

**Spending Plan for Implementation of the
American Rescue Plan Act of 2021,
Section 9817**

**Additional Support for Medicaid Home and Community-Based
Services during the COVID-19 Emergency**



**QUARTERLY UPDATE
April 2023 through June 2023
as of July 18, 2023**

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Letter from the Hawaii State Medicaid Director

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July 18, 2023

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

Dear Mr. Tsai:

Re: Hawaii Section 9817 Quarterly Spending Plan for American Rescue Plan Act (ARPA)

Please find attached the ARPA HCBS Quarterly Spending Plan to implement ARPA Section 9817 for the period of April 1, 2023, thru June 30, 2023. Per guidance from CMS issued June 3, 2022, the State is submitting the updated spending plan including related narratives based on Year 1, Year 2 and Year 3 actual spending and Year 3 and Year 4 projections.

We appreciate the continued support and partnership from CMS as we continue our work on this initiative.

Please direct any questions to me at [REDACTED] or to Ms. Edie Mayeshiro at [REDACTED]. We appreciate this opportunity and your partnership in this effort.

Sincerely,

[REDACTED]
Judy Mohr Peterson, PhD
Med-QUEST Division Administrator

AN EQUAL OPPORTUNITY AGENCY

Executive Summary

This Spending Plan covers the period from April 1 through June 30, 2023.

Hawaii's commitment to the ARPA HCSB effort remains strong and is guided by our vision and guiding principles as they relate to our HOPE vision. Hawaii remains committed to the goals outlined in our initial spending plan submitted on July 12, 2021. These will not be repeated here and can be referenced and reviewed in our initial Spending Plan.

Beginning the process on September 14, 2021 and through a partial approval letter received on February 15, 2022, Hawaii received partial approval for all of its Spending Plan initiatives except for "Create a Fund to Pay for Guardianships" and "Add Representative Payee services". Based on the feedback from CMS, Hawaii is currently evaluating whether to proceed with these two initiatives.

To date, Hawaii has total expenditures of \$30,097,464 related to all ARPA HCBS initiatives. Work is still in progress to implement the 38 initiatives designed to enhance, expand, or strengthen HCBS under Hawaii's approved waiver programs. Spending Plan projections were updated to reflect implementation delays with affected initiatives, resulting from overall program capacity limitations. Hawaii understands that there are now four total years to complete activities related to ARPA §9817. Updates reflect expenditures in Year 1, Year 2 and Year 3; Year 3 through Year 4 projections were partially modified to reflect this decreased spend in Year 1 and Year 2.

Spending Plan Projection

The 1115 and 1915(c) HCBS spending estimates have been updated with Year 1, Year 2 and Year 3 actual spend, and Year 3, and Year 4 projections. Working with community vendors to carry out some of these initiatives have been time consuming. Often the vendors fail to understand the community focused nature of these initiatives, and this results in various modifications to ensure the contracted work aligns with the HCBS focus. This quarter also saw the end of the Federal Public health Emergency and the initiation of agency-wide efforts to minimize eligibility losses. Spending Plan Projections were updated to reflect these delays with implementation of initiatives. These efforts had some effect on the internal program capacity.

ARPA §9817 Attestations

- Hawaii is using the federal funds attributable to the increased FMAP to supplement and not supplant existing state funds expended for Medicaid HCBS in effect as of April 1, 2021;
- Hawaii 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;
- Hawaii is not imposing stricter eligibility standards, methodologies, or procedures for

- HCBS programs and services than were in place on April 1, 2021;
- Hawaii 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
- Hawaii is maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

QUEST Integration (QI) Initiatives

Planning and implementation activities continued in the current quarter for the 23 QI initiatives. A project management structure is in place for these initiatives to monitor/update progress, identify risks and issues, make strategic decision, and report results to constituents. Dollars for certain initiatives have been added to proposed health plan capitation rates submitted to CMS, and plans have been asked to modify contracts with the specific agencies and providers to account for these additional dollars; these proposed capitation rates will not be paid to health plans until CMS approves the rate package. Other initiatives require additional authority from CMS before the state can begin delivery of service; these relevant submissions to CMS are being drafted and will be submitted as soon as feasible.

The Hawaii 2023 legislature came to a close during this quarter, and we did not receive any funding requested for the HCBS Rate Study for the residential alternative, CCMA, and self-direct/personal care services. Upcoming work with the state legislature to request and secure funding levels recommended in the rate study is ongoing.

Outstanding questions remain on two initiatives that were included on the initial Spending Plan submission. Hawaii is evaluating whether to continue with these two initiatives or drop them from the list, as this is the second round of questions related to these two initiatives. If we do proceed, we will set up a TA call with CMS to discuss next steps.

To date Hawaii has total expenditures of \$8,613,226 related to ARPA HCBS QI initiatives.

Initiative Updates

Self-directed fee schedule increase

- *Brief Summary:*
 - Reimburse Self-Directed workers at a competitive wage
- *Status:*
 - Hawaii's 2023 legislature decided to not fund any increased rates.
 - Efforts are ongoing to request and secure funding during Hawaii's 2024 legislature.
- *Spending and Sustainability:*
 - \$3,374,986
- *Outcomes and Lessons Learned:*
 - Important to engage with provider stakeholders early and often during this process.
 - Increased spending on HCBS is ultimately in the hands of our

legislature

Community Case Management Agencies (CCMAs) monthly rate increase

- *Brief Summary:*
 - Reimburse CCMAs at a competitive wage.
- *Status:*
 - Hawaii's 2023 legislature decided to not fund any increased rates.
 - Efforts are ongoing to request and secure funding during Hawaii's 2024 legislature.
- *Spending and Sustainability:*
 - \$856,160
- *Outcomes and Lessons Learned:*
 - Important to engage with provider stakeholders early and often during this process.
 - Increased spending on HCBS is ultimately in the hands of our legislature

Residential Alternatives rate increase

- *Brief Summary:*
 - Reimburse Residential Alternatives (Adult Foster Homes/Expanded Care Homes/Assisted Living) at a competitive wage.
- *Status:*
 - Hawaii's 2023 legislature decided to not fund any increased rates.
 - Efforts are ongoing to request and secure funding during Hawaii's 2024 legislature.
- *Spending and Sustainability:*
 - \$2,522,050
- *Outcomes and Lessons Learned:*
 - Important to engage with provider stakeholders early and often during this process.
 - Increased spending on HCBS is ultimately in the hands of our legislature

Building Capacity in Residential Alternatives to Serve Challenging Members

- *Brief Summary:*
 - To provide training and resources to HCBS residential providers so that they can have the skills and confidence to support members with complex behavioral and physical needs. Trained and qualified HCBS residential providers will then be eligible for an additional, higher level of daily reimbursement based on member behavior acuity. The goal is to decrease hospital and nursing facility waitlists, while promoting the safety and well-being of members with complex behavioral or physical needs in home and community-based settings. This will operate parallel to the ARPA initiative to build case management capacity related to challenging members, as they are interdependent in promoting the best outcomes for the members.
- *Status:*

- Stakeholder engagement meetings have been completed. An updated survey to residential providers has been deployed to gauge interest and previous experience and training in caring for members with complex behavioral and physical needs. Engagement with potential community resource partners is ongoing.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - Pending final selection of community resource partners and results of updated residential provider survey.

