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July 12, 2021

Daniel Tsai
Deputy Administrator and Director
Center for Medicaid and CHIP Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Re: American Rescue Plan Act of 2021 Section 9817: Initial Illinois Spending Plan and Narrative

Dear Deputy Administrator and Director Tsai,

Illinois welcomes the opportunity to share its initial spending plan and narrative for Section 9817 of the American Rescue Plan Act of 2021 (ARP) (Pub. L. 117-2) to provide additional support for Medicaid Home and Community-Based Services (HCBS). In accordance with State Medicaid Director Letter #21-003, published on May 13, 2021, I attest 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.

In accordance with federal implementation guidance, Illinois also will submit a quarterly HCBS spending plan and narrative, which will include updates to the state's initial spending plan submission, for CMS review and approval until funds are expended. Pam Winsel, Waiver Operations Manager for the HFS Division of Medical Programs, will serve as the designated point of contact for these submissions and can be contacted at Pamela.Winsel@Illinois.gov or 217-782-6359. We look forward to working with CMS to enhance, expand, and strengthen HCBS under the Illinois Medicaid program in accordance with Section 9817 of the ARP.

Sincerely,



Kelly Cunningham
Medicaid Administrator

E-mail: hfs.webmaster@illinois.gov

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Illinois Initial Spending Plan and Narrative for Enhanced Funding under the American Rescue Plan Act of 2021 to Enhance, Expand, and Strengthen Home and Community-Based Services under the Medicaid Program July 12, 2021

Overview

President Biden signed the American Rescue Plan Act of 2021 (ARP) ([Pub. L. 117-2](#)) on March 11, 2021. Section 9817 of the ARP provides states with a 10-percentage point federal medical assistance percentage (FMAP) increase for Home and Community-Based Services (HCBS) from April 1, 2020 through March 31, 2022. The ARP requires states to use the state share savings attributable to the FMAP increase to enhance, expand, or strengthen HCBS under the Medicaid program. The increased FMAP cannot exceed 95 percent.

In a May 13, 2021 State Medicaid Director letter ([SMD#21-003](#)), the Centers for Medicare & Medicaid Services (CMS) provided guidance to states on HCBS expenditures eligible for the enhanced FMAP as well as parameters around how states could expend funds attributable to the increased FMAP. While the enhanced FMAP is only available through March 31, 2022, states are permitted to expend the funds through March 31, 2024 to have sufficient time to fully expend the funds on short-term activities to strengthen the HCBS system in response to the COVID-19 public health emergency (PHE) as well as longer-term initiatives to enhance and expand the HCBS system.

To comply with the requirement to supplement and not supplant existing state funds for HCBS in relation to what was in effect on April 1, 2021, states must not impose stricter eligibility standards, methodologies or procedures for HCBS programs and services; must preserve covered HCBS including the amount, duration, and scope of services; and must maintain HCBS provider payments.

CMS is requiring states to submit an initial spending plan and quarterly spending plans to inform CMS of the activities it intends to implement to enhance, expand, or strengthen HCBS under the Medicaid program. CMS approval of spending plans does not supersede authorization requirements that apply to Section 1915(c) waivers, State Plan Amendments, other Medicaid HCBS authorities, managed care authorities, or state directed payment requirements, including prior approval.

State Legislative Authority

The FY2022 Budget Implementation Act ([Public Act 102-0016](#)), signed by Governor Pritzker on June 17, 2021, provides the Illinois Department of Healthcare and Family Services (HFS) with the authority to claim the enhanced FMAP under Section 9817 of the ARP and to use state funds equivalent to the

amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of activities to enhance, expand, or strengthen HCBS under 305 ILCS 5/5-2.09. The use of such funds is subject to applicable federal requirements and federal approval and HFS may adopt emergency rules, as necessary, for implementation.

Initial HCBS Spending Plan Projection

HFS estimates the state funds equivalent to the amount of federal funds attributable to the increased FMAP to be \$349.2 million based on an analysis of fee-for-service and managed care State Plan services and 1915(c) waiver services, as shown in Exhibit 1 below. The \$349.2 million estimate does not include reinvestments of state savings from the increased FMAP between April 1, 2021 and March 31, 2022.

Exhibit 1: Funding for Reinvestment in HCBS due to ARP 10% Enhanced FMAP

FFS Paid State Plan Service:	CMS 64 Line	Annual Spending	10% ARPA funding:
Home Health	12	\$4,000,000	\$400,000
School based waiver	39.19	\$18,000,000	\$1,800,000
Rehab - Mental Health	40.1	\$73,000,000	\$7,300,000
Rehab - Substance Abuse	40.2	\$11,000,000	\$1,100,000
Private Duty Nursing	41	\$2,000,000	\$200,000
Targeted CM	24A	\$17,000,000	\$1,700,000
Targeted CM	24B	\$21,000,000	\$2,100,000
	<i>sub total</i>	<i>\$147,000,000</i>	<i>\$14,600,000</i>
Other Prac - Priv Duty Nursing		\$26,000,000	\$2,600,000
Total FFS State Plan Services:		\$173,000,000	\$17,200,000
MC Paid State Plan Services:			
Behavioral Health		\$422,000,000	\$42,200,000
1915(i) waiver		\$56,000,000	\$5,600,000
Non-Behavioral Health		\$92,000,000	\$9,200,000
Total MC Paid State Plan Services:		\$570,000,000	\$57,000,000
Grand Total State Plan Services:		\$742,000,000	\$74,200,000
FFS - 1915(c) Waivers:			
DHS - DD		\$781,000,000	\$78,100,000
DHS - Children's Support		\$16,000,000	\$1,600,000
DHS - Children's Residential		\$21,000,000	\$2,100,000
Children's MFTD		\$2,000,000	\$200,000
DoA - Elderly Waiver		\$280,000,000	\$28,000,000
DHS - Brain Injury		\$21,000,000	\$2,100,000
DHS HIV/AIDS		\$4,000,000	\$400,000
HFS - SLP		\$73,000,000	\$7,300,000
DHS Physical Disabilities		\$124,000,000	\$12,400,000
Total FFS 1915(c) Waivers		\$1,322,000,000	\$132,200,000
MC Paid 1915(c) Waivers:			
DoA - Elderly Waiver		\$702,000,000	\$70,200,000
DHS - Brain Injury		\$55,000,000	\$5,500,000
DHS HIV/AIDS		\$19,000,000	\$1,900,000
HFS - SLP		\$236,000,000	\$23,600,000
DHS Physical Disabilities		\$416,000,000	\$41,600,000
Total MC Paid 1915(c) Waivers		\$1,428,000,000	\$142,800,000
Grand Total 1915(c) Waiver Services:		\$2,750,000,000	\$275,000,000
Grand Total All ARPA Funding:		\$3,492,000,000	\$349,200,000

When the timing of reinvestments is considered, HFS estimates the proposed reinvestments within the state's initial spending plan that occur prior to April 1, 2022 will result in an additional \$20.1 million in state savings for reinvestment in HCBS, as noted in Exhibit 2 below. The additional \$20.1 million will be reinvested in HCBS but will not be eligible for an FMAP when reinvested.

