



**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
Submitted: January 16, 2023**

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,
 - 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 whomay 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 managementservices,
 - 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'sneed to seek care in a long-term care facility
 - Invest in telehealth infrastructure,
 - Employee perks should include on-site daycare for staff, educational opportunities, childcareworker 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 retainnursing staff,
 - Ensure that recipients have supplies, equipment, and assistive technology,
 - Cultural competency training, interpreting services, and document translation so customerscan 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 tobe paid caregivers to address language and cultural barriers, and
 - Use funding to address social and economic challenges facing seniors and people withdisabilities.
- 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 downsizing 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: 0.6716 Year 1	0.5096 Year 2	0.5096 Year 3	
	4/1/2021 - 3/31/2022	4/1/2022 - 3/31/2023	4/1/2023 - 3/31/2024	Total
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, Quarterly Updates, and State Response to Request for Additional Information

I. HCBS Workforce Investments (\$434.7 million)

Aging: Care Coordination Unit Workforce Retention (\$10.5 million) APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

IDoA is developing language for non-competitive grant payments to be distributed to each contracted CCU. These grant agreements will require activities that will aim to increase workforce availability and sustain current staff. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

IDoA has finalized language for non-competitive grant payments, reporting timeframes, and reporting deliverables for this activity. The grant program will be presented to the CCUs in the upcoming quarter. Spending for is this activity is anticipated to begin in the upcoming quarter.

Quarterly Update—FFY 2023 Q1

These grants became effective during the 1st quarter of year 2. The first payments went out to the CCUs in June 2022. The grants will terminate on June 30, 2023.

Quarterly Update—FFY 2023 Q3

No additional update. The grants will terminate June 30, 2022.

Aging: Rate Increases for Care Coordination Units (CCUs) (\$29 million) APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

The IDoA is working internally to implement the rate increase. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

Rate have been developed and approved for implementation. The necessary policy revisions have been approved by HFS for sharing to the CCU network. The required spending authority has been granted. The CCU rate increases will occur on 2/1/2022 as reflected in the most current (CCU) rate policy. Spending for this activity will begin on 2/1/2022.

Quarterly Update—FFY 2023 Q1

The rate increases for CCUs went into effect on February 1, 2022. These amounts will continue to be paid to the CCUs for services rendered. Beginning in April 2025, the \$11.3 million annual cost will become part of IDoA's annual budget.

Quarterly Update—FFY 2023 Q3

The rate increases for CCUs went into effect on February 1, 2022. These amounts will continue to be paid to the CCUs for services rendered. Beginning in April 2025, the \$11.3 million annual cost will become part of IDoA's annual budget.

***Aging: Adult Day Service Community Outing Offset Payments (\$5.1 million)
APPROVED 9/29/2021***

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.

Quarterly Update—FFY 2022 Q2

IDoA is currently working with ADS providers to seek feedback about how these funds can best support meaningful community outings for customers. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

IDoA has gathered information from ADS providers to determine how these funds can best

support meaningful ADS outings. Due to the current COVID landscape and blended on-site and remote programming, implementation of this initiative is delayed. No spending is expected in the upcoming quarter.

Quarterly Update—FFY 2023 Q1

Due to continued operating limitations during the public health emergency, these payments have not started. It is estimated that first payments will be paid out to ADS providers between April and May of 2023. Beginning in April 2025, the \$4 million in ongoing cost will become part of IDoA’s annual budget.

Quarterly Update—FFY 2023 Q3

Due to continued operating limitations during the public health emergency, these payments have not started. It is estimated that first payments will be paid out to ADS providers between May and June of 2023. Beginning in April 2025, the \$4 million in ongoing cost will become part of IDoA’s annual budget.

Aging: In-Home Service and Adult Day Service Accelerated Rate Increase (\$10.7 million) APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

HFS is preparing an amendment to the currently approved waiver (IL 0143) to authorize this rate increase. The amendment is not substantive. Tribal notification and public comment are not required. The requested approval date of the amendment will be 11/1/21. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

Approval of the state’s Appendix K amendment for this spending initiative was received 1/12/2022. IDoA and MCOs are working to calculate the payment to providers. Spending will occur in the upcoming quarter.

Quarterly Update—FFY 2023 Q1

Payments have been made to providers.

Quarterly Update—FFY 2023 Q3

No additional update.