Building Case Management Capacity Related to Challenging Members

- *Brief Summary:*
 - To increase capacity of the HCBS case managers that support HCBS residential providers to be able to manage members with complex behavioral and physical needs Strategies include promoting additional training and higher daily reimbursement based on the complexity of the member. This will operate parallel to the other ARPA initiative to build capacity in residential alternatives to serve challenging members, as they are interdependent in promoting the best outcomes for the members.
- *Status*
 - Stakeholder engagement meetings have been completed. An updated survey to residential providers has been deployed to gauge interest and assess previous experience and training in caring for members with complex behavioral and physical needs. While not directly related to the Case Management agencies, it is important for us to know how the Case Managers can best engage with the residential providers, as they will be providing the most direct care to the members. More specific training needed for Case Managers will be gauged through continued engagement with them. Engagement with potential community resource partners is ongoing.
- *Spending and Sustainability*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - Pending final selection of community resource partners and results of updated residential provider survey.

The Collaborative Care Model

- *Brief Summary:*
 - The Collaborative Care Model (CoCM) is a specific type of integrated care that treats common mental health conditions such as depression and anxiety that require systematic follow-up. MQD intends to increase

access to the Collaborative Care Model for LTSS and HCBS individuals. Increasing greater access may result in improved outcomes for individuals experiencing behavioral health conditions and may better support community integration when appropriate.

- *Status:*
 - The project was on hold while MQD focused on other ARPA projects. However, the project is active again and staff are working on the procurement of these services.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - MQD needed to put the project on hold temporarily so MQD could move other projects forward. MQD now has the capacity to move this project forward.

Mobile COVID Vaccine Unit

- *Brief Summary:*
 - This service will bring annual COVID booster vaccines directly to the community statewide to members living in residential alternatives and at members' own homes for home bound individuals, utilizing independent pharmacists who participated in our community based COVID vaccination program.
- *Status:*
 - Payments to the independent pharmacies will be made on a per Medicaid member basis, utilizing the appropriate CPT code for the product- and dose- specific COVID-19 vaccine administration in addition to the HCPCS Level II code M0201 for the additional payment amount for administering the COVID-19 vaccine in the home. Hawaii submitted a COVID SPA to increase the reimbursement for the M0201 code to \$60 on July 22, 2022 to CMS, and received approval in February 2023. A policy memo was issued in February 2023 detailing how pharmacies can bill health plans to receive this special reimbursement for the M0201 code for services dates going back to September 1, 2022. There have been no issues identified to date with this process, and data collection to identify spending to date is ongoing.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - N/A

Expand 1115 HCBS Service Array

- *Brief Summary:*
 - To add new HCBS benefits to the QI 1115 service array. Proposed services range from one-time transitional housing supports, financial management services, an array of behavior health crisis response services, medical respite services, and assistive technology services, to

expanding access to respite for families and caregivers.

- *Status:*
 - The project is on hold while MQD focuses on the other APRA projects.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - Initial stakeholder meetings will be scheduled when all the service definitions and provider qualifications are drafted

Hawaii Medicaid Training and Technical Assistance Center (MTTAC)

- *Brief Summary:*
 - MQD intends to establish a Medicaid Training and Technical Assistance Center (MTTAC). The MTTAC will operate as a cross-system educational resources to support Managed Care Organizations, providers, and partners to better support the medical, behavioral, and social needs of QUEST Integration members.
- *Status:*
 - The project is on hold while MQD focuses on other APRA projects.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - The MQD needs to focus on high priority ARPA projects to ensure successful completion of those projects.

EVV monitoring

- *Brief Summary:*
 - Expansion of EVV utilization to HCBS Case management services in member homes and residential alternative settings
- *Status:*
 - MQD is in the planning phase to add additional HCBS services to the EVV requirements
 - MQD is in the process of modifying and updating existing EVV procedure codes to accommodate current EVV required services
- *Spending and Sustainability:*
 - No spending to date
- *Outcomes and Lessons Learned:*
 - Initial stakeholder meetings will be scheduled when all the services and procedure codes are determined; and preliminary tasks to be reported are identified developed,

Accelerating provider enrollment (HOKU)

- *Brief Summary:*
 - MQD is seeking a vendor to assist with conducting provider enrollment screenings for new and returning HCBS providers. This vendor will add

needed bandwidth and capacity to the Medicaid provider enrollment section, with the goal of reducing and eliminating the application backlog and quickly expanding HCBS agency provider capacity.

- *Status:*
 - MQD signed contract with a new vendor Maximus effective 1/1/2023 to augment our staff with additional provider enrollment screening and revalidation services. They will also support MQD in providing on site visits for provider types that require the additional screening. Maximus have brought onboard additional staff to work on eliminating the application backlog.
- *Spending and Sustainability:*
 - \$1,286,748
- *Outcomes and Lessons Learned:*
 - N/A

HCBS CAHPS Satisfaction Survey

- *Brief Summary:*
 - To implement the HCBS CAHPS Survey as part of quality assurance and improvement activities and public reporting, and the CAHPS HCBS satisfaction survey is included in our 1115 Quality Strategy.
- *Status:*
 - HCBS CAHPS survey was closed on April 25, 2023, with final reconciled disposition report submitted to MQD. The draft aggregate report will be submitted by the vendor to MQD around mid-July 2023.
- *Spending and Sustainability:*
 - \$152,566
- *Outcomes and Lessons Learned:*
 - In March 2023, review of weekly disposition reports from the vendor on the response rate was lower than MQD anticipated, however vendor noted that the 8.53% response rate at that time was consistent with other HCBS surveys, given the nature of this type of survey and the population being surveyed.

Critical incident software for HCBS

- *Brief Summary:*
 - To implement a centralized electronic critical incident tool for QI HCBS services as part of the HCBS quality assurance and improvement activities. The tool will standardize the incident tracking, documentation, and review process for MQD
- *Status:*
 - The project is on hold while MQD focuses on other APRA projects.
- *Spending and Sustainability:*
 - No spending to date
- *Outcomes and Lessons Learned:*
 - Several states use online reporting systems. These projects are varied and extremely detailed.

