

TO: The Robert (Bob) G. Bethell Joint Committee on HCBS & KanCare Oversight
FROM: Michele Heydon, Commissioner, Long Term Services & Supports, KDADS
RE: Progress Summary of FMAP Enhancement Projects
DATE: August 3, 2023

Background

On March 11, 2021, President Biden signed into law the *American Rescue Plan Act (ARPA)*. Section 9817 provides enhanced federal funding for Medicaid Home and Community Based Services (HCBS) through a one-year 10 percent increase to the share of state Medicaid spending contributed by the federal government. This one-year increase in federal matching funds will result in new, time-limited dollars that can be strategically invested in HCBS services in the state of Kansas through March 31, 2025.

As a condition of drawing the enhanced federal matching funds, Kansas is providing the following assurances to the Centers for Medicare & Medicaid Services (CMS):

- Kansas will use the federal funds attributable to the increased federal medical assistance percentage (FMAP) to supplement, and not supplant, existing state funds expended for Medicaid Home and Community Based Services (HCBS) in effect as of April 1, 2021.
- Kansas will use 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.
- Kansas will not impose stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021.
- Kansas will preserve covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021.
- Kansas will maintain HCBS provider payments at a rate no less than those in place as of April 1, 2021.

Progress Summary

****All program materials, including FAQ documents are available on the KDADS website at <https://kdads.ks.gov/funding-opportunities>.***

This progress summary describes the status of each project contained in the initial spending plan for the state of Kansas as administered by two state agencies: the Kansas Department of Health and Environment (KDHE), and the Kansas Department for Aging and Disability Services (KDADS). KDHE is the single state Medicaid agency. KDADS administers the state's 1915(c) HCBS waivers and oversees the state's PACE programs. ***Please note any initiative with an asterisk (*) indicates a request for approval from CMS for a new initiative and or a change in funding allocated for an approved existing initiative. Additionally, a ✓ indicates project has been completed.***

Completed Projects:

1. Workforce Incentives

Contractor: Whit O'Brien

Cost: \$51,000,000

Project Lead: Sandy Hestand Puett

KDADS launched a Workforce Recruitment and Retention Bonus Initiative on March 28, 2022 and provided funding to the three Medicaid Managed Care Organizations on 10/12/22 for distribution. The initiative closed 03/30/23 with an extension through 06/30/23. The Initiative aimed to provide bonus pay to direct service workers and their immediate supervisors that are delivering critical HCBS services to both self-directed and agency directed participants. Direct service workers and their immediate supervisors received a **\$2,000 bonus for retention and \$1,500 bonus for recruitment.**

2. Sequential Intercept Model (SIM)

Contractor: Policy Research Associates

Cost: \$28,000

Project Lead: Megan Shepard

The SIM consultation will allow Kansas to bring together professionals and experts to assist Kansas in identifying gaps in services that would strengthen the continuum of care, focusing on justice-involved dual-diagnosis individuals with disabilities. Kansas was so successful in the November 2022 SIMS, Megan Shepard has been invited to speak at 3 different conferences, one of them being the national HCBS Conference in August 2023.

Projects in Process:

1. Workforce Training

Contractor: KU

Cost: \$2,009,797

Project Lead: Sandy Hestand Puett

Timeline: TBA

KDADS has also submitted an RFP to procurement for the creation of a **Direct Service Worker Workforce Training Program**. The program allows training providers to apply for funding to create training and professional development for DSWs. These competency-based trainings will ensure that DSWs have the knowledge, skills, and abilities to provide person-centered, quality support.

2. IDD and PD Waitlist Study

Contractor: KU

Cost: \$1,000,000

Project Lead: Jamie Katsboulas

Timeline: 09/22-08/24 (no cost extension from 03/24-08/24)

Study of both waitlists to determine best way to eliminate such a large waiting list.

3. IDD TCM Study

Contractor: Public Consulting Group

Cost: \$795,430

Project Lead: Jamie Katsboulas

Timeline: 06/2023-06/2024

Eliminate Conflict of Interests due to Final Rule, provide improved training in areas of Employment, Benefits Navigation, Education, Strengths Model, Charting Life Course Person Centered Planning.

4. Behavioral Management Family Training Pilot

Contractor: KU
Allocated Funds: \$1,463,689.00
Project Lead: Megan Shepard
Timeline: TBA

The Behavioral Management Family Training Pilot is aimed at providing direct services to 1915c waiver participants and their families.

5. **Autism Behavior Training**
Contractor: Kansas DCF
Allocated Funds: \$333,332
Project Lead: Megan Shepard
Timeline: TBA

The Autism Behavior Training is aimed at providing training to families who are receiving services from a 1915c waiver with a diagnosis of Autism.

Projects Needing Approval from CMS:

1. **Workforce Training and Career Ladder**
Contractor: No bids
Allocated Funds: *\$5,000,000
Status: Requires re-posting of RFP
Project Lead: Sandy Hestand Puett

KDADS is working to *re-draft RFP language for the Study & Design Career Ladder* initiative with stakeholder input. *Please note an increase in allocation of funds for this initiative from \$1,000,000 to \$5,000,000.*

2. **Employment First**
Contractor: Chosen and approved, awaiting announcement for contract approval
Cost: \$1,995,994
Status- with procurement for finalization of contract
Project Lead: Mark Dietzler

Availability of *competitive integrated employment (CIE)* for individuals with disabilities is the aim of the Employment First initiative. Kansas intends to utilize this funding opportunity to study and create a roadmap to a complete and robust implementation of Employment First. The *Employment First Commission* has been working with the governor's office with the *request to sign an Executive Order for Employment First* in an effort to receive the necessary funding required to make Employment First a reality in Kansas.

