Certified Public Expenditure Process for Massachusetts 1115 Demonstration Temporary Housing Assistance for Families and Pregnant Individuals Program

Approved September 30, 2024

I. Overview

The Massachusetts Emergency Assistance (EA) Family Shelter Program is operated, overseen, and paid for by the Executive Office of Housing and Livable Communities (EOHLC). Services claimed by the Commonwealth under its 1115 Demonstration will be funded by appropriations from the Commonwealth's General Fund. The Commonwealth proposes the following methodology for the reimbursement, data capture, cost finding, and cost reconciliation which will be used for the certified public expenditure (CPE) process to claim for EA Family Shelter Program services under the 1115 Demonstration.

II. Payment Methodology for Temporary Housing Assistance for Families and Pregnant Individuals (Temporary Housing Assistance)

EOHLC contracts with and directly pays provider organizations to deliver temporary housing assistance and supportive services. These contracted provider organizations will be referred to as "providers" in this document. Temporary housing assistance includes the following HRSN services authorized under Massachusetts' 1115 Demonstration:

1. **Room** – rent/temporary housing assistance for up to 6 months per member
2. **Board** – for up to 6 months per member
3. **Supportive services** – assessment, case management, housing transition navigation services, pre-tenancy and tenancy sustaining services

III. Data Capture for the Cost of Providing Temporary Housing Assistance to Eligible MassHealth Members

Data capture for the total payments made to providers for temporary housing assistance will be accomplished using the following data sources displayed in Table 1.

Table 1. Data capture sources

Data Type	Sources
Total Payments	- Massachusetts Management, Accounting, and Reporting System (MMARS)[1]
MassHealth eligible days	- MassHealth Medicaid Management and Information System (MMIS)
Service duration	- Service duration information from EOHLC's case management reporting systems:

[1] MMARS is the official accounting system for the Commonwealth and will capture direct payments made to providers, separated by HRSN service type.

	○ Effort to Outcome (ETO) ○ End to End (E2E)/Salesforce - IEDM/RevTech
Clinical eligibility	- Claims/encounters and diagnosis codes from MMIS - Clinical assessment information collected as part of case management activities by EOHLC including: ○ HUD Health Management Information System (HMIS) Assessment [2]

IV. Data Sources and Cost Finding Steps

The following provides a description of the data sources and steps to complete the cost finding and reconciliation:

1. **Allowable costs:** Direct costs for covered HRSN services. These are costs paid by EOHLC and documented in MMARS. Providers are paid through rate contracts that break down their expenses by service category; MMARS reports will show total costs in each allowable service category outlined in Section II.[3] Direct costs paid by EOHLC will also be reduced by any federal grants or other federal funding received to support these services.

2. **MassHealth eligible days determination**: Each quarter, the names, genders, birthdates, and, as available, other identifying information of all participants in the EA program will be matched against MassHealth enrollment records to determine which individuals are enrolled in a full MassHealth benefit program during the claiming period.[4] For each individual who matched, the MassHealth Enterprise Data Management and Engineering (EDME) team will count the number of days that the individual received allowable services during the claiming period using service duration data from EOHLC. Member service durations for room and board that exceed 6 months will not be claimable.

   EDME will only count the number of allowable service days for MassHealth members (i.e., individuals who are enrolled in an active, full-scope MassHealth benefit at the time they receive services) who were identified in the matching process described above. In other words, non-MassHealth members who received EA services will be fully excluded from the process of determining the number of eligible days each quarter.

3. **Clinical eligibility ratio determination**: Each quarter, the Commonwealth will conduct a point in time analysis to determine the ratio of clinically eligible members. To calculate the ratio of clinically eligible members, the Commonwealth will cross reference

[2] Specifically, data elements 3.08 & 4.05 through 4.11 from the HUD HMIS Data and Technical Standards, https://files.hudexchange.info/resources/documents/HMIS-Data-Dictionary-2024.pdf
[3] For more detail on EOHLC's provider payment procedure, see the Commonwealth's Bill Payment Policy at https://public.powerdms.com/MAComptroller/documents/1779647
[4] MassHealth eligible members may include Medicaid and CHIP beneficiaries.

