proposals for tribal infrastructure, and we put forward a request for tablets with pre-paid plans for 2,000 clients.