Provider credentialing process improvement

- *Brief Summary:*
 - The State plans to implement a Provider Credentialing Management System (PCMS) that assures a centralized platform for qualified providers by promoting provider accountability and timeliness of annual Medicaid provider credentialing renewals.
- *Status:*
 - This initiative is on hold pending MQD resource allocation.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - N/A

Strengthening Provider Capacity and Person-Centered Practices

- *Brief Summary:*
 - To implement person-centered planning and practices in the QUEST Integration (QI) 1115 demonstration waiver, Intellectual and Developmental Disabilities (I/DD) 1915c waiver, and across collaborating State Agencies. This initiative will enhance programs towards positive outcomes such as development of stronger policies and quality improvement strategies, implementation of best practices, exploration of payment enhancements, and overall improve service delivery to meet individualized goals.
- *Status:*
 - The Person-Centered Organization (PCO) monthly training continues. The coaches meet monthly, and the leaders join the sessions bimonthly. The trainings are done virtually and also in-person every 5 or 6 months. The first in-person session was held last June 5th with about 50 participants. The participants enjoyed and appreciated the in-person option as well as the topics discussed.
 - The training has been extended to the Community Care Case Management Agencies (CCMAs). We have several agencies that signed up and we continue to encourage everyone else to join. Those that signed up were also given access to the shared TEAMS account where training materials and recordings are uploaded.
 - In June, technical assistance was provided by the vendor to MQD and each of the participating health plan.
 - Pending approval:
 - press release on the PCO training
 - continuing education units for participating nurses
- *Spending and Sustainability:*
 - \$60,720
- *Outcomes and Lessons Learned:*
 - One QI health plan was waived from participating in the training because their organization has an existing person-centered organization training from the same vendor. MQD was recently updated that this QI health plan has completed its training and received certification as a Person Centered Organization

- MQD learned that it is still unclear to the QI health plans what MQD's expectations are for having the PCO training. MQD plans to have additional meetings with the health plans for follow-up.

Guardianship Fund

- *Brief Summary:*
 - To fund supports to obtain guardianship for current HCBS members and HCBS applicants who are determined incompetent and do not have guardianship/conservatorship or an identified power of attorney (POA)
- *Status:*
 - On hold: CMS has yet to approve this guardianship fund initiative. Considering removal of this initiative.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - N/A

Home Locator Tool

- *Brief Summary:*
 - To implement a centralized interactive database to assist members to locate suitable housing based on need and choice of HCBS community-based residential alternatives.
- *Status:*
 - Multiple meetings conducted with different community providers for feedback and to continue to explore partnering opportunities.
 - Re-configuration updates are ongoing following the acquisition of the full version of plug-ins (Estatik and WPL).
 - This project was temporarily put on hold due to admin reviewing the overall ARPA budget to determine which projects can move forward.
- *Spending and Sustainability:*
 - July – December 2022: \$89.00
 - January – June 2023: \$3,764.00
- *Outcomes and Lessons Learned:*
 - The two solutions that were tested do not have all the feature capabilities we need. A decision was made to purchase the full version of plug-ins.
 - The City and County and Department of Health/Office of Health Care Assurance have potentially related projects, but details are still unknown currently.

Building Capacity for Prison to Community Transitions

- *Brief Summary:*
 - To link and coordinate transitions from the Hawaii Department of Public Safety (DPS) to the community that leverage HCBS programs,

housing, and behavioral supports) and Judiciary

- *Status:*
 - This initiative is on hold pending MQD resource allocation.
- *Spending and Sustainability:*
 - No spending to date
- *Outcomes and Lessons Learned:*
 - Outcomes pending involvement of the other departments
 - Stakeholder meeting pending further involvement of other departments

Strengthen the Direct Service Workforce

- *Brief Summary:*
 - To increase the provider capacity for HCBS Home Care direct service workers (DSW) which include chore workers, personal assistants, LPNs and RNs.
- *Status:*
 - This initiative is on hold pending MQD resource allocation.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - Pending training implementation.
 - Most new home care providers intern and become employed in hospitals and NFs.
 - Limited current capacity to intern and hire into HCBS home care services
 - Implementing surveys to monitor staffing shortages, challenges, recruitment methods, opportunities to use hiring and retainment incentives, and rates by service category
 - Participating in statewide planning with educators and business leaders planning for DSW capacity building, recruitment, and training across home care provider sectors.

Investment in Tools and Technology for Residential Alternative Providers

- *Brief Summary:*
 - This initiative is for one time funding for HCBS residential providers to connect with Medicaid HCBS electronic health records and medical/HCBS
- *Status:*
 - MQD distributed 30 Surface tablets to 30 providers with the assistance of 2 providers association presidents. The association presidents found their own trainers who trained the 30 providers on basic computer applications and internet browser, i.e., Microsoft Edge, Zoom, Teams, check e-mails.
 - Currently, coordinating 34 Surface tablets to be shipped to the Big Island.
- *Spending and Sustainability:*
 - No spending to date
- *Outcomes and Lessons Learned:*
 - The list of providers needs to be adjusted as some providers have already acquired their own computer.

Building administrative capacity

- *Brief Summary:*
 - To stand up a dedicated project management team – one Project Manager (PM), one Project Coordinator, and one Technical Writer -- to recruit providers and administer the 23 new HCBS initiatives.
- *Status:*
 - An existing PM was moved over from another project to increase administrative capacity, which brought PM rigor and principles to the ARPA HCBS effort. The cost was already allocated to another spending account, so there was not spend for ARPA; beginning July 1, 2022, these costs will be allocated to this initiative. Hiring on one other PM position has been completed, and a remaining PM position continues to be in process.
- *Spending and Sustainability:*
 - No spending to date. The spending for this initiative is with a different project and will be allocated in the future.
- *Outcomes and Lessons Learned:*
 - N/A

Palliative Care Benefit in Community-Based Settings

- *Brief Summary:*
 - Palliative care is specialized care for people living with serious illness. It is provided by specialty-trained teams of doctors, nurses, and other specialists who work together with the member's other doctors to provide an extra layer of support. MQD is working with providers and community leaders to support workforce development so the capacity for providers to care for seriously ill LTSS/HCBS members is improved.
- *Status*
 - Hui Pohala, a “coalition of coalitions”, is leading these efforts. Hui Pohala is on a fast track to become a 501(c)3 organization so they have the necessary infrastructure to support this project. Significant work has been completed on engaging providers and community organizations in developing the plan. Hui Pohala submitted a project plan that was approved by MQD. Current activities continue to focus on procurement.
- *Spending and Sustainability:*
 - No spending to date.
- *Outcomes and Lessons Learned:*
 - Procurement has been challenging and has resulted in delays. However, procurement is now progressing.

Developmental Disabilities Division Initiatives

1915(c) HCBS SPENDING NARRATIVE

Summary

The Department of Health, Developmental Disabilities Division (DDD) is well into implementation of the ARPA initiatives designed to enhance, expand, or strengthen HCBS under the 1915(c) waiver program for individuals with intellectual and developmental disabilities (I/DD). Highlights of the reporting quarter include:

- As of June 30, 2023, DDD will have completed implementation of several ARPA-funded initiatives including:
 - Provider Rate increases. Sustainability of the increases have been approved by the State Legislature, and DDD is currently in the public comment for a 1915(c) Waiver Amendment for authority to sustain the increases. The increases are authorized through an approved Appendix K until the end of the PHE period (November 11, 2023).
 - Community Navigator Practice Development. See summary below.
- A total of ten (10) contracts currently support implementation of the 1915(c) Spending Plan. Nine (9) contracts have been fully executed. An RFP is planned for Provider Monitoring, and an additional contract is being planned to support the DSP Workforce Development initiative.
- Provider-focused initiatives including Quality Management, Advancing Competitive Integrated Employment, Community Navigator Practice Development, Supporting Community Integration, DSP Workforce Development and Positive Approaches for People Experiencing Behavioral Challenges have all been implemented.
- DDD will reflect several updates to its Spending Plan in next quarter's report.

