



April 2022 Quarterly Report: Massachusetts Home and Community-Based Services (HCBS) Spending Narrative for Implementation of American Rescue Plan Act (ARPA), Section 9817

April 2022

Executive Office of Health and Human Services (EOHHS)



CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

MARYLOU SUDDERS
Secretary

The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
One Ashburton Place, Room 1109
Boston, Massachusetts 0210



AMANDA CASSEL KRAFT
Assistant Secretary for
MassHealth

Tel: (617) 573-1600
Fax: (617) 573-1891

April 8th, 2022

Daniel Tsai
Deputy Administrator and Director
Center for Medicaid & CHIP Services (CMCS)
7500 Security Blvd
Baltimore, MD 21244

Dear Deputy Administrator and Director Tsai:

The Commonwealth of Massachusetts is pleased to submit the enclosed consolidated Spending Plan and Narrative, as it relates to Massachusetts proposed plan for investments to strengthen, enhance and expand home and community-based services (HCBS) pursuant to Section 9817 of the American Rescue Plan Act of 2021 (ARPA). under the Medicaid program.

Within this document, you will find the following previous Massachusetts Executive Office of Health and Human Services (EOHHS) submissions to the Centers for Medicare and Medicaid Service (CMS) pursuant to Section 9817 of ARPA. Spending plans remain unchanged from what was originally submitted to CMS unless otherwise noted.

Massachusetts will amend this document on a quarterly basis to include future quarterly progress reports as required by CMS.

1. ARPA HCBS Round 1 Spending Plan – Submitted June 2021; page 3-24
1. ARPA HCBS Round 2 Spending Plan – Submitted July 2021; pages 25-40
2. ARPA HCBS Round 3 Spending Plan – Submitted October 2021; pages 41-89
 - a. The initiative entitled “Transitional Residential Services for Persons with ASD and Behavioral Health Diagnoses” has been updated to remove “occupancy costs” as category of spend per CMS’ request.
3. ARPA HCBS February Quarterly Spending Update – Submitted February 2022; pages 90-101
 - a. Massachusetts’ response to CMS’ request for additional information has been amended as it relates to the question related to the initiative entitled “Transitional Residential Services for Persons with ASD and Behavioral Health Diagnoses” per the above referenced change.

Massachusetts’ initial spending plan outlined a framework for investment that enhances, strengthens, and expands HCBS across MassHealth populations both in the short term and in the long term. Use of

Massachusetts ARPA HCBS April 2022 Quarterly Spending Plan

enhanced federal funding through Section 9817 of the American Rescue Plan Act (ARPA) will reinforce Massachusetts' commitment to improve access, family and natural supports, person-centeredness, choice, and equity to HCBS for those with physical disabilities, intellectual and developmental disabilities, and behavioral health needs and for older adults.

To achieve these goals, the Commonwealth of Massachusetts has used a staged approach to finalize the scope of HCBS investments over three implementation "rounds" using an anticipated \$526 million (M) in enhanced ARPA funding across the three rounds. Investments across all three rounds total \$966M (gross) toward HCBS. Of the \$966M total (gross) investments across Rounds 1, 2 and 3, \$526M will be funded using the enhanced ARPA HCBS dollars, and the remainder will be funded through traditional Medicaid dollars.

All three rounds of investments tie to the three structural pillars:

- **HCBS Workforce** development and expansion, including programs to train, retain and professionally advance the paid workforce, and support the unpaid family and natural caregiver workforce;
- **Access to and Promotion of HCBS** that further rebalance toward community-based services with a focus on HCBS navigation, transitions to HCBS and diversion from facility-based settings, and services that enhance HCBS capacity and care models (e.g., support and streamline transitions between settings, PASRR enhancements, embedded options counselors in inpatient and facility-based settings, enhanced communication tools for families, consumers, and caregivers, etc.);
- **Technology and infrastructure investments** that augment the workforce and strengthen HCBS (e.g., data sharing, caregiver directories, and electronic and interoperable platforms, etc.).