MassHealth members who received temporary housing assistance with their clinical eligibility data for each claiming period to determine what portion meet at least one of the clinical eligibility criteria listed in Table 2. The Commonwealth will determine whether individuals meet the clinical eligibility criteria using (1) MassHealth claims and encounters or (2) EOHLC clinical assessment data collected by providers as part of case management activities. The calculation to arrive at the percentage each claiming period will be as follows:

$$\frac{\#\ of\ MassHealth\ members\ who\ meet\ clinical\ criteria}{Total\ \#\ of\ MassHealth\ members\ who\ received\ services} * 100\% = Clinical\ Eligibility\ Ratio$$

Table 2: Clinical Eligibility Criteria

Criteria	Description
Complex or Chronic Behavioral Health Condition	An individual with a persistent, disabling, progressive or life-threatening mental health condition or substance use disorder that requires treatment or supports, or both treatment and supports, in order to achieve stabilization, prevention of exacerbation, or maintain health goals.
Disability	An individual with a disabling condition, including a developmental disability, intellectual disability, or disability that interferes with activities of daily living (ADLs), that requires services or supports to achieve and maintain care goals.
Complex or Chronic Physical Health Condition	An individual with a persistent, disabling, progressive or life-threatening physical health condition(s) that requires treatment or supports, or both treatment and supports, in order to achieve stabilization, prevention of exacerbation, or maintain health goals.
Experience of Interpersonal Violence	An individual who is experiencing or has experienced interpersonal violence (IPV), including domestic violence (DV), sexual violence (SV), or psychological violence.
Repeated Emergency Department Use	An individual with repeated use of emergency department care (defined as two or more visits in the past six months or four or more visits within the past 12 months).
Pregnant / Postpartum	An individual who is currently pregnant or up to 12 months postpartum.

4. **Total allowable costs**: To calculate the total allowable costs and Federal Financial Participation (FFP), the quarterly CPE submission will include the following as outlined in Table 3:
    - Total MassHealth eligible days
    - Interim PMPD rate
    - Clinical eligibility ratio

Table 3: Illustrative Example Interim CPE

	A	B	C	D=A x B x C	E	F = D x E

Allowable Service	Total MassHealth Eligible Days	Interim PMPD Rate	Clinical Eligibility Ratio	Gross allowable cost ($)	FFP (%)	Total FFP ($)
Room	1,600,000	$50.23	50%	$40,184,000	50%	$20,092,000
Board	1,400,000	$7.67	50%	$5,369,000	50%	$2,684,500
Supportive Services	1,800,000	$9.13	50%	$8,217,000	50%	$4,108,500

V. Certification of Funds Process

For all CPE submissions, as the certifying unit of government, EOHLC will certify the amount of actual expenditures for the allowable temporary housing assistance and related services and eligible population.

VI. Annual Cost Report Process

To determine the total cost of providing the approved services, EOHLC will complete an annual report of costs for all allowable services delivered during the previous state fiscal year covering July 1 through June 30. The report is due 120 days after the close of the quarter ending June 30. The primary purposes of the report are to:

1. Document EOHLC's total costs for delivering allowable services, and
2. Reconcile interim payments to total CMS-approved, allowable costs based on the cost allocation methodology set forth in this document.

The annual report includes a certification of funds statement to be completed, certifying EOHLC's actual expenditures.

VII. Cost Reconciliation Process

Interim PMPD Rates

There will be three different interim PMPD rates which will be calculated using estimated EOHLC expenditures. The three PMPD rates correspond to the three allowable HRSN services and their associated costs.

Interim PMPD rates will be calculated by taking the total estimated annual costs for temporary housing assistance and related services, less any federal funds otherwise received by EOHLC to cover these costs (if any), divided by the estimated total individuals receiving services annually, divided by 365 days (366 days in a leap year). (Please refer to the Data Sources and Cost Finding Steps section for details on the source of this data used for the interim PMPD rates).

Table 4: Illustrative Example Interim PMPD

	A	B	C	D = A / (B x C)
Allowable Service	**Total Estimated Annual Costs**	**Total Estimated Participants Receiving Services in Year**	**Days in a Year**	**Interim PMPD Value**

Room	$550,000,000	30,000	365	$50.23
Board	$70,000,000	25,000	365	$7.67
Supportive Services	$100,000,000	30,000	365	$9.13

Final PMPD Rates and Annual Reconciliation

Final PMPD rates will be calculated based on MMARS payment data after the close of the state fiscal year (SFY). After the SFY ends, the final actual expenditures will be used to determine the final PMPD rates using the same methodology as the interim PMPD. Claiming on the interim rates will be reconciled to the final PMPDs.

Table 5: Illustrative Example Final PMPD

	A	**B**	**C**	**D = A / (B x C)**
Allowable Service	**Total Actual Annual Costs**	**Total Actual Participants Receiving Services in Year**	**Days in a Year**	**Final PMPD Value**
Room	$600,000,000	25,000	365	$65.75
Board	$65,000,000	20,000	365	$8.90
Supportive Services	$125,000,000	25,000	365	$13.70

The CPE process will be rerun using final PMPD rates and the average of the clinical eligibility percentages from the four SFY quarters as the final clinical eligibility percentage value. The Commonwealth will then submit an updated final CPE, and any difference in FFP will be claimed or returned to CMS via the CMS 64.