As of the end of June 2023, \$9,283,975 in ARPA funds have been expended by DDD. This reflects spending in nine (9) initiatives. As noted in Table 2, due to the timing for submitting this quarterly report, the reported totals for the provider rate increase represent the first two months of the quarter, and the last month of the previous quarter (March-May 2023). Expenditures for June 2023 will be included in the next quarterly spending report.

Initiative Updates

Priority 1: Supports for Participants and Families

- **Option for Individuals with Behavioral Challenges**
 - *Brief Summary:*
 - The initiative will implement a new waiver service in a licensed home setting supported by an interdisciplinary team and skilled staff; the service will emphasize community integration, family engagement, and trauma-informed care.
 - *Status:*
 - The service design, staffing model, licensing requirements, reimbursement approach, and eligibility criteria continue to be worked on.
 - Start-up funding will be distributed through a contract with the Research Corporation of the University of Hawaii (RCUH). Allowable uses of start-up funding are being defined.
 - DDD will leverage the Positive Approaches initiative (part of Priority 4) for trauma-informed care training. DDD will leverage the Positive Approaches initiative (part of Priority 4) for trauma-informed care training and development of a sustainable curriculum.
 - DDD is exploring the use of section 1915(b) waiver authority to request adding this service.

- *Spending and Sustainability:*
 - No spending to date.
 - The budget and sustainability strategy are unchanged from the Initial Spending Plan.
- *Outcomes and Lessons Learned:*
 - The service will require detailed design, standards, and technical assistance for sustaining the use of positive relationship-based and trauma-informed approaches and creating a new model for supporting people who experience behavioral challenges.
 - Trained and available workforce will be needed for the success of this service. Workforce shortages among provider agencies are severe.
- **Create Family-to-Family Peer Mentoring Service**
 - *Brief Summary:*
 - DDD continues to explore adding a new waiver service that will provide information, resources, guidance, and support from an experienced and trained mentor to help parents navigate the service system, the person-centered planning process, and other community resources.
 - *Status:*
 - DDD is working with a family and stakeholder group to map steps and infrastructure needed to make this service successful.
 - *Spending and Sustainability:*
 - To allow for planning and implementation of this service, the timeline to submit a waiver amendment will likely be in fiscal year 2024 and spending on this initiative is projected to start next fiscal year.
 - The budget and sustainability strategy are unchanged from the Initial Spending Plan.
 - *Outcomes and Lessons Learned:*
 - DDD continues to explore establishing an entity that will support quality, program development and possibly certification of agencies that will provide this service, as well as finance models to make this a sustainable system component for this service.
- **Host Participant and Family Forums**
 - *Brief Summary:*
 - DDD will use state funds to facilitate annual forums for participants and families to provide feedback and suggestions on the HCBS system.
 - *Status:*
 - DDD will continue to sustain this commitment through state funds. We are removing this cost from the expected federal reimbursement in the Spending Plan report as no ARPA funds will be expended.

Priority 2: Strengthen Provider Capacities and System Infrastructure

- **Increase Provider Payment Rates**
 - *Brief Summary:*
 - DDD conducted a comprehensive rate study in 2019-2020 and will use ARPA funds to implement the recommended rate increases. Payment rates were additionally adjusted in October 2022 to account for an increase in Hawaii's minimum wage.
 - *Status:*
 - DDD has implemented the direct support professional report to collect data regarding wages, benefits, and turnover. All providers billing the higher rates are required to submit the report quarterly and DDD will use the results to inform future payment rate and workforce initiatives.

- *Spending and Sustainability:*
 - To date, spending on the higher rates have totaled approximately \$7.3 million. As mentioned above, these data will undergo further review.
 - Hawaii's biennial budget for fiscal years 2024 and 2025 included state appropriations to permanently maintain the rate increases once ARPA funds have been exhausted.
- **Invest in Quality Management**
 - *Brief Summary:*
 - In new standards effective with the current waiver, DDD has required provider agencies to phase in development of internal quality management structures and practices.
 - *Status*
 - Through the engagement with the Council and Quality Leadership (CQL) trainers and peer learning sessions, provider agencies learned how to establish and enhance their quality committees and develop quality management plans that align with their organization's vision and mission. Provider agencies were challenged to think deeper about the data they collect and how data impacts quality services and quality of life for the people they support.
 - CQL reviewed quality management plans submitted by provider agencies and provided technical assistance and individualized feedback and recommendations on the specific components of their plan.
 - CQL drafted a template for provider agencies to use as they consider areas for improvement as part of their performance improvement plans. The form will help provider agencies think about the data they collect, how the data is used and how progress is measured.
 - *Spending and Sustainability:*
 - \$75,000 has been spent to date.
 - DDD is considering an additional contract to support this effort.
 - *Outcomes and Lessons Learned:*
 - Provider agencies learned why it was important to have a quality management plan to measure areas beyond compliance.
 - Provider agencies learned how to personalize their quality management plans to align with their vision and mission.
 - Provider agencies were at first uncertain on what to measure or realized they were collecting data that was not necessary. They did not have a plan or structure for their data collection or how to use the data they collected.
 - As provider agencies gained insight into their quality committees, they realized they did not have a person with a disability on their committee.
 - Provider agencies found the peer-to-peer sessions valuable as reflected in their feedback.
- **Support Community Integration**
 - *Brief Summary:*
 - DDD will assist providers to achieve and maintain compliance with the HCBS final rule and ultimately help advance policies, procedures, and practices to improve the delivery and utilization of integrated services and supports.
 - *Status:*
 - A contract to support this initiative was awarded on March 21, 2022, to Health Management Associates (HMA) and started on June 1, 2022.
 - Providers submitted HCBS final rule evidence templates for residential and non-residential settings, along with supporting documents to demonstrate compliance. With HMA assistance, the evidence templates and supporting documents were reviewed and providers were given feedback on areas that needed improvements or revisions to demonstrate compliance.