Exhibit 2: Estimate of Illinois' Enhanced FMAP Receipts from HCBS Spending

	Annual FMAP:	0.6716	0.6716	0.6716	0.6716	
		Q3 FY 2021	Q4 FY 2021	Q1 FY 2022	Q2 FY 2022	Total
Total Computable		\$873,000,000	\$873,000,000	\$873,000,000	\$873,000,000	\$3,492,000,000
State Share		\$286,693,200	\$286,693,200	\$286,693,200	\$286,693,200	\$1,146,772,800
Federal Share		\$586,306,800	\$586,306,800	\$586,306,800	\$586,306,800	\$2,345,227,200
Funds attributable to the HCBS FMAP increase		\$87,300,000	\$87,300,000	\$87,300,000	\$87,300,000	\$349,200,000
Additional funds attributable to reinvestments in Year 1 (not eligible for federal match)						\$20,072,712

The state's projected savings for reinvestment, including the timing of reinvestment, will continue to be developed and modified accordingly in future quarterly spending plans and narratives as the state continues to further develop proposals and implementation timelines.

Stakeholder Feedback

On May 25, 2021, HFS released a [public notice](#) seeking comments on how the state should develop and implement a spending plan to reinvest state savings from the ARP enhanced FMAP to enhance, expand, or strengthen HCBS under the Medicaid program. The deadline for public comments was extended to June 18, 2021 after stakeholders requested additional time to provide comments and the state requested and received a 30-day extension for its initial spending plan submission to CMS.

In addition to accepting written comments electronically and by mail, HFS collected verbal feedback at a [Medicaid Advisory Committee subcommittee meeting](#) on June 3, 2021. Some stakeholders also provided comments directly to the operating agencies of HCBS waivers; in these cases, comments also were collected and documented. A summary of the stakeholder feedback received is included below and was taken into account when developing the state's initial spending plan.

Persons who are Elderly Waiver

Six comments were received from Service Employees International Union (SEIU), Illinois Association of Community Care Program Homecare Providers (IACCPHP), Care Coordination Unit Association (CCU); a Community Care Residential Setting (CCRS) demonstration program agency; SeniorLink, a Family Caregiver agency, and CountyCare Health Plan.

Suggestions:

- SEIU and IACCPHP:
 - Change the date of the 1/1/22 in home service (INH) rate increase to 7/1/21, and
 - Assist with retention of workers by providing increased training, pandemic pay, and bonuses.
- SeniorLink
 - Enhance supports for family caregivers, including a fixed daily stipend for live-in caregivers,
 - Caregiver focused assessment for any caregiver integral to the customer's POC,
 - Access to a caregiver coach to assist, support, educate, and encourage the caregiver, and
 - Incorporate telehealth to encourage communication between the caregiver and the coach.

- SEIU:
 - Develop an Individual Service Provider Registry to help match workers with customers,
 - Develop home care aide (HCA) training with a focus in infection control trainings and expansion of curriculum, and
 - Expand deinstitutionalization services such as home modifications, etc. to help people transition from facilities to the community.
- CCRS:
 - Increase the number of CCRS demonstration sites.
- CCU Association:
 - Increase funding to CCUs to allow them to continue to assist with Medicaid applications to keep people enrolled in Medicaid and eligible for the enhanced match.
- CountyCare Health Plan:
 - Add home modification as a waiver service.

Medically Fragile Technology Dependent Children (MFTD) Waiver

Three comments were submitted from a family caregiver of a MFTD child, the Illinois Home Care & Hospice Council, and Maxim Healthcare through the state's formal stakeholder feedback process. Additionally, the University of Illinois Chicago (UIC) Division of Specialized Care for Children (DSCC) received 15 comments directly.

Suggestions:

- Family of the MFTD child:
 - Add housekeeping services at least once or twice a month to ease caregiver burden and improved the health of the child.
- Illinois Home Care & Hospice Council:
 - Increase in-home shift nursing rates.
- Maxim Healthcare:
 - Increase the rates for private duty nursing and provide overtime and additional leave benefits,
 - Recruitment initiatives such as bonuses or sign-on bonuses and additional overtime accrual,
 - Continue to allow licensed caregivers related to the customer to provide care,
 - Research other consumer directed models that have been successful in neighboring states and use funds to pilot and study these programs,
 - Allow agencies to train parents and other caregivers if not every hour is able to be met by a nurse given the state's workforce shortage, and
 - Provide continuing education, trainings, etc.
- Stakeholder feedback shared directly to UIC/DSCC:
 - Recommended or supported an initiative to expand self-directed services by having parents serve as paid caregivers,
 - Addressed the nursing shortage, and
 - Stressed the need for additional nurse training on the unique cares of this medically complex population.

Supportive Living Program (SLP) Waiver

Four comments were received from the Illinois Home Care & Hospice Council (IHHC), Eden Companies (a SLP provider agency), CountyCare Health Plan, and the Legal Council.

Suggestions:

- IHHC:
 - Increase payments to home health agencies, sign-on bonuses, relocation assistance/payments, pay for training for continuing education requirements, and pay down nursing school student loan debt.
- CountyCare Health Plan:
 - Expand the eligibility for SLP by lowering the age requirement to individuals under 64 who may or may not have a physical disability and include burial coverage assistance.
- The Legal Council:
 - Create or expand nursing facility transition programs including intensive case management services,
 - Expand funding for home modifications and assistive technologies,
 - Expand funding for respite care services in a wide range of settings and make it available to family caregivers who would not otherwise qualify for publicly funded respite services,
 - Increase access to family caregiver services such as education and training, counseling, support groups, and legal consultations to delay or decrease the likelihood of a loved one's need to seek care in a long-term care facility
 - Invest in telehealth infrastructure,
 - Employee perks should include on-site daycare for staff, educational opportunities, childcare worker subsidies, and health benefits for the direct-care workforce,
 - Expand No Wrong Door Services to assist in navigating and obtaining HCBS,
 - Pay family members as caregivers,
 - Adopt an electronic preadmission screening procedure,
 - Increase rates,
 - Have clearer information on Department webpages,
 - Expand SLP for the disabled population,
 - Targeted funds to home health agencies and home nursing agencies to recruit and retain nursing staff,
 - Ensure that recipients have supplies, equipment, and assistive technology,
 - Cultural competency training, interpreting services, and document translation so customers can access services equally,
 - Equal access for immigrants who are eligible for full Medicaid: language assistance, outreach by culturally competent community-based organizations, and authorizing family members to be paid caregivers to address language and cultural barriers, and
 - Use funding to address social and economic challenges facing seniors and people with disabilities.
- Eden Companies:
 - Electronic pre-admission screening to allow quicker access to needed housing and services,
 - Lift the SLP moratorium on licensure, and
 - Job growth and employee retention.

Persons with Brain Injury, Persons with HIV/AIDS, and Persons with Disabilities Waivers

One comment was received from Access Living of Metropolitan of Chicago through the HFS stakeholder feedback process. The Illinois Department of Human Services (DHS) Division of Rehabilitation Services (DRS) which operates the Persons with Brain Injury, Persons with HIV/AIDS, and Persons with Disabilities Waivers also received stakeholder feedback directly from the Service Employees International Union (SEIU), which is the union representing HSP Individual Providers, and Access Living of Metropolitan Chicago and Chicago ADAPT which Access Living represent the disability community.