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

APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

HFS is preparing an amendment to the currently approved Supportive Living Program waiver (IL 0326) to authorize this rate increase. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

On December 9, 2021, the State received approval of the Appendix K amendment to implement the temporary rate increases proposed in this initiative. HFS staff have calculated updated rates and entered them into the MMIS system. Rate adjustments for previously paid claims will be scheduled for February. HFS has also shared the updated rates with Managed Care plans for their implementation. To date, no spending has occurred for this initiative.

Quarterly Update—FFY 2023 Q1

HFS has repriced claims to pay the rate increases to SLP providers and is working with Managed Care plans to assure all their responsible claims are being repriced. Capitated rates were updated to account for the additional funding for this initiative. HFS is developing reports to identify total spending on this project.

Quarterly Update—FFY 2023 Q3

HFS continues to work with managed care plans to assure the funding is being distributed correctly to providers. Managed care plans are finalizing the process. HFS has completed initial reports to determine spending amounts by quarter.

DHS/DRS: Pandemic Bonus Pay for Individual Providers and Homemakers (\$25.7 million) APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

Bonus payments for Individual Providers—DRS is currently negotiating the eligibility requirements with SEIU. DRS is awaiting Union feedback. DRS expects the side letter will be finalized in the coming weeks and then the distribution process will begin. There has been no spending for this activity.

Bonus Payments to Homemakers were issued in September 2021. Actual expenditures were \$845,537 split between approximately 80 providers.

Quarterly Update— FFY 2022 Q3

Bonus payments for Individual Providers were issued December 2021, based on eligibility criteria established during negotiations with SEIU, the union representing DRS IPs. Actual expenditures of \$18,645,000 were split between 24,860 IPs.

Quarterly Update—FFY 2023 Q1

No additional spending for this activity, however, DRS is currently working to resolve a grievance from the union representing individual providers on behalf of several providers who claim that they are in fact entitled to bonus payments but did not receive them. Additional spending may result from the resolution of the grievances. No additional spending relative to homemakers.

Quarterly Update—FFY 2023 Q3

No additional spending for this activity.

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.

Quarterly Update—FFY 2022 Q2

The State is seeking to revise the initial proposal and extend the rate increase.

In the initial proposal for the Division of Developmental Disabilities' (DDD) ARP HCBS Enhanced FMAP spending, the DDD proposed extending the COVID-19 rate increases for Community-Integrated Living Arrangements (CILAs) and Community Day Services (CDS). These rate increases were implemented to help providers with the ongoing impacts of the pandemic on residential settings and day program settings. As the pandemic continues to affect these settings and with the nationwide staffing issues (not specific to human services), the staffing crisis that the DD system has been dealing with for 10+ years has only been exacerbated. In response to this, the DDD is proposing to increase the COVID-

19 rate increases for CILAs from 5% to 7% for Quarter 2 (October 1 – December 31).

Quarterly Update— FFY 2022 Q3

The 15% rate increase for CDS has been extended to March 31, 2022. The 5% rate increase for CILA was increased to 7% October 1, 2021, and was extended (at 7%) to June 30, 2022.

The updated cost for these rate increases is \$69.7 million.

Quarterly Update—FFY 2023 Q1

The CILA 7% was extended to September 30, 2022.

Quarterly Update—FFY 2023 Q3

The CILA 7% was extended to December 31, 2022.

**DHS/DDD: Direct Support Professional Rate Increase (\$205.2 million)
APPROVED 9/29/2021**

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.

Quarterly Update—FFY 2022 Q2

HFS is preparing an amendment to the currently approved Adults with Developmental Disabilities waiver (IL 0350) to authorize this rate increase. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

A waiver amendment for the Adults with Developmental Disabilities (IL 0350) was approved on December 22, 2021. The increase was effective January 1, 2022.

Quarterly Update—FFY 2023 Q1

No update for this quarter. The update from Q3 FFY 2022 still accurate.

Quarterly Update—FFY 2023 Q3

No update for this quarter. The update from Q3 FFY 2022 still accurate.

**DHS/DDD: Employment First Program (\$5 million)
APPROVED 9/29/2021**

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.

Quarterly Update—FFY 2022 Q2

DHS/DDD is developing the Notice of Funding Opportunity (grant application) for this program. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

The Notice of Funding Opportunity (grant application) was published December 15, 2021. Applications are being accepted until February 28, 2022. There has been no spending for this activity.

