



Virginia Network of Private Providers, Inc.

Building Meaningful Lives for Extraordinary People

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VNPP Position on the Enhanced FMAP for HCBS

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An association for persons or organizations with an interest in or that provide support for persons who have mental illness, developmental delay or substance use disorder, and who are licensed by or funded by the Department of Behavioral Health and Developmental Services.

A State Association
Member of ANCOR

American Rescue Plan Act (ARPA) allows

- an increased FMAP of 10% “with respect to expenditures of the state,”
- requires that “the State shall use the Federal funds to **supplement, and not supplant**, the level of State funds, and
- the funds shall be used to implement, or supplement the implementation of, one or more activities to **enhance, expand or strengthen**” HCBS services from 1 April, 2021 to 31 March, 2022.

This provision, on its face, seems very straight forward. And while there may be a variety proposals for the funds, **VNPP is strongly recommending the following:**

- Pay providers the increased “rate” quarterly beginning on August 1st based on claims billed and paid for any of the eligible services for the period of April 1 through June 30. Repeat that process for subsequent quarters of July 1 – September 30, October 1 – December 31 and January 1 (2022) – March 31.
- Require documentation of the appropriate use to be confirmed in a subsequent QMR review; utilize the guidance to be provided by CMS as the options for appropriate use.

This methodology recognizes several realities:

- Every provider has different needs – for example, many outside of Northern Virginia are facing a significant challenge to meet the pay increases which will be necessary to remain competitive in the job market after the minimum wage increases in May 2021.
- To date all of the COVID relief funding, both State and Federal, has required a complex application process requiring significant effort with strict limitation on options and funds have arrived (if at all) months later.
- This methodology is also relatively simple to implement and will require less administrative effort on the part of DMAS staff.

In the DD Waiver community we have a larger staffing shortfall that we have had in past memory (a trend that is being seen nationally) and with the important and needed assistance for low income workers approved in the ARPA which will ease their financial stress, the shortages will likely become a more significant issue in the next few months.

The temporary FMAP bump will not solve the problem, but it will be a Band-Aid to help stop the bleeding while we wait for a more long term solution.

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