- HMA provided technical assistance to providers through an “Open House” forum, where providers could join and ask questions. Individualized technical assistance was provided to providers who requested the assistance, as well as for providers who were identified by the state as needing additional support.
- After multiple submissions of evidence templates from providers and feedback given, a total of twenty-one (21) providers of non-residential settings and fifteen (15) providers of residential settings have been determined template compliant.
- HMA assisted in the development of a site validation tool and trained state staff to perform on-site validations for residential and non-residential settings. Site validations are complete, and providers are completing a Plan of Correction (POC) to address findings.
- HMA assisted in proposed revisions and draft language provided to the state to align Hawaii Administrative Rules with HCBS final rule requirements.
- *Spending and Sustainability:*
 - \$100,000 spent to date. All ARPA funds in this category have been committed.
 - The budget and sustainability strategy are unchanged from the Initial Spending Plan.
- *Outcomes and Lessons Learned:*
 - Providers needed much more assistance in the development and revisions of their policies and procedures than anticipated.
- **Advance Competitive Integrated Employment**
 - *Brief Summary:*
 - DDD will assist providers to effectively support individuals to obtain and maintain competitive integrated employment.
 - *Status:*
 - A contract was executed with the University of Massachusetts Boston (UMass) to provide training, technical assistance, and consultation to 1915(c) waiver providers of day and employment services on how to provide high quality competitive integrated employment (CIE) services.
 - A contract modification has been executed to extend the contract with UMass to February 28, 2024.
 - Six (6) waiver provider agencies have been selected to receive technical assistance (TA) for organizational transformation. The focus of the TA is to train participating agencies offering center-based or semi-community-based programming to provide people they serve support to be successful and as independent as possible in employment.
 - A comprehensive strategic assessment, conducted by UMass, was completed for all six (6) waiver provider agencies, and included a review of policies and processes and interviews with key stakeholders. UMass provided the agencies reports of their findings, which included recommendations for key focus areas and action steps. Five (5) of agencies have created a plan of action based on the findings to work toward transformational change. The sixth (6th) agency will complete their plan of action in early FY2024.
 - UMass is conducting on-site visits to review the agencies’ progress on the plan of action and to provide TA. The on-site visits will be complete by early FY2024.
 - UMass will provide training for case managers (CMs), starting July 2023, to help CMs to better understand the importance of CIE in participants’ lives and how to have the conversation of employment with participants and families.
 - *Spending and Sustainability:*
 - \$141,100 spent to date of the \$175,000 planned for this initiative.
 - The timeline for implementation was extended to July 1, 2022, to accommodate the contract execution with a contract award for \$141,100. Contract extended to February 28, 2024.
 - DDD is exploring pathways to extend the gains made through this initiative.

- *Outcomes and Lessons Learned:*
 - Providers and case managers need guidance in accessing Waiver employment supports and braiding and blending supports across DDD and the Division of Vocational Rehabilitation (DVR).
 - The pending Memorandum of Agreement between DDD and DVR and a change in the DVR contracting model and rate structure will provide opportunities to support employment implementation.
 - Providers need guidance to fully understand the goal and expected outcome of Discovery and Career Planning (DCP) services. Services are weighted toward classroom-based learning and exploration and would benefit from a clear focus on community-based job exploration and development of a job search plan.
 - Hawaii offers significant opportunity for personal networking in the job search process and engagement of family and friends in the discovery and job search process.
 - Providers need readily accessible training for employment support professionals and managers, and access to implementation assistance and consultation to support implementation of best practices.
- **Support Community Navigator Practice Development**
 - *Brief Summary:*
 - The July 1, 2021, waiver renewal included a new service, Community Navigator, which emphasizes, promotes, and coordinates the use of community resources and natural supports to address the participant's needs in addition to paid services. This initiative will develop a collaborative approach to the implementation of this service.
 - *Status:*
 - DDD executed a training contract to help equip selected provider staff with the skills and tools they need to implement community navigation services that support waiver participants to fully engage in their communities.
 - The Community Navigator training includes interaction with participants and the community through assignments and on-site mentoring/coaching visits.
 - Initially twenty-three (23) individuals from eight (8) provider agencies and the DDD training unit signed up for the Community Navigator training. Eight (8) trainees from five (5) provider agencies and the DDD training unit participated in the trainings and are certified Community Navigator trainers.
 - All seven (7) training modules have been completed. Training material, curriculum, and videos have been provided to all the trainees and DDD.
 - A training video for case managers (CMs) was developed and provided to DDD. The training video, tailored for CMs, will demonstrate how Community Navigator services cultivate participants' social valued roles to integrate participants more fully into their communities. DDD will host a webinar for staff to present the recorded training and allow time for questions and answers.
 - *Spending and Sustainability:*
 - \$60,000 has been spent to date. The timeline for implementation was moved to a contract effective date of February 1, 2022. Contract ended on January 31, 2023.
 - The training, including training material, curriculum, and videos, were developed, and distributed using the train-the-trainer model. Those who completed the training are certified Community Navigator trainers and can train others. DDD may also use the training material to train other providers through the training unit.
 - The training video for CMs will be available to staff to watch on demand, as a refresher, and will be used for onboarding of new staff.
 - DDD is discussing strategies to extend the Community Navigator training to more providers.

- *Outcomes and Lessons Learned:*
 - A total of nine (9) individuals, statewide, have been trained and certified to provide Community Navigator services and train/certify others to provide the service.
 - Providers and case managers need guidance in differentiating between Community Learning Services (CLS)-Individual and the Community Navigator service.
 - The data collection process, built into the Community Navigator training, provides a mechanism to identify whether the service successfully assisted Waiver participants with acquiring Social Valued Roles.
 - The Community Navigator training, including the interaction with Waiver participants and the community through assignments and on-site mentoring/coaching visits, resulted in Social Valued Roles for the participants that were involved.
 - The stigma still exists when members of the community see a DSW with one or more participants and assume they are not capable of having a relationship. This negative perception of people with disabilities will only change if we have more participants experiencing meaningful community engagement with members of the community.
 - Provider staff do not have time or aren't encouraged to make community connections and are overly focused on goals and objectives.

Priority 3: Workforce Development

- **Develop the Direct Support Professional Workforce**
 - *Brief Summary*
 - The initiative will establish a sustainable career path for the professional development of DSPs through a credentialing or certification program.
 - *Status:*
 - DDD executed a contract with the University of Minnesota to research DSP training and certification models currently in use in other states. The report helped to formulate the core features desired by Hawaii, and the components/steps for implementing a DSP certification program.
 - A planning team has begun the design of policies and procedures for grants to provider agencies and DSPs and is engaging the advisory group. A focus group was conducted with representatives of waiver provider agencies to gain insight into best approaches for implementing the grant programs.
 - DDD developed an initial project management plan through a grant from Advancing States.
 - DDD has a contract with the Research Corporation of the University of Hawaii (RCUH) to distribute incentive contracts to provider agencies and conduct project management for this initiative. An additional contract for project supports is under development.
 - The Advisory Group is comprised of self-advocates, family members, the State's DD Council, community stakeholders, and waiver providers. The focus of the group is to share information about the goals and objectives of the initiative and advise DDD by reviewing data, reports, and proposed actions to implement and continuously improve the DSP workforce initiative. The group has met twice and has advised on the type of curriculum and platform Hawaii will need to implement the initiative most optimally.
 - Discussions of a waiver amendment is underway.
 - *Spending and Sustainability:*
 - As described above, the bulk of funding to launch this initiative is currently embedded in the RCUH contract.
 - Initial support to implement a tiered rate model was included in the recently approved State Budget.

- *Outcomes and Lessons Learned:*
 - The complexity of this initiative goes well beyond what was initially identified.