Quarterly Update—FFY 2023 Q1

DHS/DDD completed the Notice of Funding Opportunity process, issued awards and initiated first payments to grantees in Q3 FFY 2022. DHS/DDD also finalized new agreements for all grantees to begin on July 1, 2022, for Illinois State Fiscal Year 2023.

Quarterly Update—FFY 2023 Q3

DHS/DDD finalized agreements and began making payments related to this activity.

***UIC/DSCC: Allowing Unlicensed Parents to Be Paid Caregivers (\$2.5 million)
APPROVED 9/29/2021***

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.

Quarterly Update—FFY 2022 Q2

UIC/DSCC has begun building the infrastructure for self-direction by requesting technical assistance from CMS. Evaluation of quality controls to ensure health, safety and welfare of the customers who would utilize self-direction by paying unlicensed caregivers are underway. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

HFS and DSCC continue to meet with CMS Technical Assistance Contractors to implement self-direction by paying unlicensed caregivers. DSCC is planning to hold Roundtable with families, nursing agencies, and medical providers to discuss allowing unlicensed caregivers to provide the service. DSCC is working to build a quality infrastructure for this initiative. DSCC is working with a contracted consultant Y1 Q3 to develop technical standards.

Spending

Year 1 – Q1 April 1, 2021 – June 30, 2021: \$0

Year 1 – Q2 July 1, 2021 – September 30, 2021: \$0

Year 1 – Q3 October 1, 2021 – December 31, 2021: \$9,069.51

Quarterly Update—FFY 2023 Q1

UIC/DSCC and HFS are in conversations regarding barriers to the implementation of self-direction. Federal CMS Technical Assistance has provided their final recommendations.

UIC/DSCC and HFS are working to update legislation to update the Illinois Nurse Practice Act to accommodate the unlicensed paid caregivers.

Quarterly Update—FFY 2023 Q3

UIC/DSCC continues to work with HFS and other partners on this initiative.

UIC/DSCC: Improved Nurse Training (\$1.5 million)
APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

UIC/DSCC has met with many potential vendors. Vendors have drafted their proposals and submitted to UIC/DSCC. The proposals will be evaluated by a team to ensure all required training aspects are covered and to ensure fiscal accountability. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

DSCC has received proposals and is reviewing them. There has been no spending for this activity.

Quarterly Update—FFY 2023 Q1

UIC/DSCC is working on an RFI for this initiative.

Quarterly Update—FFY 2023 Q3

UIC/DSCC has received the proposals and are meeting with the potential vendors to discuss deliverable and budgets.

UIC/DSCC: Extend the In-Home Respite Rate Increase Beyond the PHE (\$1.3 million)
APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

HFS is preparing an amendment to the currently approved MFTD waiver (IL 0278) to

authorize this rate increase. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

The rate increase has been in effect since the beginning of the COVID-19 PHE through an Appendix K amendment MFTD waiver (IL 0278). The state is planning to make this rate increase permanent by including in the waiver renewal. The currently approved MFTD waiver (IL 0278) expires 8/31/2022. There has been no spending for this activity.

Quarterly Update—FFY 2023 Q1

The MFTD waiver renewal was submitted to CMS on 7/1/22 containing this rate increase. The requested effective date is 9/1/2022.

Quarterly Update—FFY 2023 Q3

The rate was increased in the waiver renewal effective 9/1/2022.

**UIC/DSCC: Nurse Training Rate Increase (\$81,000)
APPROVED 9/29/2021**

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.

Quarterly Update—FFY 2022 Q2

HFS is preparing an amendment to the currently approved MFTD waiver (IL 0278) to authorize this rate increase. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

The rate increase has been in effect since the beginning of the COVID-19 PHE through an Appendix K amendment MFTD waiver (IL 0278). The state is planning to make this rate increase permanent by including in the waiver renewal. The currently approved MFTD waiver (IL 0278) expires 8/31/2022. There has been no spending for this activity.

Quarterly Update—FFY 2023 Q1

The MFTD waiver renewal was submitted to CMS on 7/1/22 containing this rate increase. The requested effective date is 9/1/2022.

Quarterly Update—FFY 2023 Q3

The rate was increased in the waiver renewal effective 9/1/2022.