Suggestions:

- Access Living:
 - Make sure Illinoisans with disabilities are aware of benefits, how to qualify and access services by expanding community outreach and informational materials on available HCBS,
 - Enhance community transition services and supports: resources needed to move into the community, such as rent subsidies, security deposits, furniture, supplies, and other moving costs,
 - Strengthen the HCBS workforce through training, funding, and infrastructure and offer appropriate compensation, benefits, job security, hazard pay, increase base pay, and sick pay,
 - Ensure equitable and accurate use of the Determination of Need and consider a Level of Care Study:
 - Access Living finds the DON score is inconsistently applied, and inaccurately used.
 - The DON is outdated and does not accurately reflect improvements in community integration options.
 - Consider a study that explores best practices in HCBS assessment in the U.S. to eventually develop a new tool.
 - Expedite hiring for the Home Services Program,
 - Ramp Up HCBS nursing services: there are delays for nursing services and high staff turnover,
 - Expand coverage and capacity for Home Modifications,
 - Recruitment for specific language HCBS workers: job opportunities to diverse applicants who speak languages other than English,
 - Address the Digital Divide:
 - Use a portion of this one-time FMAP funding to financially support internet access and provide smart phones and/or tablets.
 - Media education training should also be provided to HCBS recipients and direct support workers to ensure that consumers can communicate effectively with service providers and can optimally benefit from the digital resources provided.
- Comments received directly by DHS/DRS:
 - Access Living and Chicago ADAPT:
 - Use the enhanced FMAP to increase access to home modifications and assistive technology for people with disabilities, and
 - Use the enhanced FMAP to expedite transitions for individuals in long term care facilities into the community.
 - SEIU:
 - Use the funding to provide pandemic pay for Individual Providers,
 - Accelerate a rate increase under the collective bargaining agreement,

- Provide additional funding for provider training, and
- Create a tool that helps match providers to customers.

Developmental Disability Waivers

Five comments were received from Service Inc. of Illinois, the Illinois Council on Developmental Disabilities (ICDD), the Institute of Public Policy for People with Disabilities, the Illinois Occupational Therapy Association, the Illinois Association of Rehabilitation Facilities (IARF), Equip for Equality, and one individual licensed therapist.

Suggestions:

- Service Inc.:
 - Fund/create long-term stabilization CILAs that meet the needs of highly behavioral individuals who are not able to thrive or be placed in a traditional CILA setting and/or do not want to live in a State Operated Facility.
- ICDD:
 - Large Congregate Setting Outreach and Transition Support:
 - Move from nursing facilities, ICF-DDs, SODCs to smaller community-based settings,
 - Use funding to outreach residents to inform them of smaller residential settings,
 - Survey CILA providers to identify openings and potential matches,
 - Work with community providers to open their doors for people looking to exit the congregate setting, and
 - Work with CILA providers to provide one-time costs associated with down-sizing from 8-person CILA arrangements to a 4-person model.
 - Perform rate studies for children's group homes, home-based services, independent service coordination and/or respite,
 - Address the digital divide by using the funding to ensure all settings where people with DD are served have internet connections and devices available for people and their direct service providers, and
 - Strengthen the HCBS workforce by providing incentives to providers to hire staff for job development, hire contractors to review person-centeredness, and facilitate training to ISCs and DRS that serve mutual clients.
- Institute of Public Policy for People with Disabilities:
 - Immediate fiscal support for I/DD community providers to stabilize the community services workforce,
 - Investment in I/DD Supported Living model demonstration project to enable people to move from congregate group home settings into individually controlled community residences, and
 - Invest in technology to assist people to live more independently with less reliance on in-person staff support.
- Illinois Occupational Therapy Association:
 - Fund workforce recruitment of occupational therapy practitioners.
- Licensed therapist:
 - Expand the eligibility of the Children's Support Waiver to include youth in care.
- IARF:
 - Fund implementation of the seven listed priorities on page 93 of the Guidehouse report, and consistent with the provisions of House Resolution 193,

- Increase residential program components to benchmark statewide wage and fringe assumptions,
- Increase existing non-residential service rates to statewide benchmark,
- Expand SEP array at benchmark rates,
- Increase non-program cost centers to benchmark in CILA and ICF/DD, implement proposed ICAP+HRST assessment framework in CILA, and standardize five-hour model of unstaffed times across CILA,
- Increase total CILA rates to zero hour-unstaffed program rate model benchmark,
- Implement statewide and Chicago wage assumptions and rate distinctions, and
- Expand day program service array at benchmark rates.
- Equip for Equality:
 - Per the Guidehouse study, make investments during the first year of implementation (\$329 million), followed by more modest increases in the remaining four years of implementation,
 - Allocate the FMAP increase to help make up the \$159 million difference between the Guidehouse plan and the State's allocation for Year 1, and
 - Educate people in institutions about their right to live in the community.

Additional Comments

AARP submitted general comments on using funding for HCBS and Aetna Better Health submitted comments specific to state's Managed Long Term Services and Supports (MLTSS) program which includes some, but not all of the state's HCBS waiver programs.

Suggestions:

- AARP:
 - Add new HCBS coverage to waivers or state plans, including remote technologies and age-friendly housing options,
 - Offer intensive case management services for individuals currently residing in nursing homes or at-risk of institutionalization to support returning or remaining in the community,
 - Offer temporary funding for expenses (*e.g.*, first/last month's rent, security deposits, moving expenses, home modifications, medical equipment, communications technology, etc.) to maintain or return individuals to community-based care,
 - Enhance workforce development and funding modules for HCBS,
 - Integrate and deploy the Program of All-Inclusive Care for the Elderly (PACE),
 - Implement paid family caregiver demonstrations, and
 - Provide temporary Medicaid provider rate increases for direct care and nursing staff, including paid sick/family leave to maintain appropriate staffing levels and recognize pandemic hazards and hardships.
- Aetna Better Health
 - Expand care management service and programs to address social determinants of health, intensive care management service needs, and expanded system education of person-centered planning,
 - Support member access to technology to improve functional capabilities, independence, and community integration including maintaining expanded use of telehealth services, providing technology, covering internet activation fees, and expanding the use of adaptive technology,

- Support transitioning to the community with one-time transitional payments, incentives to institutions to support transitions, and financial support for option counselors in institutional settings,
- Provide fiscal incentives to support recruiting and retaining direct care workers, including signing and retention bonuses, develop initiatives to enhance support for direct care workers, create training programs and curriculum to enhance direct care worker skills and development, and increase direct care workforce capacity through incentive-based payments and partnerships with community-based organizations, and
- Invest in internal system improvements, including improved outreach and education to community services providers and members, additional EVV system training, and combine EHR and EVV information for cross system integration.

Initial Spending Plan Initiatives to Expand, Enhance, and Strengthen HCBS in Illinois

For the initial spending plan, the state reviewed stakeholder feedback and assessed activities that could expand, enhance, and strengthen HCBS under the state Medicaid program. While a variety of initiatives are included in the state's initial spending plan, all available funding has not been allocated as initiatives continue to be researched, developed, assessed for feasibility and cost, and discussed with stakeholders. As such, additional initiatives and their projected costs will be added to future, quarterly spending plans and narratives for CMS review. This includes suggestions that were received through the stakeholder feedback process that required additional consideration and/or development beyond the time allowed for this initial spending plan submission.

Of the estimated \$349.2 million in state share savings from the enhanced ARP FMAP, \$242.3 million in state share savings have been allocated to initiatives within this initial spending plan. Based on these proposed reinvestments, the state projects reinvestments prior to April 1, 2022 may generate an additional \$20.1 million in funding for HCBS. Spending by year for the initiatives included in the initial spending plan are shown in Exhibit 3 below.