Priority 4: Improve Protections for Health, Safety, and Well-being

▪ **Positive Approaches for Challenging Behaviors**

- *Brief Summary:*
 - The initiative will provide training for DDD providers, stakeholders, and staff on the impacts of trauma, alternative positive approaches through trauma-informed care (TIC), and how to make sustainable and person-centered organizational change.
- *Status:*
 - Training started on January 10, 2023, consisting of a one week in-person key stakeholder and DDD leadership introduction to TIC and person-centered organizational change practices.
 - DDD held a conference on June 26, 2023 for stakeholders titled *Positive Approaches: Laying the Groundwork for Trauma-Responsive Systems for People with Intellectual and Developmental Disabilities* as a statewide introduction to the training initiatives. There were 130 participants representing a wide array of stakeholders including self-advocates, family members, the State Medicaid Agency, Hawaii State Hospital, Governor’s Office on Wellness and Resiliency, adult and child mental health, education, waiver agency providers, health plans, and other state government offices.
 - DDD held conferences on the islands of Oahu (June 27, 2023), Maui (June 28, 2023), and Hawaii (June 29, 2023) titled *Positive Approaches: Developing a Community of Practice for Trauma-Responsive Waiver Agencies*. There was a total of 84 trainees comprised of 52 participants from 20 waiver agency providers and 32 DDD leadership and case management staff. The conferences provided focused training and established a community of practice that is mapping a path forward for the movement of trauma-informed practices in Hawaii.
 - A planning team continues to strategize with consultants for sustainability of the community of practice organizational change initiatives.
- *Spending and Sustainability:*
 - \$134,000 spent to date.
 - The budget and sustainability strategy are unchanged from the Initial Spending Plan. A focused discussion on sustainability will be convened.
- *Outcomes and Lessons Learned:*
 - A total of 168 people in Hawaii have received introductory level Positive Approaches trauma-informed training.
 - Led by DDD, a trauma-informed community of practice has been established consisting of 22 waiver provider agencies across three Hawaiian Islands.
 - Leadership at DDD and among waiver provider agencies has been identified for the community of practice consortium. Training and consultation have been scheduled with consultants on a bi-monthly basis for one year as they establish a training curriculum, policies and procedures, practice protocols, and begin implementation.
 - During the first conference in this series, many stakeholders, including those outside of the immediate 1915(c) waiver community, expressed a desire to extend the discussion of creating positive approaches across the service systems in Hawaii. Design Thinking was identified as a methodology that can support collaboration and outcomes that are meaningful to the community. DDD has committed to convene planning toward this system design.
 - Hawaii has unique strengths and challenges that must be considered when strategizing next steps in the initiative. These include island specific specialized knowledge and approaches, and resources.

- An organizational change approach combining self-advocacy and community of practice leadership are seminal to this initiative.
- Expansion of the initiative to other stakeholders such as the medical community and providers on other neighbor islands will require additional planning but remain critical to the success of this initiative.
- **Improve Critical Incident Response through Analytics**
 - *Brief Summary:*
 - DDD has executed a contract with a System Integrator vendor to develop a predictive analytics solution that will enable DDD to use predictive analytics to detect unreported critical incidents in DDD's case management system, INSPIRE.
 - *Status:*
 - A data sharing agreement draft was submitted to MQD in July 2022. MQD asked DDD to scale back the data request to make the project more focused and manageable. The new data request is under review.
 - DDD submitted forms on June 22, 2022, including an 1188A and 270/271 Enrollment form to Conduent, MQD's financial management service contractor, to facilitate the exchange of eligibility data to support the Analytics initiative.
 - The INSPIRE Project implemented electronic reporting of Adverse Events through a provider portal on July 1, 2022, to automate submission of incident data from waiver provider agencies.
 - The INSPIRE Project will submit another IAPD-U to extend DD&I through September 2024 to allow sufficient time for the development, testing, and rollout of the predictive analytics solution.
 - *Spending and Sustainability:*
 - \$175,000 spent to date.
 - The budget and sustainability strategy are unchanged from the Initial Spending Plan.
 - *Outcomes and Lessons Learned:*
 - Provider portal implementation in July 2022 was seminal in assuring automated data.
 - A memorandum of agreement for data-sharing has taken longer than anticipated.

Priority 5: Strengthen System Infrastructure and Accountability

- **Conduct System Evaluation**
 - *Brief Summary:*
 - The purpose of this activity is to provide the state with a comprehensive evaluation of the impacts of initiatives and related infrastructure and practice changes that have been implemented since the 2016 reauthorization of the 1915(c) HCBS waiver as well as activities included in the 1915(c) portion of Hawaii's ARPA Spending Plan.
 - *Status:*
 - The contractor conducting the evaluation, Human Services Research Institute (HSRI) has issued an interim evaluation report entitled, "Moving Forward, Hawaii Developmental Disabilities Division." HSRI has also issued a plain language version of the report.
 - HSRI continues to conduct stakeholder interviews and focus groups, and quantitative analysis for the final report.
 - The evaluation advisory group continues to meet on a regular basis.
 - The interim evaluation will be distributed widely to DDD stakeholders.
 - *Spending and Sustainability:*
 - A total \$86,666.66 has been spent to date.

- The evaluation is a multi-term contract that extends to March 31, 2025. It was originally planned to encompass evaluation of the entire ARPA period but will need to be truncated in scope due to the change in the deadline to fully expend ARPA funds.
 - *Outcomes and Lessons Learned:*
 - The evaluation of DDD initiatives encompasses the following four phases: what existed previously, what changes were planned and initiated, what are the impacts on systems and people, and what may improve on or advance the changes.
 - Based on HSRI’s preliminary observations, the types of actions DDD undertook fell into two general categories including: 1) actions that resulted in concrete changes that are easily observed, and 2) actions aimed at shifting the culture and expectations.
 - The series of actions included in the first category led to an infusion of resources into the system starting with administering an objective assessment tool (the Supports Intensity Scale), establishing an individual supports budget model, and implementing a rate study. These intentional actions allowed DDD to better understand the support needs of the service population and the resources necessary to support the DDD program. This contributed to successfully defending DDD’s budget request presented to the legislature.
 - The latter category included actions such as introducing the philosophy and tools of Charting the LifeCourse and person-centered thinking. The results of these actions are more difficult to define and measure as they relate to changing people’s perspectives and expectations for how individuals with IDD can be supported to live full lives. However, HSRI surmised that taken together, these changes have likely created an “action bias” to push the system forward whereby, often, policy and practice decisions support desired change rather than subtract from it.
- **Strengthen Provider Monitoring**
 - *Brief Summary:*
 - This initiative will help DDD develop a new process for monitoring providers for compliance that promotes accountability and quality services that help achieve positive outcomes for individuals served and to build a framework to share performance data with stakeholders.
 - *Status:*
 - Due to multiple contracts in process for spending approval, this initiative was delayed as DDD strategized on the best approach for implementing the redesign of the provider monitoring process.
 - A procurement solicitation was released in March 2022, with no successful bidders. A new RFP for consultant assistance will be drafted. The timeline for implementation has shifted from the original projected date to a new projected date of March 1, 2024, and will use FY2024 funding.
 - *Spending and Sustainability:*
 - No spending to date.
 - *Outcomes and Lessons Learned:*
 - Stakeholders, including waiver participants and families have expressed interest in receiving information about provider performance. DDD will integrate this into the overall provider monitoring framework.
- **Implement the Spending Plan**
 - *Brief Summary:*
 - The purpose of this activity is to provide project coordination resources for key initiatives in the Spending Plan.
 - *Status:*
 - DDD has executed a contract with the Research Corporation of the University of Hawaii (RCUH), where 2.5 FTE positions will be housed, as well as funds to support parts of the

HI State Spending Plan for Implementation of American Rescue Plan Act of 2021, Section 9817

- ARPA Workforce Development initiative and the start-up funding for a new service option for individuals with serious behavioral challenges.
 - A .75 FTE Project Manager has been hired through the RCUH contract.
- Spending and Sustainability:
 - Spending on the initiative has been \$550,000 to date.
- *Outcomes and Lessons Learned:*
 - Project management is an essential component for ensuring successful implementation of new initiatives.