**HFS/BBH: Provider Support for 1915(i) Waiver Implementation (\$6 million)
APPROVED 9/29/2021**

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.

Quarterly Update—FFY 2022 Q2

The State is working with CMS to gain approval of the 1915(i) State Plan Amendment (SPA). There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

The SPA is not yet approved. There has been no spending for this activity.

Quarterly Update—FFY 2023 Q1

The State received CMS approval of the 1915(i) State Plan Amendment (SPA) on June 27, 2022. There has been no spending for this activity, but spending is anticipated to begin in Q2 of FY2023.

Quarterly Update—FFY 2023 Q3

Spending for this activity will begin in Q4 FFY 2023. Twenty-one Care Coordination and Support Organizations have been approved for funding totaling \$11,250,000. The remaining funds will be distributed to additional Care Coordination and Support Organizations in Y3Q1.

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

APPROVED 9/29/2021

~~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.~~

Quarterly Update—FFY 2022 Q2

~~HFS is working with rate development staff to implement the increases. There has been no spending for this activity.~~

Quarterly Update—FFY 2022 Q3

~~The rate for Medication Administration will be effective 4.1.22 and Occupational Therapy (OT) will be effective 3.1.22. Public notices have been drafted by not yet posted. Spending for this activity will begin in the next quarter.~~

Quarterly Update—FFY 2023 Q1

~~The state wishes to withdraw this proposal from our Spending Plan.~~

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

APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Clearly indicate whether the activities in the following categories are targeted at providers delivering services that are listed in Appendix B of the SMDL or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit).

Quarterly Update—FFY 2022 Q2: State response

We will focus on providers serving populations covered in Appendix B and will also contemplate adding providers of behavioral health services.

Quarterly Update—FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS

Quarterly Update—FFY 2023 Q1

The state wishes to withdraw this proposal from our Spending Plan.

HFS/BBH: Addressing Behavioral Health Workforce Challenges and Fostering Quality and Innovation (\$80.5 million)

APPROVED 2/7/2022

In collaboration with the Department of Human Services, Divisions of Mental Health and Substance Use Prevention and Recovery, Healthcare and Family Services (HFS) is requesting CMS approval of a two-component approach to address shortages in the behavioral health workforce and to further foster quality and innovation in service delivery. HFS is proposing to spend approximately \$20 million in enhanced HCBS FMAP receipts for each component, yielding a total of just over \$40 million.

Providers enrolled as Community Mental Health Centers, Behavioral Health Clinics or as providers of Substance Use Disorder services will qualify to receive Workforce Challenge funding. This funding can be used to address staffing stabilization, retention, recruitment and related purposes important to ensuring access to critically-need behavioral health services for the state's Medicaid customers. Fostering Innovation and Quality payments can be used for the creation and expansion of new services, service delivery mechanisms or enhanced provider capacity and will benefit the same provider types as the Workforce Challenge funding described above.

We are proposing to spend approximately \$40 million on this initiative (a 15% enhancement on the 3-year average). This will be done in two buckets of about \$20 million (\$40.8 total.) This increased spending, when coupled with other rate increases and stability payments expended

over the pandemic, will provide a significant infusion of revenue, and allow providers to create improvements in access in addition to stabilizing the workforce.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS.

Quarterly Update—FFY 2023 Q1

No spending is anticipated in Q1 of FY2023. Spending is anticipated to begin in Q2 of FY2023.

Quarterly Update—FFY 2023 Q3

Spending is anticipated to begin in Y3Q1.

Updated spending broken out by year through March 31, 2024, for HCBS workforce investments is included in the accompanying excel document.

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

DHS/DRS: Customer and Provider Matching Application (\$5.5 million)
APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

DHS/DRS is currently working with procurement staff to determine the best approach to obtaining this tool and is also considering whether the tool should be included in a larger infrastructure upgrade. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

There has been no spending for this activity. DHS/DRS is working to develop criteria to be included in RFP.

Quarterly Update—FFY 2023 Q1

No spending on this activity as yet. DRS will likely need to extend award date to 6/30/23 and extend to year 5.

Quarterly Update—FFY 2023 Q3

No spending on this activity. DRS will likely need to extend award date to 6/30/23 and extend to year 5.