Exhibit 3: Spending by Year for Initial Spending Plan Initiatives

	Annual FMAP:			Total
	0.6716	0.5096	0.5096	
	Year 1	Year 2	Year 3	
	4/1/2021 - 3/31/2022	4/1/2022 - 3/31/2023	4/1/2023 - 3/31/2024	
Total Initiative Spending by Year	\$220,867,118	\$186,447,882	\$152,211,000	\$559,526,000
State Share	\$75,988,786	\$91,835,513	\$74,477,194	\$242,301,493
Federal Share	\$144,878,333	\$94,612,369	\$77,318,806	\$316,809,507
<i>Additional funds attributable to HCBS Reinvestments in Year 1</i>	<i>\$20,072,712</i>	<i>\$0</i>	<i>\$0</i>	<i>\$20,072,712</i>

For the initial spending plan, proposed investments are broken into four categories:

- I. HCBS Workforce Investments
- II. Investments in HCBS Tools and Technologies
- III. Enhanced HCBS Services
- IV. Supporting HCBS Transitions

Narrative describing the state's initial spending plan initiatives to expand, enhance, and strengthen HCBS under the Illinois Medicaid program are included below. The narrative also includes how the state plans to sustain funding for activities beyond March 31, 2024, when applicable.

Initial Spending Plan Narrative

I. HCBS Workforce Investments (\$434.7 million)

Aging: Care Coordination Unit Workforce Retention (\$10.5 million)

These one-time payments would address workforce stabilization and retention of care coordinators through a workforce retention payment to address increased costs as a result of COVID-19. Funding would enable Care Coordination Units (CCUs) to recruit additional staff and stabilize existing staff to meet the demands of returning to providing face-to-face assessments and care coordination services. The payments would improve the timeliness of and improved compliance around waiver metrics, including assessments and reassessments, 60-day closure percentages, and timely follow-up for critical event reporting. Payments would be required to go directly to hiring staff or staff payments to improve the ratio of care coordinators to participants. The Illinois Department on Aging (IDoA) heard from several stakeholders about challenges to retain and maintain an adequate care coordination workforce, especially over the past year due to the pandemic. A minimum amount of funding would be provided to each CCU along with an opportunity to request additional funding, if available. The method which IDoA would compensate CCUs is still in development. This proposal does not include costs beyond March 2024.

Aging: Rate Increases for Care Coordination Units (\$29 million)

In accordance with recommendations received from the most recent CCU rate study completed in December 2020, which was based on information provided by IDoA's network and fair market rates, IDoA would implement the remaining rate increases recommended in the final report. IDoA also would increase monitoring by further developing existing monitoring tools to analyze and ensure compliance with waiver requirements.

IDoA contracted with Myers and Stauffer LLC in FY19 to conduct an analysis of rates paid to CCUs. Many of these rates had not had an increase in over 20 years. The rate study applied market labor rates to the data provided by CCUs to determine recommended rates for the activities provided by the CCUs. IDoA previously implemented the recommended rate increases to initial assessments and re-assessments; however, the remaining recommended increases have not been implemented. These rate increases would help address workforce stabilization and are expected to improve compliance around waiver metrics and data reporting to IDoA.

IDoA has budgeted \$9 million for the first year and \$10 million for each additional year. Beginning in April 2024, the \$10 million annual cost would become part of IDoA's annual budget. This rate increase would begin as soon as funding is available, with an estimated start date of October 1, 2021.

Aging: Adult Day Service Community Outing Offset Payments (\$5.1 million)

As part of federal HCBS waiver requirements focusing on integrated settings, IDoA and its network Adult Day Service providers (ADS) are committed to ensuring older adults have

access to the community at-large during the hours of service provision through scheduled outings. This requirement can be costly as it involves transportation, cost of admission to events, and logistics associated with meaningful community outings. In light of the negative impact of COVID-19 on the ADS provider network, the expected growth in the older adult population, and increasing need, these funds would be provided to ADS providers to off-set the costs associated with the enhancement of required community outings and to assist with maintaining compliance under the HCBS waiver. IDoA would start these grants as soon as funding is made available, with an estimated payout between October and December of 2021. It is estimated this would cost \$1 million during the first year and \$2 million in future years. The \$2 million in ongoing costs would become part of IDoA's annual budget after March 2024.

Aging: In-Home Service and Adult Day Service Accelerated Rate Increase (\$10.7 million)

In response to the negative impact COVID-19 has had on Aging network providers and the availability of workers, IDoA would accelerate the rate increase scheduled to take effect on January 1, 2022 with a start of November 1, 2021. The acceleration of the rate enhancement would provide Community Care Program providers with additional funds to recruit and retain necessary staffing levels to meet the growing demand to meet the needs of the older adult population served by the Community Care Program. The increased rate makes way for hiring of additional staff that are committed to providing quality care to Illinois' most vulnerable older adults. The timing and importance of accelerating the rate increase is magnified by the state's recent guidance allowing for a return to face-to-face service provision under the Illinois Department of Public Health's Phase 5 Restore Illinois Plan. During the public comment period, IDoA heard from several stakeholders about accelerating this rate increase. The cost for the rate increase beginning 1/1/22 is already included in IDoA's FY22 budget.

HFS: Supportive Living Program Per Diem Rate Increase for Workforce Investment (\$80.8 million)

Supportive Living Program (SLP) providers have struggled during the COVID-19 PHE to hire and maintain staff. This includes licensed nurses, certified nurse aides, activity, housekeeping, and dietary and maintenance staff, all of whom contribute to the provision of waiver services. In an effort to assist SLP providers with staff recruitment and retention, the daily SLP rate would be temporarily increased by \$26 per day for 12 months. HFS would provide guidance on how this rate increase could be spent, with allowable activities including salary/wage increases, bonuses, and other employment and hiring incentives. HFS would require reporting on how the funds are spent as well as other metrics for evaluation purposes, such as turnover rates and overtime usage. Public comments received were supportive of funds being used for staff recruitment and retention.

DHS/DRS: Pandemic Bonus Pay for Individual Providers and Homemakers (\$25.7 million)

DHS/DRS proposes implementation of pandemic bonus pay for Individual Providers (IPs) who currently serve HSP Customers. The exact allotted amount for each qualified IP would be dependent on collective bargaining. It is estimated that the amount paid to each IP would be between \$500-\$1,000. IP Pandemic Bonus payments could be issued in a single

occurrence or over multiple pay periods, as determined via collective bargaining. All payments would be made prior to March 31, 2022.

DHS/DRS also proposes implementation of pandemic bonus pay for Homemakers who experienced rate increase delays. Exact amounts would be determined based on utilization during the January through May 2021 period. Calculations would be developed in August 2021 and all payments would be made prior to March 31, 2022. This proposal aligns with stakeholder comments that funding should be used to provide pandemic pay for IPs and Homemakers. Through this proposal, DRS aims to recognize the vital role IPs and Homemakers play in helping customers achieve independence.

DHS/DDD: Extended COVID-19 Rate Increases for Community-Integrated Living Arrangements (CILAs) and Community Day Services (CDS) (\$45.6 million)

The DHS Division of Developmental Disabilities (DDD) proposes extending COVID-19 increases for waiver-funded providers that had been scheduled to end to help with the lasting effects of the pandemic on both small residential settings and larger day program settings. These per diem and hourly increases include a 5% per diem increase for CILAs and a 15% hourly increase for CDS. This proposal is in line with multiple comments submitted through the stakeholder feedback process.

These temporary increases were in effect on March 31, 2021 and were set to end on June 30, 2021. With the enhanced FMAP, DHS/DDD proposes to extend the increases beyond June 30, 2021. The CILA 5% COVID-19 increase extension would be extended by 12 months and the CDS 15% COVID-19 increase would be extended by 6 months.

