

Massachusetts Home and Community-Based Services (HCBS) Spending Plan for American Rescue Plan Act (ARPA) Enhanced Federal Funding

17 June 2021



On June 17, 2021, the Executive Office of Health and Human Services (EOHHS) submitted to the federal Centers for Medicare and Medicaid Service (CMS) its initial spending plan to enhance, strengthen and expand Medicaid (MassHealth) home and community-based services using American Rescue Plan Act (ARPA) enhanced federal funding. Through ARPA, MassHealth will receive a one-year 10% increase in matching federal funds. **This increase in federal funds will result in an anticipated \$500 million in estimated new, time-limited dollars that can be invested in home and community-based services through March 2024.**

EOHHS's initial [spending plan](#) incorporates [stakeholder feedback](#) to outline a strong framework to enhance, strengthen and expand home and community-based services (HCBS) across MassHealth populations both immediately and in the long-term. HCBS are a diverse set of services that assist older adults and people with disabilities, chronic illness, and behavioral health needs with their daily activities, allowing them to live independently and safely in their homes and communities. EOHHS's investments will reinforce the Commonwealth's commitment to improve equity, access and supports to HCBS for those with physical disabilities, intellectual and developmental disabilities, and behavioral health needs.

To achieve these goals, EOHHS will invest in initiatives supporting three key pillars:

1. Retaining and building a **high-quality HCBS workforce**; including funding and programs to support training, recruitment, and retention
2. Supporting **access and promotion of HCBS** to ensure members receive the support they need in the right setting at the right time; including focus on HCBS navigation, diversion from facility-based settings, and services that enhance HCBS capacity and care models (e.g., family caregiver support, home modification programs, embedded options counselors at hospitals)
3. Modernizing **technology and infrastructure** to strengthen HCBS; for example, home monitoring devices, data sharing, caregiver directories, electronic and interoperational platform for uniform assessments and case management

The initial spending plan proposes a phased approach in which EOHHS will finalize initiatives over three "rounds":

- Round one will invest \$100 million in immediate, time-limited rate add-ons across all HCBS providers, to strengthen and stabilize the workforce in response to the COVID-19 pandemic
 - Providers will receive enhanced payments from July- December 2021; providers will be required to spend at least 90% of enhanced payments to support direct care and support staffing
- Rounds two and three will invest the remaining anticipated amount of \$400 million in funding through March 2024, focusing on investments that will have long-term impacts on HCBS and bolster the three key pillars
 - EOHHS will submit spending plans for rounds two and three later this calendar year

Through the summer and fall, the Commonwealth will refine the scope of each initiative in collaboration with the broader HCBS community. Future quarterly spending plans will detail the initiatives that fall under the three key pillars and highlight how the time-limited investments will have long-term, structural impacts. For more information on this initiative, visit the EOHHS website [here](#).