HFS: Community Health Assessment Tool (\$10 million)
APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Confirm that the “HFS Community Health Assessment Tool” activity will not impose stricter eligibility standards, methodologies or procedures for HCBS programs and services than were in place on April 1, 2021.

Quarterly Update—FFY 2022 Q2: State response

The HFS Community Health Assessment Tool will not impose stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021, but rather more accurately assess clinical need and behavioral needs, which the eligibility tool does not.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update— FFY 2022 Q4

The initiative was approved by CMS.

Quarterly Update—FFY 2023 Q1

No update at this time.

Quarterly Update—FFY 2023 Q3

HFS has been working to procure the development and implementation of a new level of care tool for long term services and supports in Illinois. The Department’s preferred procurement approach is to amend the existing contract with its PASRR vendor to add configuration and implementation of a new level of care tool. Negotiations are ongoing with state procurement officials to secure approval for this approach.

***UIC/DSCC: Nursing Vacancy Portal (\$450,000)
APPROVED 9/29/2021***

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.

Quarterly Update—FFY 2022 Q2

UIC/DSCC has done much work on this portal. A vendor has been identified who has outlined the requirements for this project. Requirement sessions have been completed. Currently, vendor is working on designing the screens for this portal. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

DSCC has contracted with a vendor and work has begun designing the portal. The portal is named “NurseNet”.

The reporting for spending is Lag reporting, so we have adjusted spending for the quarters below:

Year 1 – Q1 April 1, 2021 – June 30, 2021: \$184.75

Year 1 – Q2 July 1, 2021 – September 30, 2021: \$14,168.61

Year 1 – Q3 October 1, 2021 – December 31, 2021: \$21,837.01

Quarterly Update—FFY 2023 Q1

Consultants are still working on the screens for the portal and will be moving it to the test environment soon. UIC/DSCC will be partnering with the consultants to train the families

and the nursing agencies.

Quarterly Update—FFY 2023 Q3

No update this quarter.

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

APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Clearly indicate whether the activities in the following categories are targeted at providers delivering services that are listed in Appendix B of the SMDL or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit).

Quarterly Update—FFY 2022 Q2: State response

The activities will be targeted to providers who offer services listed in Appendix B of the SMDL, and will benefit from ADT notification, such as home health care, personal care services, case management, rehabilitative services, and private duty nursing.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS

Quarterly Update—FFY 2023 Q1

The state wishes to expand this spending proposal, by adding the highlighted language below. Expanding this initiative will include a focus on connecting providers with other care coordination initiatives.

This initiative would provide grant funding to providers to update their technological infrastructure in conjunction with the new Admission, Discharge, Transfer (ADT) system rollout and other care coordination initiatives. 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 and to connect with other care coordination initiatives. This proposal does not anticipate ongoing costs beyond March 2024.

Quarterly Update—FFY 2023 Q3

Spending is anticipated to begin in Y3Q1.

Updated spending broken out by year through March 31, 2024 for investments in HCBS tools and technology is included in the accompanying excel document.

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 waiversto 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.

9/29/2021: CMS request for additional information

Clearly indicate whether your state plans to pay for ongoing internet connectivity costs as part this activity.

11/01/2021: State response

The State is withdrawing this proposal.

Aging: New Assistive Technology/Assistive Devices Covered Benefit (\$30 million)
APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Clearly indicate whether your state plans to pay for ongoing internet connectivity costs as part this activity.

Quarterly Update—FFY 2022 Q2: State response

The IDoA plans to pay for ongoing internet connectivity costs from state only funds. During the PHE, and the first year of the IL Care Connections program, about 30% of device recipients also received Wi-Fi hot spot devices. Participants who received devices were able to participate in remote adult day services activities, communicate with loved ones, and contact their care providers during periods of quarantine due to COVID. This has allowed enhanced and expanded HCBS services.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS.

Quarterly Update—FFY 2023 Q1

Spending has not yet occurred as this will be a new service added to the Elderly waiver via amendment. IDoA and HFS would include the \$10 million annual, ongoing costs as part of its annual budget after March 2025.

Quarterly Update—FFY 2023 Q3

IDoA continues to work with stakeholders to determine the design and parameters of the program. There has been no spending for this activity.