DHS/DDD: Direct Support Professional Rate Increase (\$205.2 million)

DHS/DDD proposes increasing the Direct Support Professionals (DSPs) rates by \$1.50 per hour in the residential (CILA) and CDS rate methodologies. This would help keep pace with both Statewide minimum wage as well as the City of Chicago minimum wage (which was \$15 per hour effective July 1, 2021). This proposal is in line with multiple comments submitted via HFS' stakeholder feedback process.

The rate increases would begin on January 1, 2022 with an estimated cost of \$22.8 million through March 2022 and an annual cost of \$91.2 million going forward. This rate increase would be permanent so DHS/DDD would sustain the \$1.50 rate increase in DHS' annual budget.

DHS/DDD: Employment First Program (\$5 million)

DHS/DDD proposes the creation of an Employment First Capacity Building program which would provide transformation dollars to CDS provider organizations to help them move towards competitive integrated employment. The funding methodology is still under development. The effective dates for the program would be January 1, 2022 through June 30, 2023.

UIC/DSCC: Allowing Unlicensed Parents to Be Paid Caregivers (\$2.5 million)

The University of Illinois Chicago (UIC) Division of Specialized Care for Children (DSCC) proposes to expand consumer direction available in MFTD waiver and the Nursing and Personal Care Services (NPCS) population and allow un-licensed parents to be able to become paid caregivers. The payment to caregivers could be part of the individual's current resource allocation. A large majority of the 15 comments UIC/DSCC received supported this initiative. UIC/DSCC also recently conducted caregiver focus groups to gain input related to the challenges of caring for their medically complex child at home. The focus groups gave very similar feedback to the public comments regarding families being paid for care and being able to self-direct.

The additional FMAP would be used to support the exploration, development, and implementation of the infrastructure to support the consumer directed care expansion, including quality monitoring, safety assurances, training, and more. Ongoing costs would be \$1.3 million annually for staff salary, benefits, and a fiscal intermediary; these costs would be incorporated into the annual HFS budget after March 2024 as the HFS budget funds the UIC/DSCC HCBS waiver costs.

UIC/DSCC: Improved Nurse Training (\$1.5 million)

UIC/DSCC would improve training for nurses working in the home with medically fragile participants as well as nursing agencies. Improvement and education are needed for those providing self-directed care. Stakeholder feedback included the need for additional nurse training on the unique needs of this medically complex population. UIC/DSCC also hopes that nursing agencies would retain nurses longer if proper training was offered to the agencies and to the nurses as individuals. There are no ongoing costs with this initiative beyond March 2024.

UIC/DSCC: Extend the In-Home Respite Rate Increase Beyond the PHE (\$1.3 million)

UIC/DSCC proposes to extend the in-home respite waiver service rate increase in Appendix K, which matches the November 2019 nurse rate increase, beyond the COVID-19 PHE. This initiative recognizes that the same nurses providing nursing care typically also are providing respite services. This rate increase is currently included in the state's approved Appendix K and is set to expire six months after the PHE ends. Assuming the Appendix K rate increase ends June 30, 2022, the enhanced FMAP funding would support a permanent rate increase beginning July 1, 2022 through March 2024.

UIC/DSCC would develop guidance on how this rate increase could be spent. Allowable activities may include salary/wage increases, bonuses, and other employment and hiring incentives. UIC/DSCC also would require reporting on how the funds were spent and may include other metrics for evaluation purposes, such as turnover rates and overtime usage. Ongoing costs would be \$750,000 annually and would be built into the annual HFS budget after March 2024.

UIC/DSCC: Nurse Training Rate Increase (\$81,000)

UIC/DSCC proposes to increase nurse training waiver service rates to match the November 2019 nurse rate increase. This training rate increase would help incentive training for medically fragile waiver participants. UIC/DSCC would develop guidance on how this rate increase could be spent. Allowable activities may include salary/wage increases, bonuses, and other employment and hiring incentives. UIC/DSCC also would require reporting on how the funds were spent and may include other metrics for evaluation purposes, such as turnover rates and overtime usage. Ongoing costs would be \$36,000 annually and would be built into the annual HFS budget after March 2024.

HFS/BBH: Provider Support for 1915(i) Waiver Implementation (\$6 million)

This proposal would support the implementation of new HCBS for N.B. Class Members (children under the age of 21 with intensive behavioral health needs) if the pending 1915(i) State Plan Amendment (SPA) is approved by CMS. These funds would provide financial support to providers for engaging in the initial HCBS program planning and service implementation activities for the 1915(i), including training and onboarding of clinical staff, creating program policies and procedures, and establishing operational infrastructure and processes.

Care Coordination and Support Organizations (CCSOs), as the entities responsible for providing care coordination and support services, would benefit from financial support to help offset the initial costs associated with purchasing a care management platform that allows them to track referrals, monitor customers accessing services through referrals, and monitor clinical outcomes for the customers they serve. The HFS Bureau of Behavioral Health (BBH) anticipates there will be between 32 and 36 CCSOs in addition to an unknown number of Intensive Home-Based and Family Peer Support providers. Covering initial one-time costs would ensure the additional HCBS are implemented effectively and efficiently.

HFS: Supporting Occupational Therapy and Medication Administration Rate Increase (\$5 million)

As required under the Williams and Colbert Consent Decrees, HFS reviewed rates for services considered essential to supporting individuals transitioning from Nursing Facilities and Specialized Mental Health Rehabilitation Facilities to the community. In its analysis, HFS's actuarial firm identified two services for which rates were deemed insufficient to ensure access and availability: occupational therapy and medication administration. Both services are essential for the safety and well-being of individuals who are adjusting to a more independent setting for long term services and supports. This proposal would implement a rate increase for occupational therapy and medication administration to better support successful transitions. The ongoing \$2.2 million annual cost would be incorporated into the annual HFS budget after March 2024.

HFS: Physician Training for Hepatitis C Treatment (\$750,000)

This funding would support a training initiative to educate and certify primary care physicians to treat customers with Hepatitis C. The number of primary care physicians

certified to treat customers with Hepatitis C is limited. As a result, the common practice is for physicians to refer patients to specialists, which can delay the customer's ability to access treatment and lifesaving medication. An expansion of existing training programs, coupled with development of new opportunities, would increase the number of physicians certified to provide treatment at the point of customer diagnosis, resulting in more real-time access to treatment. Funding for this initiative is estimated at \$250,000 annually. Any ongoing costs beyond March 2024 would be incorporated into the HFS budget.

Funding broken out by year through March 31, 2024 for HCBS workforce investments is included below in Exhibit 4.