Spending Plan Projection

The 1115 and 1915(c) HCBS spending estimates have been updated with Year 1, Year 2 and Year 3 actual spend and Year 3 and Year 4 projections. As mentioned above, Spending Plan Projections were updated to reflect certain delays with implementation of initiatives, and Hawaii has total expenditures of \$30,097,464 related to ARPA HCBS initiatives.

Spending Plan Projection – QUEST Integration (1115 waiver)

Calculation of Supplemental Funding from 10% FMAP Increase					
ARPA Sec. 9817					
Hawaii Medicaid - QUEST Integration Program (1115 waiver)					
BASELINE EXPENDITURES THAT QUALIFY FOR 10% HCBS FMAP					
Federal Fiscal Year	FFY 21	FFY 21	FFY 22	FFY 22	Total
Quarter	Q3: Apr to Jun	Q4: Jul to Sep	Q1: Oct to Dec	Q2: Jan to Mar	
Service Categories					
Home and Community Based Services	\$ 30,434,084	\$ 31,181,701	\$ 29,921,074	\$ 30,939,433	\$ 122,476,292
Case Management Services	\$ 2,413,764	\$ 2,369,801	\$ 2,301,125	\$ 2,342,120	\$ 9,426,810
Rehabilitation Services					\$ -
Other (1915c)					\$ -
Subtotal: Qualifying Expenditures	\$ 32,847,848	\$ 33,551,502	\$ 32,222,199	\$ 33,281,553	\$ 131,903,102
Funds Attributable to 10% HCBS FMAP Increase					\$ 13,190,300
ADDED FUNDING FOR HCBS REINVESTMENT					
Year of Reinvestment	Year 1	Year 2	Year 3	Year 4	Total
Time Period	4/1/21 - 3/31/22	4/1/22 - 3/31/23	4/1/23 - 3/31/24	4/1/24 - 3/31/25	
State Match Share By Year	3%	16%	46%	25%	90%
State Match by Year	\$ 387,898	\$ 2,113,742	\$ 6,107,458	\$ 3,243,017	\$ 11,852,115
FMAP Assumptions - Program					
State's Base FMAP	53.33%	54.85%	57.31%	58.56%	
FFCRA Increase	6.20%	6.20%	2.25%	0.00%	
ARPA Increase	10.00%	0.00%	0.00%	0.00%	
Combined FMAP	69.53%	61.05%	59.56%	58.56%	
Supplemental Funding - Program					
Reinvested State Match	\$ 223,338	\$ 1,609,631	\$ 4,572,109	\$ 2,153,637	\$ 8,558,714
Federal Match	\$ 509,638	\$ 2,522,925	\$ 6,733,798	\$ 3,043,363	\$ 12,809,725
Subtotal: Supplemental Funding - Program	\$ 732,976	\$ 4,132,556	\$ 11,305,906	\$ 5,197,000	\$ 21,368,438
Supplemental Funding - Administration					
State Match	\$ 164,561	\$ 504,111	\$ 1,535,349	\$ 1,089,380	\$ 3,293,401
Federal Match	\$ 164,561	\$ 542,253	\$ 1,667,241	\$ 1,189,380	\$ 3,563,434
Subtotal: Supplemental Funding - Admin	\$ 329,121	\$ 1,046,364	\$ 3,202,590	\$ 2,278,761	\$ 6,856,836
Federal Match Attributable to FMAP Components					
Base FMAP	\$ 390,896	\$ 2,266,707	\$ 6,479,415	\$ 3,043,363	\$ 12,180,381
FMAP Increases (ARPA + FFCRA) Program	\$ 118,742	\$ 256,218	\$ 254,383	\$ 0	\$ 629,344
FMAP Administration	\$ 164,561	\$ 542,253	\$ 1,667,241	\$ 1,189,380	\$ 3,563,434
Subtotal: Federal Match	\$ 674,199	\$ 3,065,178	\$ 8,401,038	\$ 4,232,743	\$ 16,373,159

Spending Plan Projection – Developmental Disabilities Division (1915c waiver)

Calculation of Supplemental Funding from 10% FMAP Increase					
ARPA Sec. 9817					
Hawaii Medicaid - Developmental Disabilities Division Program (1915c Waiver)					
BASELINE EXPENDITURES THAT QUALIFY FOR 10% HCBS FMAP					
Federal Fiscal Year	FFY 21	FFY 21	FFY 22	FFY 22	
Quarter	Q3: Apr to Jun	Q4: Jul to Sep	Q1: Oct to Dec	Q2: Jan to Mar	Total
Service Categories					
Home and Community Based Services					\$ -
Case Management Services					\$ -
Rehabilitation Services					\$ -
Other (1915c)	\$ 36,741,086	\$ 35,486,135	\$ 34,452,188	\$ 36,264,981	\$ 142,944,391
Subtotal: Qualifying Expenditures	\$ 36,741,086	\$ 35,486,135	\$ 34,452,188	\$ 36,264,981	\$ 142,944,391
Funds Attributable to 10% HCBS FMAP Increase					\$ 14,294,400
ADDED FUNDING FOR HCBS REINVESTMENT					
Year of Reinvestment	Year 1	Year 2	Year 3	Year 4	Total
Time Period	4/1/21 - 3/31/22	4/1/22 - 3/31/23	4/1/23 - 3/31/24	4/1/24 - 3/31/25	
State Match Share By Year	4%	42%	41%	13%	99%
State Match by Year	\$ 528,523	\$ 5,942,470	\$ 5,800,383	\$ 1,921,294	\$ 14,192,671
FMAP Assumptions - Program					
State's Base FMAP	53.33%	54.85%	57.31%	58.56%	
FFCRA Increase	6.20%	6.20%	2.25%	0.00%	
ARPA Increase	10.00%	0.00%	0.00%	0.00%	
Combined FMAP	69.53%	61.05%	59.56%	58.56%	
Supplemental Funding - Program					
Reinvested State Match	\$ 417,380	\$ 4,564,738	\$ 3,181,096	\$ 1,896,294	\$ 10,059,509
Federal Match	\$ 952,427	\$ 7,154,743	\$ 4,685,116	\$ 2,679,706	\$ 15,471,991
Subtotal: Supplemental Funding - Program	\$ 1,369,807	\$ 11,719,481	\$ 7,866,212	\$ 4,576,000	\$ 25,531,500
Supplemental Funding - Administration/Other					
State Match	\$ 111,143	\$ 1,377,732	\$ 2,619,287	\$ 25,000	\$ 4,133,162
Federal Match	\$ -	\$ 233,875	\$ 681,038	\$ 25,000	\$ 939,913
Subtotal: Supplemental Funding - Admin	\$ 111,143	\$ 1,611,607	\$ 3,300,325	\$ 50,000	\$ 5,073,075
Federal Match Attributable to FMAP Components					
Base FMAP	\$ 730,518	\$ 6,428,135	\$ 4,508,126	\$ 2,679,706	\$ 14,346,485
FMAP Increases (ARPA + FFCRA) Program	\$ 221,909	\$ 726,608	\$ 176,990	\$ (0)	\$ 1,125,506
FMAP Administration	\$ -	\$ 233,875	\$ 681,038	\$ 25,000	\$ 939,913
Subtotal: Federal Match	\$ 952,427	\$ 7,388,618	\$ 5,366,154	\$ 2,704,706	\$ 16,411,904