Aging: Emergency Home Response Service (EHRS) Fall Detection Enhancement (\$15.3million) APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

IDoA is working with stakeholders to determine the design and parameters of the program. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

IDoA continues to work with stakeholders to determine design and parameters of the program. The state plans to submit an amendment to the currently approved Persons who are Elderly 1915(c) waiver (IL0143) to add this service. No spending is expected in the upcoming quarter.

Quarterly Update—FFY 2023 Q1

IDoA is working on completing revisions to the current service definition/rates to include this service expansion via waiver amendment. IDoA (Fee For Service) and HFS (MCO) will include the ongoing costs of \$7.2 million in their respective annual budgets.

Quarterly Update—FFY 2023 Q3

A draft waiver amendment was posted for 30 day public notice on 12/30/2022. The expected start date of this service is 7/1/2023. EHR rules have been drafted to prepare for submission to the Joint Committee on Administrative Rules (JCAR). JCAR approval required to implement new services.

Aging: New Environmental Modifications (\$7.5 million)

APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Clearly indicate whether your state plans to pay for capital investment costs as part of any of the activities to complete home repairs and weatherization activities proposed in the "Aging: New Environmental Modifications" initiative.

Quarterly Update—FFY 2022 Q2: State response

The Department on Aging (DoA) does not plan to pay for capital investments as part of any of the activities to complete home repairs and weatherization activities.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS.

Quarterly Update—FFY 2023 Q1

Spending has not yet occurred as this will be a new service added to the Elderly waiver via

amendment. IDoA (Fee For Service) and HFS (MCO) will include the ongoing costs of \$3.7 million in their respective annual budgets.

Quarterly Update—FFY 2023 Q3

IDoA continues to work with stakeholders to determine the design and parameters of the program. There has been no spending for this activity.

HFS/BBH: Therapeutic and Individual Support Services Promotion (\$2 million)
APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

The State is working with CMS to gain approval of the 1915(i) State Plan Amendment (SPA). There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

The SPA is not yet approved. There has been no spending for this activity.

Quarterly Update—FFY 2023 Q1

The State received CMS approval of the 1915(i) State Plan Amendment (SPA) on June 27, 2022. There has been no spending for this activity, but spending is anticipated to begin in Q2 of FY2023.

Quarterly Update—FFY 2023 Q3

Spending for this activity will begin in Q4 FFY 2023. Twenty-one Care Coordination and Support Organizations have been approved for funding totaling \$1,875,000. The remaining funds will be distributed to additional Care Coordination and Support Organizations in Y3Q1.

HFS/BBH: Grants to Expand Services in Underserved Areas and Promote Underutilized Services (\$25 million)
APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Clearly indicate whether the activities in the following categories are targeted at providers delivering services that are listed in Appendix B of the SMDL or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit).

Quarterly Update—FFY 2022 Q2: State response

The population eligible for these services will be 100% eligible for Medicaid and will be receiving services that are included under Appendix B.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS.

Quarterly Update—FFY 2023 Q1

The State received CMS approval of the 1915(i) State Plan Amendment (SPA) on June 27, 2022. There has been no spending for this activity, but spending is anticipated to begin in Q2 of FY2023.

Quarterly Update—FFY 2023 Q3

Spending is anticipated to begin in Q4 FFY 2023.

HFS/BBH: Interim Crisis Services Pilot Implementation (\$5 million)
APPROVED 2/7/2022

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.

9/29/2021: CMS request for additional information

Clearly explain how the following activities expand, enhance, or strengthen HCBS and how the activities will supplement and not supplant existing state funds expended for Medicaid HCBS as of April 1, 2021.

Quarterly Update—FFY 2022 Q2: State response

This service will significantly strengthen and supplement the community-based service system by offering a new level of community stabilization for individuals who would otherwise require treatment in an inpatient or more restrictive setting (e.g., jail/prison, hospitalization, residential settings, child welfare, nursing facilities, etc.).

Quarterly Update— FFY 2022 Q3

The state is removing Specialized Mental Health Rehabilitation Facilities (SMHRFs) from this proposal.

The state proposes to revise the proposal and use the following description:
Funding would be used to support the successful launch of the crisis pilot under the state's approved Behavioral Health Transformation waiver. Interim Crisis Services are diversions or

step-downs from inpatient psychiatric hospitalization. This funding would support grants for piloting the establishment of these services.

There has been no spending on this proposal.