KDADS *initially received 100 hours* of technical assistance through the *National Expansion of Employment Opportunities Network (NEON)*. Those *hours have increased to 160* to be used by 08/31/23. The priority for this technical assistance request is provider rate methodologies with *subject matter experts (SME), Dr. Lisa Mills and Amy Gonzalez*, as well as provide support in recruiting and retaining the necessary leadership decision makers to make Employment First a reality. *Currently, the reimbursement rate is under \$14 hr., which is the lowest in the country.* Additionally, Kansas Vocational Rehabilitation (VR) has increased their reimbursement rate to \$50 hr. and the WORK program is waiting on approval to raise their rate to \$50 hr.

3. **Expansion of Employment First Network of Providers**
Contractor: Need to create and post RFP
Allocated Funds: \$1,500,000
Status: Project Waiting Approval from CMS
Project Lead: Mark Dietzler

As initiatives are implemented to *phase out 14 (c) Sub-minimum wage statewide for I/DD service recipients* Kansas will need to assist current providers in building successful business models around moving away from non-competitive and non-integrated settings to *Community Integrated Employment (CIE)*. Additionally, Kansas would like to see the CIE network grow so that Kansans have more options.

4. **The Remodeling Grants**

Contractor: Need to create and post RFP

Allocated Funds: \$5,000,000*

Status: Pending RFP

Project Lead: TBD

HCBS Providers proposal would include capital investments as permitted under 9817 of the ARP. Kansas proposes to provide grant opportunities to HCBS providers that demonstrate the ability to come into compliance with the HCBS settings criteria but for the need of small to moderate capital improvement projects 9817.

5. **Person Centered Support Planning**

Contractor: Need to continue to work on Single Case Agreement(SCA)

Allocated Funds: \$1,000,000

Status: Pending SCA

Project Lead: Mark Dietzler

Implement cultural change across Kansas and all waivers to Charting the LifeCourse' as best practice for Person Centered Planning.

6. **Technology 1st**

Contractor: Need to create and post RFAs

Allocated Funds: \$2,000,000

Status: Pending RFP

Project Lead: TBD

Putting Technology in the hands of members to support increased independence, socialization, and social determinants of health.

7. **SMART Home Technology**

Contractor: Need to create and post RFAs

Allocated Funds: \$3,000,000

Status: Project Waiting Approval from CMS

Project Lead: TBD

Providing grants to providers to implement SMART Home Technology for members to support increased independence, socialization, and social determinants of health.

8. **Community Support Waiver**

Contractor: Need to create and post RFP

Allocated Funds: \$2,000,000

Status: Project Waiting Approval from CMS

Project Lead: Michele Heydon and Leigh Smith

Creating new waiver in hopes of meeting more individual needs for services and potentially eliminate the Waiting List for the comprehensive I/DD Waiver.

9. **PACE Expansion**

Contractor: Need to create and post RFAs

Allocated Funds: \$2,500,000

Status: Project Waiting Approval from CMS

Project Lead: Christina Orton

Requesting funds to increase PACE programs and staffing in rural communities.

10. *IDD Tier Rate Assessment*

Contractor: Need to create and post RFP

Allocated Funds: \$1,500,000

Status: Project Waiting Approval from CMS

Project Lead: Brad Ridley

Requesting funds to fulfill the biennial requirement of IDD Tier Rate Reimbursement assessments as required by CMS.

11. *One Time Payment to Self Advocate Coalition of Kansas (SACK)*

Contractor: SACK

Allocated Funds: \$500,000

Status: Project Waiting Approval from CMS

Project Lead: Seth Kilber

All initiatives require involvement of self-advocates. Kansas' annual contract does not cover the additional staffing, staff support, transportation, etc. SACK has incurred to meet demands. Additionally, not all contracts include the payment of SACK.

12. *Additional Staffing*

Contractor: KDADS

Allocated Funds: \$1,735,685

Status: Project Waiting Approval from CMS

Project Leads: Mitzie Tyree, Michele Heydon, Leigh Smith, Christina Orton, Brad Ridley

Requesting 2 KDADs FMAP (Smart Home & Tech 1 and Remodeling Grants), 2 Community Supports Waiver Staff, 2 PACE Staff and 2 FISC Staff, 1 program staff

13. *Staff Training, Conferences and Travel*

Contractor: KDADS, Various, TBD

Allocated Funds: \$150,000

Status: Waiting Approval from CMS

Project Lead: Mitzie Tyree

Provide staff necessary opportunities to network with other providers and states to learn best practices.

14. *Specialized Medical Care TA – successful transition and OT payments.*

Contractor: TBD

Allocated Funds: \$5,000,000

Status: Needing to request approval

Project Lead: TBD

Provide all necessary staffing and supports necessary to promote successful transition from hospital and prevent readmission.

Budget Forecast

FMAP Budget Synopsis	
Completed Projects	\$51,028,000
Projects in Process	\$5,602,248
Projects Awaiting CMS Approval	\$34,353,286
KDHE Projects	\$3,850,000
Project Administration	\$9,523,787
Total Estimated Funding	\$102,885,714
Unallocated Funding to Date	\$0.00