The Massachusetts Executive Office of Health and Human Services (EOHHS) will also serve as the Operating Agency for ARPA investments through the MassHealth program, the state's Medicaid program. Amy Bianco, Director of Health Policy and Strategic Initiatives has been designated as the primary contact person for Massachusetts; she will work closely with many others across state government, as well as with community partners across the HCBS continuum, to implement the initiatives and investments. Please do not hesitate to contact her at amy.bianco@mass.gov.

Sincerely,



Amanda Cassel Kraft
Assistant Secretary and Medicaid Director

Cc: Marylou Sudders, Secretary of the Executive Office of Health and Human Services
Mike Levine, Deputy Medicaid Director
Susan Ciccariello, Acting Director of the MassHealth Office of Long-Term Services and Supports

Anticipated Revenue

In this Quarterly report, Massachusetts has updated the total anticipated revenue, generated under Section 9817. Updated estimates project that total revenue attributable to the temporary 10% increase to the state's FMAP for certain Medicaid expenditures will equal \$650M in net new dollars. This total represents an increase of \$125M in comparison to prior estimates and was revised upon further guidance from CMS related to allowable expenditures, notably those expenditures related to certain behavioral health services authorized under the Massachusetts State Plan and 1115 Demonstration. Please refer to the Quarterly Spending Report spreadsheet for adjusted figures.

Updates to Spending Report Format

As Massachusetts has moved forward with implementation, the state has made minor changes to certain initiatives and has updated its reporting to consolidate reporting on closely related projects and clarify terminology. Please note the following changes as they relate to how the state is tracking and reporting on our initiatives:

- Massachusetts is combining the initiatives entitled the “Power Wheelchair Loaner Program” and “Community Wheelchair Repair Provider Program” for the purposes of reporting on spending and progress towards implementation given their overlap.
 - Specifically, the Wheelchair Loaner Program is designed to enhance access by facilitating and supporting delivery of back-up manual or power loaner wheelchairs to members who do not have a useable backup chair to use while their primary wheelchair is repaired. The Wheelchair Loaner Program will augment the availability of loaner wheelchairs and include support by an operations manager coordinating issues related to loaner wheelchair inventories across MassHealth-enrolled DME providers.
 - The Community Wheelchair Repair Provider Program will provide an option for simple repairs using community providers and decrease the demand for simple wheelchair repairs by MassHealth-contracted mobility providers, freeing mobility provider technician resources for more complex repairs. Enhanced federal funds will support contracting with an operations manager to develop, implement and train a network of new providers to work in collaboration with MassHealth's existing mobility provider network to provide simple repairs within the community, as well as support the inventory/restocking process.
- Massachusetts has revised its categorical terminology and will no longer refer to classification of initiatives as “Rounds” and “Tiers” but instead as “Rate Enhancements,” “Cross-Agency Initiatives,” and “Agency-Specific Initiatives.” The April Quarterly Spending Report spreadsheet reflects these updated classifications.
- Massachusetts will report on implementation status and expenditures related to the “Respite Grants initiative” separately from the “Respite and Resources for Families and Natural Supports.” This is notable as previous Quarterly reports combined these initiatives for the purposes of reporting and anticipated expenditures.
- Massachusetts has updated the title of the initiative entitled “Enabling Member Tech” to the title of “Enabling Tech”.

Reporting on Actual Spending

Massachusetts ARPA HCBS April 2022 Quarterly Spending Plan

Massachusetts plans to report Actual Spending only once figures are final and are reflected in the Commonwealth's accounting system in order to minimize any changes to those reported figures. For CMS awareness, rate enhancements have been distributed to providers _ however actual figures are still in the process of being finalized, given that the payments were paid directly through EOHHS provider contracts rather than lump-sum. In addition, certain initiatives are paid through capitation and require a third-party vendor to calculate the final spending figures. Subsequent Quarterly Spending Reports will reflect actual expenditures once these figures become available.