Quarterly Update—FFY 2023 Q1

The State received CMS approval of the 1915(i) State Plan Amendment (SPA) on June 27, 2022. There has been no spending for this activity, but spending is anticipated to begin in Q2 of FY2023.

Quarterly Update—FFY 2023 Q3

Spending is anticipated to begin in Q4 FFY 2023.

New Spending Initiative Added FFY 2023 Q1

HFS/SLP: Nutrition Assistance for Supportive Living Program Customers (\$45.5M)

Since the inception of the Supportive Living Program (SLP) as a Home and Community Based service in the mid-1990s, SLP customers have been able to receive SNAP benefits, and their providers have been able to serve as SNAP retailers. In 2017, the USDA questioned the appropriateness of the arrangement under their existing rules and regulations. Congress enacted legislation to grandfather-in existing providers, though that provision will expire December 31, 2022.

Effective January 1, 2023, to ensure continued access to healthy meals without SLP customers having to move to a nursing facility, Medicaid will cover two meals for SLP customers as a covered waiver benefit. This amendment applies to participants receiving services in waiver IL.0326. The base 1915(c) waiver will be amended to include this change prior to the expiration of the Appendix K amendment. Beyond March 2025, the ongoing, annual costs of this new covered waiver benefit will be part of the HFS annual budget.

Quarterly Update—FFY 2023 Q3

The additional funding has been approved through an Appendix K amendment and included in the quarterly rates effective January 1, 2023. HFS will also be including the rate increase in an upcoming waiver amendment.

Updated spending broken out by year through March 31, 2024, for investments in enhanced HCBS services is included in the accompanying excel document.

IV. Supporting HCBS Transitions (\$9.1 million)

***DHS/DRS Assistive Technology and Home Modifications Improvements (\$1.1 million)
APPROVED 2/7/2022***

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.

9/29/2021: CMS request for additional information

Clearly indicate whether your state plans to pay for ongoing internet connectivity costs as part of this activity.

Quarterly Update—FFY 2022 Q2: State response

The IDHS/DRS plans to pay for internet connectivity costs for one year with state only funds. After that, customers would be linked with programs that provide discounted rates to customers on government assistance. During the PHE, customers were able to participate in remote adult day services activities, communicate with loved ones, and contact their care providers during periods of quarantine due to COVID. This has allowed enhanced and expanded HCBS services.

Quarterly Update— FFY 2022 Q3

The state is awaiting feedback from CMS on this spending proposal. There has been no spending on this proposal.

Quarterly Update—FFY 2022 Q4

The initiative was approved by CMS.

Quarterly Update—FFY 2023 Q1

Increases to contract for assistive technology assessor University of Illinois at Chicago. The contract was increased \$140,000 for state fiscal year 2023 service expansion.

Quarterly Update—FFY 2023 Q3

No update this quarter.

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

APPROVED 9/29/2021

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.

Quarterly Update—FFY 2022 Q2

DHS/DDD is working to update the contracts for ISC agencies to include this activity. There has been no spending for this activity.

Quarterly Update— FFY 2022 Q3

DHS/DDD is working on the contract amendments for ISC agencies. This update to the contracts will be effective for SFY23 (July 1, 2022). There has been no spending on this

activity.

Quarterly Update—FFY 2023 Q1

DHS/DDD has finalized agreements with Independent Service Coordination (ISC) agencies starting July 1, 2022, for Illinois State Fiscal Year 2023. These contracts include amendments to create deliverables for and fund the institutional outreach. Expenditures anticipated to occur starting in Q4 FFY2022.

Quarterly Update—FFY 2023 Q3

No update for this quarter.

Updated spending broken out by year through March 31, 2024, for investments in enhanced HCBS services is included below in the accompanying excel document.

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 be 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.

Quarterly Update—FFY 2023 Q3

Unallocated Funding for Initiatives Under Development – Updated 1/31/22

Funds Attributable to the HCBS FMAP Increase	\$349,200,000
Allocated Spend Plan Reinvestments in HCBS (State Share)	\$292,330,706
Unallocated Funding for Initiatives Under Development (State Share)	\$56,869,294
Additional Unallocated Funds for Initiatives Under Development from Year 1 Reinvestments*	\$13,735,460

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

Next Steps

The state is working to 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.

The state is currently developing processes to begin claiming the enhanced FMAP.