Exhibit 4: Initial Spending Plan HCBS Workforce Investments

	Annual FMAP:			Total
	0.6716	0.5096	0.5096	
	Year 1	Year 2	Year 3	
	4/1/2021 - 3/31/2022	4/1/2022 - 3/31/2023	4/1/2023 - 3/31/2024	
I. HCBS Workforce Investments				\$434,681,000
Aging: Care Coordination Unit Workforce Retention	\$10,500,000	\$0	\$0	\$10,500,000
State Share	\$3,448,200	\$0	\$0	\$3,448,200
Federal Share	\$7,051,800	\$0	\$0	\$7,051,800
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$1,050,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1,050,000</i>
Aging: Rate Increases for Care Coordination Units	\$9,000,000	\$10,000,000	\$10,000,000	\$29,000,000
State Share	\$2,955,600	\$4,904,000	\$4,904,000	\$12,763,600
Federal Share	\$6,044,400	\$5,096,000	\$5,096,000	\$16,236,400
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$900,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$900,000</i>
Aging: Adult Day Services Community Outing Offset Payments	\$1,050,000	\$2,000,000	\$2,000,000	\$5,050,000
State Share	\$344,820	\$980,800	\$980,800	\$2,306,420
Federal Share	\$705,180	\$1,019,200	\$1,019,200	\$2,743,580
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$105,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$105,000</i>
Aging: In-Home Service and Adult Day Service Accelerated Rate Increase	\$10,700,000	\$0	\$0	\$10,700,000
State Share	\$3,513,880	\$0	\$0	\$3,513,880
Federal Share	\$7,186,120	\$0	\$0	\$7,186,120
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$1,070,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1,070,000</i>
HFS: SLF Per Diem Rate Increase for Workforce Investment	\$71,068,118	\$9,731,882	\$0	\$80,800,000
State Share	\$23,338,770	\$4,772,515	\$0	\$28,111,285
Federal Share	\$47,729,348	\$4,959,367	\$0	\$52,688,715
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$7,106,812</i>	<i>\$0</i>	<i>\$0</i>	<i>\$7,106,812</i>
DHS/DRS: Pandemic Bonus Pay for Individual Providers and Homemakers	\$25,700,000	\$0	\$0	\$25,700,000
State Share	\$8,439,880	\$0	\$0	\$8,439,880
Federal Share	\$17,260,120	\$0	\$0	\$17,260,120
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$2,570,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$2,570,000</i>
DHS/DDD: Extend COVID-19 CILA 5% Rate Increase	\$26,100,000	\$8,700,000	\$0	\$34,800,000
State Share	\$8,571,240	\$4,266,480	\$0	\$12,837,720
Federal Share	\$17,528,760	\$4,433,520	\$0	\$21,962,280
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$2,610,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$2,610,000</i>
DHS/DDD: Extend COVID-19 CDS 15% Rate Increase	\$10,800,000	\$0	\$0	\$10,800,000
State Share	\$3,546,720	\$0	\$0	\$3,546,720
Federal Share	\$7,253,280	\$0	\$0	\$7,253,280
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$1,080,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1,080,000</i>
DHS/DDD: Direct Support Professional Rate Increase	\$22,800,000	\$91,200,000	\$91,200,000	\$205,200,000
State Share	\$7,487,520	\$44,724,480	\$44,724,480	\$96,936,480
Federal Share	\$15,312,480	\$46,475,520	\$46,475,520	\$108,263,520
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$2,280,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$2,280,000</i>
DHS/DDD: Employment First Capacity Building Program (Admin Match Rate)	\$830,000	\$3,330,000	\$830,000	\$4,990,000
State Share	\$415,000	\$1,665,000	\$0	\$2,080,000
Federal Share	\$415,000	\$1,665,000	\$415,000	\$2,495,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
UIC/DSCC: Allowing Unlicensed Parents to be Paid Caregivers (Admin Match Rate)	\$400,000	\$600,000	\$1,500,000	\$2,500,000
State Share	\$200,000	\$300,000	\$750,000	\$1,250,000
Federal Share	\$200,000	\$300,000	\$750,000	\$1,250,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
UIC/DSCC: Improved Nurse Training (Admin Match Rate)	\$1,200,000	\$300,000	\$0	\$1,500,000
State Share	\$600,000	\$150,000	\$0	\$750,000
Federal Share	\$600,000	\$150,000	\$0	\$750,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
UIC/DSCC: Extend In-Home Respite Rate Increase Beyond the PHE	\$0	\$560,000	\$750,000	\$1,310,000
State Share	\$0	\$274,624	\$367,800	\$642,424
Federal Share	\$0	\$285,376	\$382,200	\$667,576
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
UIC/DSCC: Nurse Training Rate Increase	\$9,000	\$36,000	\$36,000	\$81,000
State Share	\$2,956	\$17,654	\$17,654	\$38,264
Federal Share	\$6,044	\$18,346	\$18,346	\$42,736
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$900</i>	<i>\$0</i>	<i>\$0</i>	<i>\$900</i>
HFS/BBH: Provider Support for 1915(i) Waiver Implementation (Admin Match Rate)	\$4,000,000	\$1,500,000	\$500,000	\$6,000,000
State Share	\$2,000,000	\$750,000	\$250,000	\$3,000,000
Federal Share	\$2,000,000	\$750,000	\$250,000	\$3,000,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
HFS: Occupational Therapy and Medication Administration Rate Increase	\$600,000	\$2,200,000	\$2,200,000	\$5,000,000
State Share	\$197,040	\$1,078,880	\$1,078,880	\$2,354,800
Federal Share	\$402,960	\$1,121,120	\$1,121,120	\$2,645,200
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$60,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$60,000</i>
HFS: Physician Training for Hepatitis C Treatment (Admin Match Rate)	\$250,000	\$250,000	\$250,000	\$750,000
State Share	\$125,000	\$125,000	\$125,000	\$375,000
Federal Share	\$125,000	\$125,000	\$125,000	\$375,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

II. Investments in Tools & Technology (\$26 million)

DHS/DRS: Customer and Provider Matching Application (\$5.5 million)

DHS/DRS proposes to implement an application that allows customers to identify and begin the employment process with a verified IP. At a minimum, the services within the application would include the technology platform, provider outreach, and user support to both customers and providers. If a Request for Proposal (RFP) is necessary, it would be awarded no later than December 31, 2022. This proposal aligns with stakeholder comments that funding be used to create an application that matches providers to customers. DHS/DRS considers this proposal to be a long-term systemic investment that would solidify the foundation of the waiver program by giving individuals access to as much information and as many resources as possible. DHS/DRS does not estimate any ongoing costs beyond March 2024 for this proposal.

HFS: Community Health Assessment Tool (\$10 million)

The state will replace the outdated Determination of Need (DON) instrument currently used to determine Level of Care eligibility for long term care services through Medicaid (nursing facility and Aging and DHS/DRS HCBS waivers) with the Community Health Assessment (CHA). Funds will be used to support the rollout of the CHA across sister agencies responsible for conducting Level of Care eligibility assessments. This funding support will include training state and contracted agency staff, technology enhancement, building system interfaces, and creating the necessary infrastructure (e.g., Help Desk user support) to support the implementation of the new assessment tool. This initiative aligns with stakeholder feedback on the need to update the outdated DON instrument. After March 2024, the annual ongoing costs of \$5 million will be incorporated into the annual HFS budget.

UIC/DSCC: Nursing Vacancy Portal (\$450,000)

UIC/DSCC proposes to develop a portal in which nursing agencies can communicate needs for open shifts in need of coverage. The nursing agencies would also be able to post nurse availability for families and care coordinators to see. The website also would allow MFTD families to post shifts that they need filled, allowing nursing agencies to see needs individually, by county, and statewide. The goal of the proposed nurse vacancy portal is to help families see nurses available and for agencies to see shifts that need to be filled. Ongoing costs would be \$240,000 annually and would be built into HFS' annual budget beyond March 2024.

HFS/BBH: Provider Grants to Update Technology in Conjunction with ADT (\$10 million)

This initiative would provide grant funding to providers to update their technological infrastructure in conjunction with the new Admission, Discharge, Transfer (ADT) system rollout. It would prioritize rural and underserved areas of the state to help ensure providers in those areas can access and use the new ADT system. This proposal does not anticipate ongoing costs beyond March 2024.

Funding broken out by year through March 31, 2024 for investments in HCBS tools and technology is included below in Exhibit 5.

