



MISSISSIPPI DIVISION OF
MEDICAID

American Rescue Plan Act (ARPA) Enhanced Federal Funding

**Mississippi
Home and Community-Based Services (HCBS)
Spending Plan**

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July 12, 2021

Anne Marie Costello
Acting Deputy Administrator and Director
Center for Medicaid & CHIP Services (CMCS) 7500 Security Blvd
Baltimore, MD 21244

RE: Mississippi's American Rescue Plan Act HCBS Spending Plan

Dear Acting Deputy Administrator and Director Costello,

The Mississippi Division of Medicaid (DOM) is pleased to submit the enclosed Initial Spending Plan Projection and Narrative to expand, enhance, and strengthen home and community-based services (HCBS) under the Medicaid program using an estimated \$74.8 million in federal financial participation (FFP) pursuant to Section 9817 of the American Rescue Plan Act of 2021 (ARPA). As the single state Medicaid agency, DOM will serve as the oversight organization for the HCBS ARPA funds.

Use of enhanced federal funding will reinforce Mississippi's commitment to improve equity and access to quality HCBS for those with physical disabilities, intellectual and developmental disabilities, and behavioral health needs. To achieve these goals, DOM will implement projects supporting three key initiatives:

1. Expand Access to HCBS, by increasing capacity across our 1915(c) waivers and reducing waiting lists.
2. Innovations Grants, to authorize direct spending on community proposed short-term or one-time initiatives to enhance HCBS.
3. Strengthen HCBS Technology and Infrastructure, to enable more effective care coordination, access, and delivery.

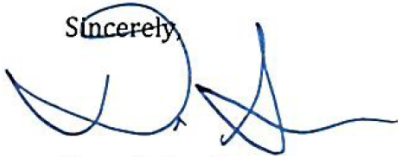
Mississippi is committed to working with our many community partners and stakeholders in a collaborative fashion to achieve the goals of expanding, enhancing, and strengthening HCBS. The HCBS ARPA funds will complement other ongoing initiatives in Mississippi aimed at rebalancing long-term services and supports and behavioral health services towards community living. Further, DOM assures CMS that:

- The state is using the federal funds attributable to the increased federal medical assistance percentage (FMAP) to supplement and not supplant existing state funds expended for Medicaid HCBS in effect as of April 1, 2021;
- The state is using the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program;
- The state is not imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;

- The state is preserving covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
- The state is maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

Thank you for your consideration of this submission. Please contact Misty Jenkins at misty.jenkins@medicaid.ms.gov or at (601) 359-9549 with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Drew L. Snyder', with a large, stylized initial 'D' and a long horizontal flourish extending to the right.

Drew L. Snyder
Executive Director

Overview of Enhanced Medicaid HCBS Federal Funding Authorized by the American Rescue Plan Act (ARPA)

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARPA) (Pub. L. 117-2). Section 9817 of the ARPA provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for HCBS programs from April 1, 2021, through March 31, 2022. States must use the federal funds attributable to the increased FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021. In addition, states must use state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program. A state may claim the increased FMAP for the following expenditures:

- Home Health and Private Duty Nursing
- Personal Care
- Case Management
- Certain School-Based Services
- Behavioral Health Rehabilitative Services
- 1915c Waiver Services
- 1915(i) State Plan Services
- Program of All-inclusive Care for the Elderly (PACE)
- Managed Long-Term Services and Supports (MLTSS)

States will be permitted to use the equivalent to the amount of federal funds attributable to the increased FMAP through March 31, 2024, on activities aligned with the goals of section 9817 of the ARPA and as listed in CMS's guidance. Under ARPA, states can implement a variety of activities, including enhancements to HCBS services, eligibility, infrastructure, and reimbursement methodologies, to enhance, expand, or strengthen Medicaid HCBS. The time period allowed to expend funds attributable to the increased FMAP will provide states with sufficient time to design and implement short-term activities to strengthen the HCBS system in response to the COVID-19 Public Health Emergency (PHE), as well as longer term strategies to enhance and expand the HCBS system and to sustain promising and effective programs and services. Examples of activities that states can initiate as part of this opportunity include, but are not limited to:

- New and/or additional HCBS
- Payment Rates
- HCBS workforce recruitment or training, expanding provider capacity
- Assistive technology, including access to additional equipment or devices
- Community transition and coordination costs
- Expanding HCBS capacity
- Support for individuals with HCBS needs and their caregivers
- Building No Wrong Door systems
- Quality Improvement activities
- Reducing or eliminating HCBS waitlists
- Institutional diversion
- Addressing social determinants of health (SDOH) and health disparities
- Enhancing care coordination
- Creating incentives for managed care plans or providers to develop partnerships with social service

agencies, counties, housing agencies, public health agencies, and/or community-based organizations, and

