Alaska ARPA eFMAP Spending Plan Narrative

Quarter: Q4 2021 – Initial

Summary of the Stakeholder Input Process:

Prior to the release of SMD# 21-003, the state received multiple requests from stakeholder groups to engage in dialogue with the department on the departments plans on how the state would respond to the possibility of applying for the enhanced Federal Medical Assistance Percentage (eFMAP) available under the American Recovery Plan Act (ARPA). The state agreed to engage in dialogue after CMS provided states guidance. Once SMD# 21-003 was released, the state immediately scheduled stakeholder engagement divided into senior and the disability stakeholder communities and these sessions were conducted the week of May 17. Each stakeholder group were provided opportunity to provide verbal and written input. This input was used to shape the projects for possible inclusion for activities that would enhance, expand or strengthen Home and Community Based Services (HCBS) services in Alaska. Home and Community Based Services provide Alaskans who qualify for institutional level of care placement the option of living at home or home-like settings which result in substantial savings to the state.

The results of the input were clear and there was strong overlap of ideas from the various stakeholder groups. The input asked us to address Direct Service Provider (DSP) workforce shortages, improve access to care coordination services, improve transitional services and capacity, model companionship services particularly with senior care, and investments to improve quality of services. We feel the plans developed meet these needs. Additionally, if successful, these projects will provide the pathway for building a more robust HCBS infrastructure to be more fully aligned with the Olmsted decision. With the Olmsted decision, the Supreme Court held that people with disabilities have a qualified right to receive state funded supports and services in the community rather than institutions.

Once the state narrative and spending plan are approved, the state will once again engage stakeholders in final development of the strategies included in our plan. Once we have implemented these strategies, the state will continue to have dialogue with stakeholders to evaluate the effectiveness of the activities to determine if the state should incorporate activities into our 1915 (c) waiver programs as a permanent aspect of these programs.

Actions Requiring Legislation, Waiver Amendments, or New Regulations:

None of the initiatives will require any legislation, waiver amendments or new regulations. If the pilot efforts are successful, they will be incorporated in the existing HCBS Waivers in the last half of the three- year period for this effort.

The Department will need to obtain approval for hiring new staff and process several administrative contracts. It will also need to amend its IAPD for the project it plans to apply for enhanced match. The workplans for the projects includes time to accomplish these tasks.

Overview of all Initiatives:

Initiative #1: Targeted care coordination enhanced payment for complex individuals leaving institutions.
Timeframe: 8/1/21-3/30/24
Changes to Scope of Amount: New submission

Initiative #2: Transition Costs for People with Complex Care
Timeframe: 8/1/21-3/30/24
Changes to Scope of Amount: New submission

Initiative #3: Staffing-based rate demonstration project for complex care cases for assisted living facilities
Timeframe: 8/1/21-3/30/24
Changes to Scope of Amount: New submission

Initiative #4: Direct Service Professionals (DSPs) training initiative
Timeframe: 8/1/21-3/30/24
Changes to Scope of Amount: New submission

Initiative #5: HCBS Critical Incident Detection System
Timeframe: 8/1/21-3/30/24
Changes to Scope of Amount: New submission

Initiative #6: Companion services for individuals on the Adults Living Independently waiver
Timeframe: 8/1/21-3/30/24
Changes to Scope of Amount: New submission

Summaries of Individual Initiatives:

Initiative #1: Targeted care coordination enhanced payment for complex individuals leaving institutions.

Description: The focus on this demonstration is to develop and pilot a new, targeted acuity rate for care coordination services for individuals discharging from institutions, both out-of-

state (such as Intermediate Care Facilities for Individuals with Intellectual Disabilities ICF/IIDs) and in-state (such as Alaska's residential behavioral health residential programs, the Alaska Psychiatric Institute, and skilled nursing facilities) to enhance the opportunity these individuals will be able to find and retain stable, safe HCBS residential services in the community designed to meet their placement needs.

How it enhances or expands Medicaid HCBS: Promotes the expansion of HCBS services by expediting effective care coordination services designed towards transitioning recipients into community-based placements as opposed to institutional settings.