Exhibit 5: Initial Spending Plan Investments in HCBS Tools & Technology

	Annual FMAP:			
	0.6716	0.5096	0.5096	
	Year 1	Year 2	Year 3	
	4/1/2021 - 3/31/2022	4/1/2022 - 3/31/2023	4/1/2023 - 3/31/2024	Total
II. Investments in HCBS Tools & Technology				\$25,950,000
DHS/DRS: Customer and Provider Matching Application (Admin Match Rate)	\$0	\$3,500,000	\$2,000,000	\$5,500,000
State Share	\$0	\$1,750,000	\$1,000,000	\$2,750,000
Federal Share	\$0	\$1,750,000	\$1,000,000	\$2,750,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
HFS: Community Health Assessment Tool (Admin Match Rate)	\$500,000	\$4,500,000	\$5,000,000	\$10,000,000
State Share	\$250,000	\$2,250,000	\$2,500,000	\$5,000,000
Federal Share	\$250,000	\$2,250,000	\$2,500,000	\$5,000,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
UIC/DSCC: Nursing Vacancy Portal (Admin Match Rate)	\$210,000	\$120,000	\$120,000	\$450,000
State Share	\$105,000	\$60,000	\$60,000	\$225,000
Federal Share	\$105,000	\$60,000	\$60,000	\$225,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
HFS/BBH: Provider Grants to Update Technology in Conjunction with ADT (Admin Match Rate)	\$2,000,000	\$5,000,000	\$3,000,000	\$10,000,000
State Share	\$1,000,000	\$2,500,000	\$1,500,000	\$5,000,000
Federal Share	\$1,000,000	\$2,500,000	\$1,500,000	\$5,000,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

III. Enhanced HCBS Services (\$89.8 million)

DHS/DDD: One-Time Funding for Expanded Support (\$5 million)

DHS/DDD proposes funding increases for children and adults in the DHS/DDD HCBS waivers to allow for one-time funding for assistive technology, home modifications, and vehicle modifications. This would be above and beyond what is currently available in the waivers and could allow for an expanded use of technologies, including remote supports. This proposal is in line with multiple comments submitted through the stakeholder feedback process. The additional funding would be provided between July 1, 2021 through June 30, 2022. This proposal does not include ongoing costs beyond March 2024.

Aging: New Assistive Technology/Assistive Devices Covered Benefit (\$30 million)

IDOa proposes to provide assistive technology/assistive devices as a new HCBS waiver service. The proposed addition of this waiver service is based on lessons learned through the highly successful IL Care Connections program that provides iPads, tablets, and Wi-Fi hotspots to older adults experiencing social isolation or loneliness as a result of COVID-19. The funding also would allow for assessment of older adults' needs for augmented communication devices that are appropriate to the age and cognitive abilities of older adults. This funding would allow over 1,000 older adults to continue to stay connected and would provide additional access to Community Care Program (CCP) participants to expand the program by adding additional training and education.

IDoA learned from the IL Care Connections program, a federal CARES Act funded initiative, the impact that connectivity has on social isolation and loneliness. Through this program, referring providers are required to administer the UCLA Loneliness Rating Scale at the time of client referral to identify a baseline rating of loneliness and again after receipt of the tablet bundle to identify any change in rated level of loneliness. This scale provides a rating of 3 to 9 with ratings of 3-5 identified as “not lonely” and ratings of 6-9 as “lonely.”

IDoA would continue utilizing the rating scale to determine the effectiveness of the devices. The distribution of the devices and Wi-Fi capability has allowed for older adults to stay connected to their friends, family members, and participants in Adult Day Services/Senior Center activities remotely during the pandemic. During the past year, over 1,000 older adults have received device bundles, and IDoA has received anecdotal stories from Aging network providers and participants about how having access to a device has helped improve their quality of life. IDoA would include the \$10 million annual, ongoing costs as part of its annual budget after March 2024.

Aging: Emergency Home Response Service (EHRS) Fall Detection Enhancement (\$15.3 million)

IDoA proposes to add enhancements to the current EHRS waiver service. This would include the option for participants to receive a fall detection pendant which detects when the participant has fallen and triggers a call to a professionally staffed support center. Based on support center utilization reports, IDoA knows the majority of falls among older adults occur in bathrooms between 11pm and 5am. An option for a second pendant to be placed in the participant’s bathroom is also available. This additional pendant would provide extra safety. IDoA also plans to add an EHRS mobile device that does not require a landline phone. The device allows for interactive, two-way communication with GPS that can provide the participant’s most recent location and allows participant use outside of the home. The device is also compatible with the fall detection pendant. IDoA would include ongoing, annual costs of \$7.2 million as part of its annual budget after March 2024.

Aging: New Environmental Modifications (\$7.5 million)

IDoA proposes to add a new HCBS waiver service that provides CCUs with the opportunity to identify and recommend environmental modifications for participants. The modifications would help ensure the health, safety, and welfare of participants. The need for environmental modifications could be identified during an assessment or a face-to-face visit at the participant’s residence. These modifications would resolve identified barriers that would otherwise prohibit a participant from returning to the community from an institutional setting or put a participant at-risk of unnecessary nursing facility placement upon discharge from a hospital.

Environmental modifications are defined by three broad categories: minor household modifications, minor repairs and weatherization, and exterior ramps. IDoA intends to contract with the Illinois Assistive Technology Program and the UIC Assistive Technology Unit to conduct environmental modification assessment, audits, and recommendations for designs based on on-site activities.

The projected need is based on data collected following a successful environmental modification demonstration program IDoA administered via a grant from the Illinois Housing Development Authority. The ongoing, annual costs of \$3 million would be part of IDoA's annual budget beyond March 2024.

HFS/BBH: Therapeutic and Individual Support Services Promotion (\$2 million)

This initiative would promote access to Therapeutic and Individual Support Services under the Pathways to Success program. Therapeutic and Individual Support Services are adjunct services and supports not traditionally covered by Medicaid, including alternative therapies (such as art or equine therapy), supportive items (such as weighted blankets/vests), or wellness activities that promote a child's stability in their communities. CCSOs would be required to act as the fiscal agent for these services, directly reimbursing the rendering service provider. HFS would reimburse the CCSOs through the standard claims/reimbursement process. The one-time \$2 million funding would be utilized to provide CCSOs with initial funding to expand service access. There are no costs beyond March 2024 associated with this proposal.

HFS/BBH: Grants to Expand Services in Underserved Areas and Promote Underutilized Services (\$25 million)

One-time grants would expand services in underserved areas and promote underutilized services. These grants would be targeted toward opening Community Mental Health Centers or Behavioral Health Clinics in underserved areas of the state; enhancing access to underutilized team-based services, such as Community Support Team and Assertive Community Treatment; launching other 1915(i) services including Therapeutic Mentoring, Respite, Family Peer Support, Housing Supports, and Supportive Employment; and reimbursing provider costs for attending required trainings for providing behavioral health services. There are no costs beyond March 2024 associated with this proposal.

HFS/BBH: Interim Crisis Services Pilot Implementation (\$5 million)

Funding would be used to support the successful launch of the crisis beds pilot under the state's approved 1115 Waiver (also known as Interim Crisis Services). Interim Crisis Services are diversions or step-downs from in-patient psychiatric hospitalization, and consist of three components: hospital based, residential based, community-based, and Specialized Mental Health Rehabilitation Facilities (SMHRFs). The funding would create grants for piloting the community-based Interim Crisis Services. There are no costs beyond March 2024 associated with this proposal.