Spending Plan Projection – Combined HCBS

Calculation of Supplemental Funding from 10% FMAP Increase					
ARPA Sec. 9817					
Hawaii Medicaid - Combined HCBS Programs					
BASELINE EXPENDITURES THAT QUALIFY FOR 10% HCBS FMAP					
Federal Fiscal Year	FFY 21	FFY 21	FFY 22	FFY 22	
Quarter	Q3: Apr to Jun	Q4: Jul to Sep	Q1: Oct to Dec	Q2: Jan to Mar	Total
Service Categories					
Home and Community Based Services	\$ 30,434,084	\$ 31,181,701	\$ 29,921,074	\$ 30,939,433	\$ 122,476,292
Case Management Services	\$ 2,413,764	\$ 2,369,801	\$ 2,301,125	\$ 2,342,120	\$ 9,426,810
Rehabilitation Services	\$ -	\$ -	\$ -	\$ -	\$ -
Other (1915c)	\$ 36,741,086	\$ 35,486,135	\$ 34,452,188	\$ 36,264,981	\$ 142,944,391
Subtotal: Qualifying Expenditures	\$ 69,588,934	\$ 69,037,637	\$ 66,674,387	\$ 69,546,534	\$ 274,847,493
Funds Attributable to 10% HCBS FMAP Increase					\$ 27,484,700
ADDED FUNDING FOR HCBS REINVESTMENT					
Year of Reinvestment	Year 1	Year 2	Year 3	Year 4	Total
Time Period	4/1/21 - 3/31/22	4/1/22 - 3/31/23	4/1/23 - 3/31/24	4/1/24 - 3/31/25	
State Match Share By Year	3%	29%	43%	19%	95%
State Match by Year	\$ 916,421	\$ 8,056,212	\$ 11,907,841	\$ 5,164,311	\$ 26,044,786
FMAP Assumptions - Program					
State's Base FMAP	53.33%	54.85%	57.31%	58.56%	
FFCRA Increase	6.20%	6.20%	2.25%	0.00%	
ARPA Increase	10.00%	0.00%	0.00%	0.00%	
Combined FMAP	69.53%	61.05%	59.56%	58.56%	
Supplemental Funding - Program					
Reinvested State Match	\$ 640,718	\$ 6,174,368	\$ 7,753,205	\$ 4,049,931	\$ 18,618,222
Federal Match	\$ 1,462,065	\$ 9,677,669	\$ 11,418,914	\$ 5,723,069	\$ 28,281,716
Subtotal: Supplemental Funding - Program	\$ 2,102,783	\$ 15,852,037	\$ 19,172,118	\$ 9,773,000	\$ 46,899,938
Supplemental Funding - Administration					
State Match	\$ 275,704	\$ 1,881,843	\$ 4,154,636	\$ 1,114,380	\$ 7,426,563
Federal Match	\$ 164,561	\$ 776,128	\$ 2,348,279	\$ 1,214,380	\$ 4,503,347
Subtotal: Supplemental Funding - Admin	\$ 440,264	\$ 2,657,971	\$ 6,502,915	\$ 2,328,761	\$ 11,929,911
Federal Match Attributable to FMAP Components					
Base FMAP	\$ 1,121,414	\$ 8,694,842	\$ 10,987,541	\$ 5,723,069	\$ 26,526,866
FMAP Increases (ARPA + FFCRA) Program	\$ 340,651	\$ 982,827	\$ 431,373	\$ (0)	\$ 1,754,850
FMAP Administration	\$ 164,561	\$ 776,128	\$ 2,348,279	\$ 1,214,380	\$ 4,503,347
Subtotal: Federal Match	\$ 1,626,626	\$ 10,453,797	\$ 13,767,192	\$ 6,937,449	\$ 32,785,063

Listing of Initiatives – Combined HCBS

Program	Initiative	\$ Total (in millions)
QUEST Integration	Self-directed fee schedule increase	6.6
	CCMA monthly rate increase	1.5
	Residential Alternatives rate increase	4.4
	Building Capacity in Residential Alternatives for complex members	1.4
	CCMA for complex members	0.2
	The Collaborative Care Model	1.4
	Palliative Care Benefit in Community-Based Settings	3.7
	Mobile COVID Vaccine Unit	0.5
	Expand 1115 HCBS Service Array	0.0
	Rate Increase - Milliman Phase II 2024	1.9
	Hawaii Medicaid Training and Technical Assistance Center (MTTAC)	0.0
	EVV monitoring	0.1
	Accelerating provider enrollment	3.6
	CAHPS survey for HCBS members	0.5
	Critical incident software for HCBS	0.9
	Provider credentialing process improvement	0.0
	Person-Centered practices training	0.2
	Guardianship fund	0.2
	Home Locator Tool	0.0
	Building Capacity for Prison to Community Transitions	0.2
	Strengthen the Direct Service Workforce	0.4
	Investment in Tools and Technology for Residential Alternatives Provide	0.3
	Building administrative capacity	0.0
HCBS Rate Study	0.6	
Subtotal QUEST Integration		28.3
Developmental Disabilities Division (DDD)	Increase Provider Payment Rates	23.15
	Option for Individuals with Behavioral Challenges	2.21
	Create Family-to-Family Peer Mentoring Service	0.18
	Strengthen Provider Monitoring	0.1
	Advance Competitive Integrated Employment	0.2
	Support Community Navigator Practice Development	0.1
	Support Community Integration	0.2
	Invest in Quality Management	0.2
	Improve Critical Incident Response through Analytics	0.8
	Positive Approaches for Challenging Behaviors	0.4
	Develop the Direct Support Professional Workforce	2.3
	Host Participant and Family Forums	0.1
	Conduct System Evaluations	0.3
	Implement the Spending Plan	0.6
	Subtotal DDD	
Total		58.9

Stakeholder Feedback

Despite promising encouraging feedback received during the process, Hawaii's 2023 legislature decided to not fund the increases to the rates that were the result of the HCBS rate study. Engagement efforts are ongoing with stakeholders, with the goal of securing funding during Hawaii's 2024 legislature for the HCBS rate study.