FFP Type Rationale: State-only funds will be used because this is a pilot. If the pilot is successful, the program can be considered to be included as a residential habilitation option under the Intellectual and Developmental Disabilities (IDD) waiver.

Problem Statement: Individuals with disabilities discharging from institutional settings require intensive planning and preparation through care coordination prior to placement in a community-based setting. Currently, care coordinators, who are non-state employees that individuals choose themselves, are often not available to this population because of inadequate payment structure for these high acuity recipients and complex level of services needed. Care coordinators also are frequently unwilling to put time needed into supporting these individuals because of the low rate of reimbursement for the intense, challenging work required.

Target Populations: The enhanced payments would be made available for care coordinators serving individuals leaving institutional facilities including correctional facilities, out of state community based behavioral health residential programs and ICF/IIDs, and the Alaska Psychiatric Institute. Approximately 75 - 115 individuals per year are released from these settings and would benefit from care coordination that would be expected to begin six to nine months prior to discharge and extend for six months after.

Status: In development

Progress in Last Quarter: New project

Initiative #2: Transition Costs for People with Complex Care

Description: This initiative will pilot funding to cover transition costs such as transportation, environmental modifications, and staffing for people with a history of complex care needs who are transitioning from institutional facilities including correctional facilities, out of state community based behavioral health residential programs and ICF/IIDs, and the Alaska Psychiatric Institute.

How it enhances or expands Medicaid HCBS: This initiative will enhance the opportunities for individuals with complex care needs return to community settings. Additionally, community

providers often need modifications to their care settings or specialized training in order to successfully receive an individual who experiences multiple complex behaviors or diagnoses.

FFP Type Rationale: This will be offered under a contract that should be eligible for 50% Medicaid administrative match.

Problem Statement: In Alaska, frequently, many of the individuals who experience intellectual or developmental disabilities either end their community-based placements or it is ended for them because of behavioral issues. These individuals often then enter institutions for which they are not intended or where they desire to return to HCBW settings. The funding to cover transition costs for complex care needs will allow the community-based placements to develop capacity to maintain individuals in community settings.

Target Populations: Individuals leaving homes, institutions, and other placements due to complex needs and intensive behaviors.

Status: In development

Progress in Last Quarter: New Project

Initiative #3: Staffing-based rate demonstration project for complex care cases for assisted living facilities

Description: This initiative will pilot a new rate structure that will be adjusted based on staffing patterns for people with a history of being complex to service. This includes people who have had long stays in institutional facilities including correctional facilities, out of state community based behavioral health residential programs and ICF/IIDs, and the Alaska Psychiatric Institute. The Division envisions authorizing a limited number of sites to create licensed assisted living homes offering supports to individuals with complex needs, with rates set to the specific staffing needed at each facility. This would allow extra staffing at certain times, with the facility able to staff flexibly according to the needs of residents.

How it enhances or expands Medicaid HCBS: This initiative ensures that individuals with complex care needs can safely transition to and remain in community settings, and that the most intensive settings are appropriately reserved for those truly in need of them. With an enhanced rate for these challenging cases, providers will be able to better invest in skill development of and fairly compensate staff working with individual with complex care needs.

FFP Type Rationale: State-only funds will be used because this is a pilot. If the pilot is successful, the program can be considered to add as a residential habilitation option under the IDD waiver.

Problem Statement: Individuals with disabilities exiting institutional settings require intensive planning and preparation through care coordination prior to placement in a community- based placement. In addition to enhanced care coordination, it is necessary to provide additional evaluation and preparation to ensure the site receiving the individual is prepared to meet his or her needs, inclusive of available staff resources and expertise.

Target Populations: Individuals with complex care needs and intensive behaviors leaving institutions, corrective facilities, and out-of-state placements.

Status: In development

Progress in Last Quarter: New Project

Initiative #4: Direct Service Professionals (DSPs) training initiative

Description: This initiative will offer enhanced training and support beyond current training requirements for the individuals who provide direct, hands-on care for those with disabilities and their families, incentivizing retention, and professionalism among this workforce. This initiative would be conducted in partnership with the University of Alaska Anchorage Center for Human Development which already has significant infrastructure and experience in offering training to DSPs.