Funding broken out by year through March 31, 2024 for investments in enhanced HCBS services is included below in Exhibit 6.

Exhibit 6: Initial Spending Plan Investments in Enhanced HCBS Services

	Annual FMAP:			Total
	0.6716	0.5096	0.5096	
	Year 1	Year 2	Year 3	
	4/1/2021 - 3/31/2022	4/1/2022 - 3/31/2023	4/1/2023 - 3/31/2024	
III. Enhanced HCBS Services				\$89,800,000
DHS/DDD: One-Time Funding for Expanded Support (Admin Match Rate)	\$3,750,000	\$1,250,000	\$0	\$5,000,000
State Share	\$1,875,000	\$625,000	\$0	\$2,500,000
Federal Share	\$1,875,000	\$625,000	\$0	\$2,500,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Aging: New Assistive Technology/Assistive Devices Covered Benefit	\$10,000,000	\$10,000,000	\$10,000,000	\$30,000,000
State Share	\$3,284,000	\$4,904,000	\$4,904,000	\$13,092,000
Federal Share	\$6,716,000	\$5,096,000	\$5,096,000	\$16,908,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$1,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1,000,000</i>
Aging: EHRS Fall Detection Enhancement	\$900,000	\$7,200,000	\$7,200,000	\$15,300,000
State Share	\$295,560	\$3,530,880	\$3,530,880	\$7,357,320
Federal Share	\$604,440	\$3,669,120	\$3,669,120	\$7,942,680
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$90,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$90,000</i>
Aging: New Environmental Modifications	\$1,500,000	\$3,000,000	\$3,000,000	\$7,500,000
State Share	\$492,600	\$1,471,200	\$1,471,200	\$3,435,000
Federal Share	\$1,007,400	\$1,528,800	\$1,528,800	\$4,065,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$150,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$150,000</i>
HFS/BBH: Therapeutic and Individual Support Services Promotion (Admin Match Rate)	\$2,000,000	\$0	\$0	\$2,000,000
State Share	\$1,000,000	\$0	\$0	\$1,000,000
Federal Share	\$1,000,000	\$0	\$0	\$1,000,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
HFS/BBH: Grants to Expand Services in Underserved Areas (Admin Match Rate)	\$5,000,000	\$10,000,000	\$10,000,000	\$25,000,000
State Share	\$2,500,000	\$5,000,000	\$5,000,000	\$12,500,000
Federal Share	\$2,500,000	\$5,000,000	\$5,000,000	\$12,500,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
HFS/BBH: Interim Crisis Services Pilot Implementation (Admin Match Rate)	\$0	\$5,000,000	\$0	\$5,000,000
State Share	\$0	\$2,500,000	\$0	\$2,500,000
Federal Share	\$0	\$2,500,000	\$0	\$2,500,000
<i>Additional funds attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

IV. Supporting HCBS Transitions (\$9.1 million)

DHS/DRS Assistive Technology and Home Modifications Improvements (\$1.1 million)

DHS/DRS proposes to develop and fund assistive technology and home modifications process improvements to expedite the delivery of services. The evaluation, approval, and delivery of assistive technology and home modifications to HSP customers needs process improvements as well as an expansion of the provider base. Simplifying the approval process to speed up the time it takes for a modification to begin or technology to be purchased and increasing funding to both supplement existing needs assessment contracts and expand contracts to new vendors to increase overall capacity for home modification needs assessments could eliminate bottlenecks and prevent backlogs of the development of needs assessments and evaluations. DHS/DRS may also release an RFP to expand and/or modify the way in which customers' needs are evaluated, however, more time is needed to thoroughly explore this potential avenue. Ongoing costs are projected to be \$625,000 annually and would be built into the DHS/DRS budget after March 2024.

DHS/DDD: Institutional Outreach and Transition Services (\$8 million)

DHS/DDD proposes providing outreach and transition services in institutional settings. DHS/DDD would utilize the ISC agencies for this work by expanding their existing grant programs; this would be done via competitive bids as are the rest of the ISC grants. The ISC agencies would conduct outreach to adults within institutional settings and, should any individual choose to move to community-based services and supports, the ISC agencies

would then help with accessing the PUNS list (as applicable), transition planning, services, and supports. This proposal is in line with multiple comments submitted via HFS' stakeholder feedback process. The effective dates for the program would be July 1, 2022 through June 30, 2023.

Funding broken out by year through March 31, 2024 for investments in enhanced HCBS services is included below in Exhibit 7.

Exhibit 7: Initial Spending Plan Investments in Supporting HCBS Transitions

	Annual FMAP:			Total
	0.6716	0.5096	0.5096	
	Year 1	Year 2	Year 3	
	4/1/2021 - 3/31/2022	4/1/2022 - 3/31/2023	4/1/2023 - 3/31/2024	
IV. Supporting HCBS Transitions				\$9,095,000
DHS/DRS: Assistive Technology and Home Modifications Improvements (Admin Match Rate)	\$0	\$468,750	\$625,000	\$1,093,750
State Share	\$0	\$234,375	\$312,500	\$546,875
Federal Share	\$0	\$234,375	\$312,500	\$546,875
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
DHS/DDD: Institutional Outreach (Admin Match Rate)	\$0	\$6,000,000	\$2,000,000	\$8,000,000
State Share	\$0	\$3,000,000	\$1,000,000	\$4,000,000
Federal Share	\$0	\$3,000,000	\$1,000,000	\$4,000,000
<i>Additional Funds Attributable to HCBS Reinvestments in Year 1</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

Initiatives Under Development

Of the estimated \$349.2 million in state share savings from the enhanced ARP FMAP, \$106.9 million is unallocated within the initial spending plan and has been designated for initiatives requiring further development. The state also projects reinvestments prior to April 1, 2022 included within this initial spending plan will generate an additional \$20.1 million in funding for HCBS; the additional \$20.1 million also will be allocated to HCBS initiatives but will not eligible for federal match. Currently unallocated funding is shown in Exhibit 8 below.

Exhibit 8: Unallocated Funding for Initiatives Under Development

Funds Attributable to the HCBS FMAP Increase	\$349,200,000
Initial Spend Plan Reinvestments in HCBS (State Share)	\$242,301,493
Unallocated Funding for Initiatives Under Development (State Share)	\$106,898,507
Additional Unallocated Funds for Initiatives Under Development from Year 1 Reinvestments*	\$20,072,712

**For reinvestment in HCBS, but ineligible for federal match*

Initiatives for the unallocated \$106.9 million in state share funding and the additional \$20.1 million in HCBS funding from reinvestments requires further development by state staff and/or further coordination and discussion with stakeholders. Initiatives under development include initiatives that were suggested during the stakeholder feedback process that required additional time to analyze or develop prior to submission to CMS for review and approval. As a result, initiatives for the unallocated funding will be included for CMS review and approval in future, quarterly spend plans.

Next Steps

The state looks forward to working with federal CMS over the next 30 days as CMS reviews its initial spending plan. The state will submit SPAs and waiver amendments for CMS-approved initiatives as necessary.

Additionally, the state will continue to develop initiatives for the state savings for HCBS reinvestment that are unallocated within this initial spending plan. The state will submit these additional initiative requests for CMS approval, as well as any updates to initiatives included within this initial spending plan, within future quarterly spending plan submissions. The state is committed to working across agencies, with stakeholders, and with federal CMS to enhance, expand, and strengthen HCBS for Illinois Medicaid customers with the support of the ARP's enhanced FMAP funding for HCBS.