DATE:       June 5, 2012
FROM:      Cindy Mann, Director
            Center for Medicaid and CHIP Services (CMCS)
SUBJECT:   New Funding Opportunity - Aging and Disability Resource Center Program

Last week Health and Human Services (HHS) Secretary Kathleen Sebelius announced the release of $25 million in funding authorized by the Affordable Care Act to help States strengthen and expand their ability to help seniors and people with disabilities access home and community-based long-term services and supports. Under this initiative, which is jointly supported by Administration for Community Living (ACL), the Centers for Medicare & Medicaid Services (CMS) and the Veterans Health Administration (VHA), funding will be available to help States support or improve their Aging and Disability Resource Centers (ADRCs).

These new grants will help States strengthen and expand their person-centered access programs to help consumers learn about and access the long term services and supports (LTSS) that best meet their needs. Under the new Funding Opportunity, there are two unique funding options States can apply for: 1) a new three year grant (“The Enhanced ADRC Options Counseling Program”), and 2) a one year program expansion supplemental grant.

Background

Fifty-four States and territories have received Administration on Aging (AoA)/CMS ADRC grant funding since 2003. In each State these programs are currently referred to by various names including “one-stop shops” and No Wrong Door/Single Entry Point (NWD/SEP) systems. ACL, CMS, and VHA all support the goal of States developing sustainable NWD/SEP models for providing LTSS options counseling that streamline assessment, eligibility determination, enrollment, service initiation, data collection, and reporting across all public programs that pay for LTSS. As States undergo health system transformation and long term care rebalancing activities, development of a sustainable infrastructure is critical to ensuring ongoing coordinated access to services. States should consider how this Funding Opportunity can supplement existing State efforts to increase broader transformation of their health and LTSS delivery system through an enhanced ADRC Program model. Equally important, this Funding Opportunity will help states explore how to braid public resources (e.g. Medicaid FMAP, VHA funding, Older Americans Act dollars, state revenue programs, etc.) and private resources in a way that will truly sustain these models over time.
One and Three Year Funding Opportunities

States can apply for: 1) a new three year grant (“Part A: 2012 Enhanced ADRC Options Counseling Program Funding Opportunity”), and/or 2) a one year program expansion supplemental grant (“Part B: 2012 ADRC Sustainability Supplemental”). All States and territories are eligible to apply for the Part A Funding Opportunity. Only the existing 48 2009 ADRC grantees are eligible for funding under the Part B Funding Opportunity. The three year grants will support a limited number of State-run programs that can serve as high-performing national models for providing “one stop shop” access to all LTSS for all populations and payers. These programs will streamline eligibility determinations for public LTSS programs and increase access to community-based alternatives that can help avoid institutional care and preserve personal resources, as appropriate. States will use their ADRC Program as a key tool in rebalancing their LTSS systems and making their systems more person-centered, more efficient, and more supportive of community living.

ARDCs and the Balancing Incentive Program

ADRC programs funded under this announcement, under the one- or three-year options, can be used to support the NWD/SEP statewide system change requirement that States must meet in order to qualify for enhanced federal match under CMS’ Balancing Incentive Program. CMS encourages successful State applications under this Funding Opportunity to coordinate with the Balancing Incentive Program NWD/SEP structural change requirement and include relevant information in the Balancing Incentive Program structural change work plan. More information about the Balancing Incentive Program is available at http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Support/Balancing/Balancing-Incentive-Program.html.

Opportunity for Additional Funding through the Veteran’s Health Administration

This Funding Opportunity also provides a special opportunity to expand access to home and community-based services (HCBS) for Veterans. The VHA has developed a partnership with HHS and has agreements with the Aging and Disability networks to provide Veteran Directed-HCBS. The VHA will build on and expand this existing partnership by making additional investments in the States who receive awards under this announcement. The VHA funds will be disbursed through the Veterans Integrated Service Networks and the Veterans Administration Medical Centers to the ADRCs in the awarded States to help Veterans and their families access VHA-funded HCBS.

Additional Information about Applying

This Funding Opportunity, supported by Section 2405 of the Affordable Care Act, includes an appropriation of $10 million dollars each year from fiscal year (FY) 2010 to FY 2014 for the Assistant Secretary for Aging – who also operates within the ACL – to strengthen and expand ADRCs. Approximately $25.4 million is available for grant funds for the period FY 2012 through FY 2014. The number of awards approved by HHS depends on the scope and quality of the proposed programs. HHS anticipates funding 8 States at approximately $2.3 million each for a three year project period under the Enhanced Program option, and 40 States at an average of $175,000 each under the one year continuation option. Under both options, States will be working with the State Medicaid Agency to evaluate how Medicaid can contribute to creating a financially sustainable infrastructure for the
ADRC Options Counseling Program (please see “Attachment G: Medicaid Support for ADRC Functions” within the Funding Opportunity).

HHS will accept only one application from each State for each funding option (i.e., a State may submit one application for a one-year program and one for a three-year program). While we encourage States to apply for both funding opportunities, States can only receive funding under one option. HHS expects that the designated lead agency will partner with other State agencies involved in serving seniors and people with disabilities; under the Enhanced Program option, the Office of the Governor must designate which agency will serve as the lead applicant.

The grant period-of-performance begins upon application approval which will occur by September 30, 2012. For the Enhanced Program grants, continued funding will be awarded on an annual basis to the participating States, contingent upon progress, through September 29, 2015, or until the full appropriation has been expended.

More information about this Funding Opportunity and Grant Instructions may be found on:

- [http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Support/Balancing/Balancing-Incentive-Program.html](http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Support/Balancing/Balancing-Incentive-Program.html).
- or at ACL’s website at [http://www.hhs.gov/acl](http://www.hhs.gov/acl).

Funding Opportunity Title: “The Aging and Disability Resource Center Program”

Funding Opportunity Numbers: HHS-2012-ACL-RO-1210 and HHS-2012-ACL-DR-1213

Questions regarding this Informational Bulletin should be addressed to Effie George in the Division of Community Systems Transformation at Effie.George@cms.hhs.gov or (410) 786-8639.