

# APPENDIX K: Emergency Preparedness and Response and COVID-19 Addendum

## Background:

This standalone appendix may be utilized by the state during emergency situations to request amendments to its approved waiver, to multiple approved waivers in the state, and/or to all approved waivers in the state. It includes actions that states can take under the existing Section 1915(c) home and community-based waiver authority in order to respond to an emergency. Other activities may require the use of various other authorities such as the Section 1115 demonstrations or the Section 1135 authorities.<sup>i</sup> This appendix may be applied retroactively as needed by the state. Public notice requirements normally applicable under 1915(c) do not apply to information contained in this Appendix.

## Appendix K-1: General Information

### General Information:

A. State: Arkansas \_\_\_\_\_

B. Waiver Title(s):

AR Choices in Home Care  
AR Living Choices in Assisted Living

C. Control Number(s):

AR 0195.R06.01  
AR 0400.R04.01

D. Type of Emergency (The state may check more than one box):

<input checked="" type="radio"/>	Pandemic or Epidemic
<input type="radio"/>	Natural Disaster
<input type="radio"/>	National Security Emergency
<input type="radio"/>	Environmental
<input type="radio"/>	Other (specify):

E. **Brief Description of Emergency.** *In no more than one paragraph each*, briefly describe the: 1) nature of emergency; 2) number of individuals affected and the state's mechanism to identify individuals at risk; 3) roles of state, local and other entities involved in approved waiver operations; and 4) expected changes needed to service delivery methods, if applicable. The state should provide this information for each emergency checked if those emergencies affect different geographic areas and require different changes to the waiver.

COVID-19 pandemic. This is an additive amendment to implement Arkansas' HCBS ARP Spending Plan, Workforce Stabilization Incentive Program, that will be used by AR Choices and Living Choices providers to recruit and retain direct service workers. The funding will be expended by Medicaid by March 31, 2022. The effective dates of the Workforce Stabilization Incentive Program are from October 1, 2021, to March 31, 2024, and will utilize ARP funding. The state will amend the base waivers to include the Workforce Stabilization Incentive Program prior to the expiration of the Appendix K additive amendment. This additive Appendix K extends the end date of the Appendix K from July 16, 2022, to six months after the end of the Public Health Emergency; however, this Appendix K amendment does not extend the Appendix K flexibilities that end on July 16, 2022.

**F. Proposed Effective Date: Start Date: March 12, 2020 Anticipated End Date: Six (6) months after the end of the Public Health Emergency.**

**G. Description of Transition Plan.**

All activities will take place in response to the impact of COVID-19 as efficiently and effectively as possible based upon the complexity of the change.

**H. Geographic Areas Affected:**

These actions will apply across the waiver to all individuals impacted by the COVID-19 virus

**I. Description of State Disaster Plan (if available) *Reference to external documents is acceptable:***

N/A

## Appendix K-2: Temporary or Emergency-Specific Amendment to Approved Waiver

### Temporary or Emergency-Specific Amendment to Approved Waiver:

*These are changes that, while directly related to the state's response to an emergency situation, require amendment to the approved waiver document. These changes are time limited and tied specifically to individuals impacted by the emergency. Permanent or long-ranging changes will need to be incorporated into the main appendices of the waiver, via an amendment request in the waiver management system (WMS) upon advice from CMS.*

**f. x Temporarily increase payment rates.**

As outlined in Arkansas' HCBS Spending Plan, AR Choices and Living Choices providers are eligible to receive workforce stabilization incentive payments. Arkansas has designed a HCBS Workforce Stabilization Incentive Program to allow providers to customize resources that best fit their organization's size, operational needs, and business priorities. The State proposes using the following incentive categories in the Workforce Stabilization Incentive Program:

CATEGORY:	DESCRIPTION:
Hiring bonus	New Direct Service Providers (DSPs) hired during the ARP effective period (i.e., October 1, 2021, through March 31, 2024) receive a hiring/recruitment payment after completing a minimum of thirty (30) calendar days of employment. The payment may be made in installments based on the provider's business model but cannot exceed \$1,000 per employee.
Longevity bonus	Longevity payments for DSPs who continuously provide service with the same employer for a minimum of three (3) months. The bonus cannot be paid in a one-time lump sum and must recur on a regular cadence determined by the employer. The recurring bonus can be paid through March 31, 2024, or until the provider allocation is depleted. Individual DSPs can earn bonuses up to the Longevity Bonus cap but cannot exceed \$15,000 total per employee.
Complex Care Longevity bonus	Complex Care Longevity payments for DSPs who provide care to at least one (1) individual with complex care needs. Bonus payments are provided on a regular and recurring basis determined by the employer and is based upon the DSPs experience, commitment and need for the employee to continue to work with the complex care recipient. DSPs can earn bonuses up to the Complex Care Longevity Bonus cap but cannot exceed \$3,500 total per employee. Complex Care means a history of: <ul style="list-style-type: none"> <li>A. Legal involvement</li> <li>B. Elopement risk</li> <li>C. Combative or aggressive behavior</li> <li>D. Multiple inpatient placements</li> <li>E. DCFS or DYS involvement</li> <li>F. Wheelchair-or bed-bound</li> </ul>

The Hiring bonus, Longevity bonus, and Complex Care Longevity bonus are autonomous and can be provided to the same employee in various categories but cannot exceed the monetary cap within the specific category. Workforce Stabilization Incentive Payments will be made as one-time payments to AR Choices and Living Choices providers for them to utilize during the period of October 1, 2021, through March 31, 2024. The state will amend the base waivers to include Workforce Stabilization Incentive payments prior to the expiration of the Appendix K additive amendment.

The HCBS Workforce Stabilization Incentive Program payments, described above, are dedicated amounts determined by a formula recommended by the State and approved unanimously by the ARP stakeholder committee that has worked hand-in-hand to develop Arkansas' HCBS Spending Plan. The payments will be available to AR Choices and Living Choices providers for the categories listed: Recruitment, Longevity, Complex Care Longevity.

The formula is a weighted distribution based on providers' HCBS state fiscal year 2021 program expenditures and state fiscal year 2021 unduplicated recipient counts. The program expenditure component is weighted at 70% and the unduplicated recipient count is weighted at 30%. Providers are then grouped by their tax identification number (TIN). Each provider eligible to apply for these funds is eligible to receive a minimum of \$15,000 of allowable allocation amount if they choose to apply and use the funds in accordance with the HCBS Workforce Stabilization Incentive program categories.

The provider specific allotted payment and each category limit are all-inclusive one-time payments for the provider to distribute to direct service workers, covering the employee's associated fringe and administrative cost, including FICA and other taxes, not to exceed 30% of the total amount.

The State's goal is to support the stabilization and enhance the quality of HCBS by assisting providers with funding to stabilize and strengthen current operations and develop provider-based plans for quality implementation, staff advancement and longevity, both short and long term. The funding will be targeted at providers delivering services under the AR Choices waiver and Living Choices waiver. The clients in these populations are receiving high levels of care in the community through provider organizations who rely on a fully staffed and trained workforce of non-clinical and clinical staff. The providers continue to struggle to hire and retain staff.

For this additive amendment, the Workforce Stabilization Incentive Program is available to AR Choices providers, type 23. The allowable service codes included are T1019 Personal Care (non residential); T1020 Personal Care (residential/assisted living); S5125 Attendant Care; S5100 Adult day services; T1005 Respite (long term); S5135 Respite (short term); S5150 Respite (in home).

For this additive amendment, the Workforce Stabilization Incentive Program is available to Living Choices providers, type 94. This is our Assisted Living waiver and they receive a per diem payment under code T2031.

## Contact Person(s)

### A. The Medicaid agency representative with whom CMS should communicate regarding the request:

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**Last Name** Pitman  
**Title:** Division Director  
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Division of Medical Services  
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### B. If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:

**First Name:** Melissa  
**Last Name** Weatherton  
**Title:** Division Director  
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**Fax Number** NA

## 8. Authorizing Signature

**Signature:**

/S/

**Date:** 3/14/2022

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State Medicaid Director or Designee

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