How it enhances or expands Medicaid HCBS: Although DSPs are among the most critical supports for those receiving home and community-based services, the field has challenges recruiting and retaining workers. High turnover and vacancies jeopardize recipient safety and well-being, but enhanced training and professional expectations can result in reduced turnover and increased job satisfaction for workers an enhanced safety and well-being for service recipients. Additionally, the training will enable DSP to better serve individuals in home and community-based settings and improve outcomes.

FFP Type Rationale: This will be offered under a contract that should be eligible for 50% Medicaid administrative match.

Problem Statement: The need for an adequate workforce for all types of human services is urgent. High numbers of vacancies and turnover among DSPs are consistently noted by employers as one of their most significant challenges; they are stretched so thin in covering for the basic needs of their clients that they have no bandwidth to allow direct service professionals time and back-up support to engage in training, contributing to the cycle of challenges in recruiting and retaining staff.

Target Populations: The estimated 5,000 DSPs working with the population served by the Division of Senior and Disabilities Services would be eligible to participate in this initiative. Our goal would be to see a significant increase in the retention of individuals by the end of the project period.

Status: In development

Progress in Last Quarter: New Project

Initiative #5: HCBS Critical Incident Detection System

Description: Alaska's critical incident system relies on providers, care coordinators and others reporting critical incidents. This effort would allow the State to use data-mining techniques to use claims and other data to proactively identify when incidents occur.

How it enhances or expands Medicaid HCBS: This effort will help improve participants' health and safety by identifying unreported incidents. It should also improve the quality of reporting as providers, care coordinators and others are made aware that unreported incidents may be identified.

FFP Type Rationale: Because this will be an enhancement to SDS's Medicaid Management Information System (MMIS), it should be eligible for Medicaid Administrative Claiming (MAC) at the 90/10 rate.

Problem Statement: SDS currently does not have a mechanism to identify unreported critical incidents. This software will allow Medicaid claims to be queried to identify cases of potential abuse or harm. The OIG has cited states for not conducting such queries in recent OIG findings. Because a critical incident report will lead to an investigation, this may create an incentive not to report. Identifying potential incidents in other ways will counter this incentive and lead to more accurate reporting.

Target Populations: All Medicaid HCBS populations

Status: In development

Progress in Last Quarter: New project

Initiative #6: Companion services for individuals transitioning from Nursing Homes / Hospitals back to their own homes.

Description: Under this initiative, companion services, which is a lower cost service not currently available under current state programs, would be made available to participants who need to transition back to their own home or the home of a family member (not an Assisted living home) from a Nursing Home or Hospital. The service will not require the participant to meet a waiver level of care as it is designed to be a "pre support" service prior to the need for full Medicaid waiver services. It will allow for services to be put in place quickly, allow time needed for application for waiver services and may delay the need for more robust waiver services. It may also reduce the chances for readmission to the Nursing Home or hospital.

How it enhances or expands Medicaid HCBS: Companion services facilitate independence, promote community inclusion, and prevent isolation, and may delay (or provide a cost-effective alternative to) more intensive services such as personal care, residential habilitation, or skilled nursing.

FFP Type Rationale: State-only funds will be used because this is a pilot. If the pilot is successful, the program may be offered as a service under Adults Living Independently Waiver or explored as a possible Community First Choice (CFC) service to aid in transition from hospitals or Nursing homes.

Problem Statement: Companion services have been requested for decades to be added to Alaska's services array by HCBS recipients, advocacy groups, state legislators, and others. The state has not been able to develop these services because of budgetary constraints. This pilot and eFMAP gives us an efficient and cost-effective way to pilot these services. The development of this pilot project for recipients discharging from higher cost facilities would allow the state to determine whether companion services would indeed be a cost-effective alternative to other service types and if they may delay the need for a more robust and costly service package. Companion services for this population will add to quality of life and the ability to return to and remain in the participant's own home.

Target Populations: Targeted group discharging from Nursing Homes and hospitals who may not meet institutional level of care for waiver at that point in time.

Status: In development

Progress in Last Quarter: New Project