American Rescue Plan Act of 2021 (ARP)
Section 9817 Overview

CMS is providing a high-level overview of the states’ planned activities based on spending plans reviewed by CMS as of November 30, 2021

$2,604 Additional Spending per Beneficiary

On average, states plan to spend an additional $2,604 per home and community-based services (HCBS) beneficiary on activities that enhance, expand, or strengthen HCBS.

CMS Has Approved All States' Spending Plans

- 17 - Conditionally approved
- 34 - Partially approved

All partially and conditionally approved states can begin claiming the 10 percentage point HCBS FMAP increase retroactive to April 1, 2021.

Total of $25B in Planned Spending Across States

According to states’ initial spending plans submitted to CMS, each state plans to spend between $32.1 million and $4.63 billion on activities that enhance, expand, or strengthen HCBS under Medicaid. These amounts will change as states further plan and implement their activities under ARP section 9817.

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1 Approvals made by CMS as of January 25, 2022
2 States with conditional approval of their spending plans can begin implementing all of the activities included in the spending plan.
3 Within this category, CMS has asked the state to provide additional information before one or more proposed activities to enhance, expand, or strengthen HCBS in the state’s spending plan and narrative can be approved, and/or has identified an activity that is not approvable under ARP section 9817 (e.g., room and board). States with partial approval of their spending plans can begin implementing any activity included in the spending plan if CMS has not identified the activity as not approvable or asked for additional information about the activity.
4 For all states, the approval to claim the FMAP increase is conditional upon the state’s continued compliance with program requirements as stated in State Medicaid Director Letter #21-003 - https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf
Most Commonly Proposed State Initiatives

1. Strengthening the Provider Workforce
   - Provide one-time payments to provider agencies and/or direct service professionals (DSPs)
   - Establish DSP training and certification programs
   - Create workforce registries (e.g., statewide list of credentialed DSPs) and web-based hiring platforms that enhance employment opportunities and allow consumer-directed beneficiaries to find workers

2. Expanding Beneficiary Services
   - Expand HCBS under section 1915(c) waiver programs
   - Implement pilot programs
   - Explore new service models for complex conditions

3. Enhancing the Use of Technology and Telehealth
   - Provide equipment to enable telehealth visits
   - Expand beneficiary access to assistive technology
   - Modernize state Medicaid Management Information System (MMIS) / IT infrastructure

4. Improving Quality
   - Adopt new quality measures
   - Implement beneficiary experience surveys
   - Explore outcome-based payment initiatives

5. Impacting Social Determinants of Health
   - Improve employment opportunities
   - Address homelessness and provide housing supports
   - Provide grants to innovative providers

Note: Source of data is states’ spending plans reviewed by CMS as of November 30, 2021, and CMS’ internal analysis of Transformed Medicaid Statistical Information System (T-MSIS) beneficiary counts for Federal Fiscal Year 2019. All spending plan information is reported by states and subject to change as states submit updated plans to CMS.