- Testing alternative payment methodologies or the delivery of new services that are designed to address SDOH that may include housing-related supports such as one-time transition costs, employment supports, and community integration, among others

CMS indicates that states are not limited to using state funds equivalent to the amount of the increased FMAP for services that are otherwise covered in Medicaid; however, Federal Financial Participation (FFP) is only available for covered services. To demonstrate compliance with the prohibition on supplanting existing state funds expended for Medicaid HCBS, states must:

- Not impose stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021
- Preserve covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021
- Maintain HCBS provider payment at a rate no less than those in place as of April 1, 2021

CMS requires participating states to submit both an initial and quarterly HCBS spending plan and narrative to CMS on the activities that the state has implemented and/or intends to implement to enhance, expand, or strengthen HCBS under the Medicaid program to demonstrate that the state is supplementing, but not supplanting, existing state funds expended for Medicaid. States were required to submit the initial HCBS spending plan and narrative by June 12, 2021. However, Mississippi requested and was granted a 30 day extension to July 12, 2021. CMS will review and approve the initial state spending plan and narrative within 30 days of a state's submission.

Executive Summary

Mississippi has a strong history and commitment to providing a robust set of Medicaid Home and Community-Based Services (HCBS) aimed at rebalancing Long-Term Services and Supports (LTSS) and behavioral health services toward community settings and enabling individuals to be served in the most appropriate and least restrictive settings. Collaboration between the disability, behavioral health, aging and housing services networks is a key component of the Mississippi HCBS structure. Mississippi remains committed to improving how services are accessed and delivered throughout the state and will continue to work to ensure that member's services are well coordinated and integrated. Mississippi's proposed spending plan outlines a strong framework for significant investment that enhances, strengthens, and expands HCBS across Medicaid populations both immediately and in the long term. Use of enhanced federal funding through Section 9817 of the American Rescue Plan Act (ARPA) will reinforce the State's commitment to improve equity and access to HCBS for those with physical disabilities, intellectual and developmental disabilities, and behavioral health needs. To achieve these goals, the state of Mississippi will implement initiatives supporting three key structural initiatives:

1. Expand Access to HCBS, by increasing capacity across our 1915(c) waivers and reducing waiting lists
2. Innovations Grants, to authorize direct spending on community proposed short-term or one-time initiatives to enhance HCBS; and
3. Strengthen HCBS Technology and Infrastructure, to enable more effective care coordination, access, and delivery.

The implementation of supports for these three initiatives will augment on-going state projects aimed at enhancing the Mississippi HCBS and behavioral health delivery system to better support individuals living in the community, as well as to ensure that the Mississippi workforce has the training and support necessary to provide the highest level of service to those they support. This spending plan is submitted on behalf of Mississippi Division of Medicaid and represents efforts across multiple health and human services state agencies, including:

- Mississippi Department of Rehabilitation Services (MDRS)
- Mississippi Department of Human Services (MDHS)
- Mississippi Department of Mental Health (DMH)

Through the summer and fall of 2021, the state will refine the scope of each initiative with input from the broader HCBS stakeholder community. Future quarterly spending plans will detail each initiative and highlight how the one-time and time-limited investments will have long-term, structural impacts.

Home and Community-Based Services in Mississippi

Mississippi has a long-standing commitment to ensuring that older adults and people with disabilities have access to community-living opportunities and supports that address each individual's diverse needs, abilities, and backgrounds. Over 35,000 individuals receive HCBS and over 36% of all Mississippi LTSS expenditures go toward HCBS. The state offers a wide array of HCBS 1915(c) waivers to many populations that would otherwise require institutional services.

Mississippi HCBS Delivery Landscape

The Mississippi Division of Medicaid has implemented various home and community-based service options, as follows:

- ❖ 1915(c) Assisted Living (AL) Waiver - Administered and operated by DOM. Case management is provided as an administrative function by DOM staff.
- ❖ 1915(c) Elderly & Disabled (E&D) Waiver - Administered and operated by DOM. Case management is provided as a service by a statewide network of ten Area Agencies on Aging/Planning and Development Districts within defined catchment areas.
- ❖ 1915(c) Independent Living (IL) Waiver – Administered by DOM and operated by the Mississippi Department of Rehabilitation Services. Case management is provided as a service by staff at MDRS under a 1915(b)4.
- ❖ 1915(c) Traumatic Brain Injury/Spinal Cord Injury (TBI/SCI) Waiver - Administered by DOM and operated by the Mississippi Department of Rehabilitation Services. Case management is provided as an administrative function by MDRS staff.
- ❖ 1915(c) Intellectual Disabilities/Developmental Disabilities (ID/DD) Waiver - Administered by DOM and operated by the Mississippi Department of Mental Health (DMH). Support coordination is provided by DMH's four Regional Centers within defined catchment areas.
- ❖ 1915(i) Community Support Program - Administered by DOM and operated by the Mississippi Department of Mental Health (DMH).
- ❖ 1115 Waivers – Services are rendered under the Healthier Mississippi Waiver and the Family Planning Waiver.
- ❖ Mental Health State Plan (Rehabilitation Option) Services – Services are rendered by 15 community mental health centers in their respective catchment areas under the oversight of DMH.
- ❖ EPSDT State Plan Private Duty Nursing and Personal Care Services – Services are rendered under section 1905(a)(7) and 1905(a)(24) authorities by enrolled private duty nursing providers.
- ❖ Home Health Services – Services are rendered under section 1905(a)(7) authority by licensed home health providers.
- ❖ State Plan Case Management – Services are rendered under section 1905(a)(19) and 1915(g) authorities by enrolled providers.

In Mississippi, the majority of LTSS including 1915(c) waivers and nursing facility services are delivered through a fee-for-service (FFS) delivery model; however, state plan HCBS are also rendered to beneficiaries enrolled in managed care with one of three contracted coordinated care organizations.

Mississippi Efforts to Innovate and Sustainably Transform the HCBS Landscape

Following the 1999 Olmstead decision, the Mississippi Division of Medicaid developed, in coordination with the Department of Mental Health, Department of Health, Department of Education, Department of Human Services, and the Department of Rehabilitation Services, a comprehensive, effective plan for addressing the issues related to the Olmstead decision. The mission of the Mississippi Access to Care (MAC) Plan was to develop a comprehensive state network and structure to provide services to people with disabilities in the most integrated setting appropriate. Twenty years later, Mississippi remains committed to that goal and has pursued and implemented various systems change grants and programs to advance HCBS and rebalance LTSS across the state.

In 2011, Mississippi was awarded a Money Follows the Person (MFP) program grant. This program, known as Bridge to Independence (B2I), was administered by DOM and transitioned individuals living in nursing facilities and intermediate care facilities into community-based settings. Though the MFP grant was closed out in 2020, Mississippi continues to sustain those efforts with transition services on each of our 1915(c) waivers as well as through enhanced transition services on our largest HCBS program, the Elderly and Disabled Waiver.

In 2012, Mississippi was awarded a Balancing Incentive Program (BIP) grant. With these funds the state was able to increase the percentage of total LTSS dollars spent on community-based services from 14% in 2009, the year when Program eligibility was determined, to 36% in 2016. Additionally, the state was able to implement several large-scale structural changes including:

- ✓ The creation of a No-Wrong Door (NWD) network of Mississippi Access to Care (MAC) Centers with a toll-free number, and an informational website to serve as the entry points.
- ✓ The development and implementation of a new IT system, eLTSS, to support assessments, case management, and care planning across all long-term services and supports programs.
- ✓ The adoption of Core Standardized Assessments (CSAs) including the interRAI Home Care (HC) tool for the elderly/physically disabled populations and the Inventory for Client and Agency Planning (ICAP) for individuals with intellectual and developmental disabilities (ID/DD) and mental health illnesses.
- ✓ The establishment of a 1915(i) Community Support Program.

DOM intends to continue this transformation by fully utilizing the HCBS savings authorized under the ARPA.

Stakeholder Engagement

Mississippi DOM maintains a robust network of highly engaged stakeholders who provide continuous input into our programs and processes. Prior to the submission of our spending plan, we engaged our state agency partners at the Mississippi Department of Rehabilitation Services, the Mississippi Department of Mental Health, and the Mississippi Department of Human Services for input. We also received input from both HCBS providers and vendors. Due to the limited window to receive input prior to the deadline for plan submission, DOM has also posted our plan to our website for additional public input throughout the review period with the understanding that the plan will continue to evolve over the coming months. Additionally, with the funds set aside for the Innovations Grants, DOM hopes to receive grant applications from stakeholders whose improvement ideas were not otherwise spelled out in the initial plan.

Spending Plan Projections

Mississippi estimates receiving an additional 10% FMAP equaling approximately \$74.8M.

