

ENHANCED HCBS FMAP FUNDING Frequently Asked Questions (FAQ)

General:

- Does a provider need to fill out more than one FMAP Attestation Form?

No. A provider who wishes to receive ANY of ARP FMAP funds, including the rate increases, must fully complete, sign and upload ONE attestation form. Only ONE form is required—even if the provider is contracted with multiple MCOs and/or DIDD. Each provider uploads this form to TennCare through PDMS. It can be found on the LTSS website, along with specific instructions on how to upload, here: <https://www.tn.gov/tenncare/long-term-services-supports/enhanced-hcbs-fmap.html>

- What about Spending Plan components that have not yet been implemented? Will a new Attestation Form be required for those?

No. The Attestation Form makes clear that it is the provider’s “responsibility to review eligibility requirements for each of the increased funding opportunities made available through federal Enhanced HCBS FMAP funding, and to only 1) submit claims or requests for payment of these federal funds; and 2) accept payment of these federal funds if eligibility requirements are met.” As new initiatives are launched, the provider should carefully read the requirements and accept payment of Enhanced HCBS FMAP funding if the requirements are met.

- Which components of the Enhanced HCBS FMAP Spending Plan are expected to end on March 31, 2024, and for which components is TennCare seeking recurring funding to continue after March 31, 2024?

*All of the **funding** received through the ARP HCBS FMAP Spending plan is non-recurring. As part of FY 23 budget requests, TennCare is seeking recurring funding for the 2,000 new ECF CHOICES members from the referral list and rate increases for CHOICES and ECF CHOICES. If funded, ARP funds will be used to “buy back” the state’s share for FY 23 and part of FY 24 (until the ARP funding ends). Shared savings from the TennCare III demonstration are another potential funding source for these recurring funds.*

2,000 New Employment and Community First CHOICES Members from the Referral List

- How will the one-time FMAP increase be sustained so that people enrolled into ECF CHOICES won’t have to disenroll when the Enhanced FMAP funding ends?

As noted above, TennCare is seeking recurring funding to ensure continuity of enrollment and benefits for the 2,000 new enrollees in ECF CHOICES as well as the wage increases for frontline staff in CHOICES and ECF CHOICES.

Wage Increase for Frontline CHOICES and ECF CHOICES HCBS Workforce

- Is a pay raise increase required for the frontline workers, and if so how much? Is there a certain percentage?

*The explicit purpose of these finds is to increase the wages of the frontline HCBS workforce. While there is no mandatory, specific amount or percent of wage increase required, as provided in the memos, “by aligning rates of reimbursement in CHOICES and ECF CHOICES with rates for comparable services in the 1915(c) waivers, the expectation is that comparable hourly wages for frontline support staff [i.e., at least \$12.50/hour] are accounted for across Medicaid HCBS programs and populations.” The amount of the increase within each agency will depend upon the provider agency’s current rate of pay for workers. Regardless of the current rate of pay, however, except for the 1.2 wage factor [roughly 16.7% set aside for provider taxes, etc.] **all of the funding is expected to pass through to the direct support workforce.***

- What documentation is needed to show that the rate increase was used as intended?

Providers are expected to develop a clear plan for how they will ensure the funding is used as intended—to increase the wages of the frontline workforce. This plan should project the increased revenues anticipated from the wage increases, and the wage increases that will be implemented to invest that level of spending. In addition, providers are required to retain payroll documentation reflecting the rates of pay for all workers as of June 30, 2021 as well as from July 1, 2021 forward, and to provide that information as requested by TennCare (or the MCOs) for purposes of audit and financial accountability.

- Would we have to retro pay the frontline workers back to July 1st, 2021?

As provided in the CMS-approved plan, the expectation that commensurate wage increases for the frontline HCBS workforce will also be retroactively effective as of that date, may be paid as a one-time retention bonus for the period, or are otherwise accounted for in the updated wages paid to staff, with new hourly wages effective prospectively beginning as soon as possible, but no later than December 6, 2022. Across all HCBS for which rates were increased, the provider must be able to document how the higher rates were used as intended—for purposes of increasing wages for frontline staff.

- If providers do the retro-active rate increase, from July 1st, 2021 and the caregivers who provided services during that period have left the company, how would they handle? Would they just begin to pay the NEW caregivers a higher wage. One provider commented, “we would not track the former employee down on their new job at McDonald’s to give them a bonus.”

Providers are not expected to reimburse workers who have since left employment with the agency. The funds the provider receives for the increased rates related to services rendered by workers who are no longer employed would be appropriately applied to the wages of current workers.

- Do we have to pay exactly \$12.50 an hour, or will an increase in wages suffice to show compliance with increasing wages, since the Rate Increase memo states the state cannot dictate employee wages?

While there is no mandatory, specific amount or percent of wage increase required, as provided in the memos, “by aligning rates of reimbursement in CHOICES and ECF CHOICES with rates for comparable services in the 1915(c) waivers, the expectation is that comparable hourly wages for frontline support staff [i.e., at least \$12.50/hour] are accounted for across Medicaid HCBS programs and populations.” The amount of the increase within each agency will depend upon the provider agency’s current rate of pay for workers. Regardless of the current rate of pay, however, except for the 1.2 wage factor--

roughly 16.7% set aside for provider taxes, etc., **all of the funding is expected to pass through to the direct support workforce.**

If a provider is already paying \$12.50/hour, the provider may explore how the funds can be invested into the wages of frontline staff—such as retention bonuses, performance bonuses, mileage allowances, etc. provided that these are recurring (i.e., will occur on an annual basis to ensure that all of the funding is passed through to the direct support workforce), and that the combination of wage increases and other investments into the wages of the frontline staff account for all of the funding which must be passed through to the direct support workforce. The provider may not simply retain these funds, regardless of the current wage paid to frontline staff.

- Do all employees need to be brought up to \$12.50/hour or can the provider vary pay based on experience?

Please see response above.

- Do the providers need to resubmit their billing in order to get the new rate?

No. Providers will not be required to resubmit any claims in order to receive payments for retroactive rate adjustments for previously processed and paid claims..

- This increase is totally for the staff; when will providers get an increase to cover the increased cost of doing business?

This significant investment specifically targeted to the frontline workforce is in response to input from these providers and other stakeholders and in light of significant investments approved by the Tennessee General Assembly targeted to wage increases for frontline HCBS workers in the Section 1915(c) waivers operated by DIDD.

Importantly, we expect that the availability of these funds for purposes of wage increases will lead to substantial reductions in overtime and turnover, which should further reduce provider expenditures, providing further relief in related agency costs.

- Will providers receive a lump sum check for the retroactive payments?

Providers will receive payments for retroactive rate adjustments through the MCOs. Payments will be made in the typical format—generally electronically--as claims are re-processed, which may include multiple batches and payments.