Estimated Total Medicaid HCBS Expenditures from 4/1/21-3/31/22 by Category					
	Q3 FFY2021	Q4 FFY2021	Q1 FY2022	Q2 FY2022	Total Q3FFY21-Q2FFY22
Home and Community Based Services	\$122,200,000	\$128,000,000	\$125,000,000	\$125,000,000	\$500,200,000
Case Management Services	\$5,700,000	\$5,900,000	\$6,800,000	\$5,600,000	\$24,000,000
Rehabilitation Services	\$4,400,000	\$4,200,000	\$4,600,000	\$4,500,000	\$17,700,000
Other	\$395,000	\$306,000	\$400,000	\$395,000	\$1,496,000
Subtotal: Qualifying Expenditures	\$132,695,000	\$138,406,000	\$136,800,000	\$135,495,000	\$543,396,000

Estimated Total ARPA HCBS Savings from 4/1/21-3/31/22 by Category					
	Q3 FFY2021	Q4 FFY2021	Q1 FY2022	Q2 FY2022	Total Q3FFY21-Q2FFY22
Total Computable	\$132,695,000	\$138,406,000	\$136,800,000	\$135,495,000	\$543,396,000
State Share	\$8,014,778	\$8,359,722	\$15,991,920	\$15,839,366	\$48,205,786
Federal Share	\$124,680,222	\$130,046,278	\$120,808,080	\$119,655,635	\$495,190,214
Funds Attributable to the HCBS FMAP Increase	\$13,269,500	\$13,840,600	\$13,680,000	\$13,549,500	\$54,339,600

HCBS Reinvestment Calculations				
	Year 1: Apr 2021 – Mar 2022	Year 2: Apr 2022 - Mar 2023	Year 3: Apr 2023 - Mar 2024	3 Year Total
% of Total Fund Spend in Each Year	33.33%	33.33%	33.33%	100.00%
General Fund Amount	\$18,111,389	\$18,111,389	\$18,111,389	\$54,334,166
FMAP Blend	91.14%	83.31%	78.31%	
Federal Share	\$186,306,091	\$90,405,020	\$65,389,712	\$342,100,823
Total Computable	\$204,417,479	\$108,516,409	\$83,501,100	\$396,434,989
Funds Attributable to the HCBS FMAP Increase	\$20,441,748	\$0.00	\$0.00	\$20,441,748
% Change Compared with Current HCBS Spending	37.62%	19.97%	15.37%	
Original Funds Attributable to the HCBS FMAP Increase:				\$54,339,600
Reinvestment Funds Attributable to the FMAP Increase:				\$20,441,748
Total Funds Attributable to the 10% FMAP Increase to be Invested:				\$74,781,348

Spending Plan Narrative

Increased Access to HCBS - \$46 Million

These initiatives target investments that immediately expand and improve access to community-based services as well as opportunities to enhance existing services and to support workforce initiatives to retain and recruit the workforce needed to render services. Funding targets include:

- Increasing capacity across our 1915(c) waivers and reduce waiting lists. In year one, the state will enroll an additional 1,600+ members in HCBS across our five waivers.
- Evaluating and implementing opportunities to add additional services to existing 1915(c) and 1915(i) waivers in years 2 and 3.
- Pursuing a strategy aimed at developing and strengthening our HCBS provider network to support additional waiver capacity. This plan will focus on the recruitment and retention of direct support staff.

Innovations Grants - \$20 Million

This initiative targets the awarding of subgrants to allow direct spending on community proposed short-term or one-time projects to enhance person-centered HCBS services, improve overall quality, encourage interagency partnerships to address social determinants of health affecting individuals requiring HCBS through transformative systems change, and to build a stronger HCBS workforce. The process will be built out following additional stakeholder input to include an application process to be managed by a committee composed of DOM staff across various program areas to ensure feasibility and fiscal oversight in approved projects.

HCBS Technology and Infrastructure - \$8.8 Million

These initiatives target investments to enhance and implement technology solutions and infrastructure needed to enable more effective care coordination, access, and service delivery for home and community-based services. Funding targets include:

- Upgrades to the state's electronic visit verification solution to support changes in HCBS and the home health implementations required under the 21st Century Cures Act.
- Upgrades to the state's electronic Long-Term Services and Supports system.
- Implementation of a data lake/repository and associated analytics software to improve opportunities for data integration and analysis.
- Expansion of data sharing across entities, including state agencies, to improve member service, to include ensuring case managers and care coordinators have the information they need to best serve members, as well as ensure interoperability across technology systems.
- Consultation fees for Independent Validation and Verification vendors, project management vendors, and a data analyst/scientist.