

INFORMATIONAL LETTER NO. 2360-MC-FFS

DATE: July 26, 2022

TO: Home- and Community-based Services (HCBS) Waiver, State Plan HCBS Habilitation, Behavioral Health Intervention Services (BHIS), Applied Behavioral Analysis (ABA) Providers

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid

RE: Third Application Period Reopened – HCBS American Rescue Plan Act (ARPA) Recruitment and Retention Grants

EFFECTIVE: Upon Receipt

As previously announced in [Informational Letter 2351-MC-FFS](#)¹ Iowa Medicaid is accepting applications from eligible HCBS direct service providers to receive funds from the HCBS ARPA Recruitment and Retention Grant. Providers that were not included in the first and second application periods and are identified in this letter may apply for a share of the funds.

Eligible agency providers identified below who did not apply for funds during the first application period prior to the application closing will now have until close of business **Friday, August 19, 2022**, to apply for a portion of the grant funds. Eligible providers who did not apply for a grant during the first application period are encouraged to apply. Applications from providers who have already applied for and are authorized to receive recruitment and retention grant funds will be denied.

The provider payments will fund recruitment and retention of direct care staff. Grant funds must be used to cover costs related to recruitment and retention incentive payments to direct care staff and those frontline supervisors providing direct care as a component of their job duties.

¹ <https://secureapp.dhs.state.ia.us/IMPA/Information/ViewDocument.aspx?viewdocument=8031224c-57e5-49c3-834c-1ed7be7c7f2c>

Eligible providers for the third application period include:

Brain Injury (BI) Waiver, Intellectual Disability (ID) Waiver, and HCBS Habilitation

- Prevocational services – T2015 and T2015 U3
- Supported employment (SE)
 - Individual SE – T2018 UC
 - Long-term job coaching (LTJC) SE – H2025 U4, U3, U5, U7, UC
 - Small group SE – H2023 U3, U5, U7
 - IPSE SE (HAB only) – T2018 U3, U4, U5, U6

AIDS/HIV, BI, Elderly, Health and Disability (HD), ID Waiver

- Adult day care – S501, S5102, S5105 and S5100

Children's Mental Health Waiver (CMHW)

- In-home family therapy – H0046
- Family and community support – H2021

BHIS

- Behavior health long term residential, without room and board – H0019
- BHIS crisis intervention – H2011
- Individual skill development-adult (age 18 and up) – H2014 HB
- Group skill development-adult (age 18 and up) – H2014 HQ
- Individual skills training-child and adolescent (age 0-20) – H2019 HA
- Group skills training-child and adolescent (age 0-20) – H2019 HQ
- Family skills training – H2019 HR

ABA

- Behavior identification assessment – 97151 HO, HP
- Observational behavioral follow-up assessment – 97152 HO, HP
- Adaptive behavior treatment (97153 HN, HO, HP – individual; 97154 HO, HN, HP – group)
- Family adaptive behavior treatment guidance – 97156 HO, HN, HP
- Clinical supervision and treatment planning development – G9012HO, HP

To be eligible for grant funds, eligible providers must meet these requirements:

- They billed a Managed Care Organization (MCO) or FFS Medicaid for eligible services provided between July 1, 2020, and June 30, 2021.
- They continued to provide patient care after April 1, 2021.
- They have not permanently ceased providing patient care directly or indirectly.
- With respect to Medicare, any state Medicaid program, and any federal health care program, the recipient is not:
 - suspended or excluded from participation.
 - suspended from receiving payments.
 - under any other sanction or penalty.

Calculation of the Amount to be Distributed

DHS will distribute an equal share of the funds for each full-time equivalent (FTE) identified. For the purposes of calculating the amount to be distributed per FTE:

- Agency providers shall calculate direct care worker FTEs.
 - An FTE is equal to a 32-hour work week.
 - Two direct care workers working 16 hours per week equals 32 hours worked per week and shall be treated as one (1) FTE.
 - This calculation may also include the direct care hours worked by frontline supervisors as a component of their job duties.
 - Two frontline supervisors working 8 hours of direct care each week equals 16 hours worked per week and shall be treated as one (1) part-time equivalent (PTE) or .50 FTE.
- Agency providers shall not request funding for the recruitment and retention of FTEs more than the total number of open and filled direct care worker full-time/part-time equivalents delivering eligible services within the agency.
 - The agency provider shall exclude those direct care workers that do not provide the eligible HCBS from their FTE calculations.

The amount to be distributed per FTE = total dollars available / total FTEs.

Applying for Grant Funds

Agency providers enrolled under multiple national provider identifiers (NPIs) for eligible HCBS should list those NPIs and their corresponding tax ID number and pay to legacy numbers on the application. Providers may submit only one application per organization. Duplicate applications will be rejected.

Agency providers will have until close of business on **Friday, August 19, 2022**, to request grant funds by completing the online application and attestation and submitting the minority impact statement. Once all provider applicants' eligibility has been verified, Iowa Medicaid will determine the amount of grant funds to be distributed to agency providers for each FTE.

Provider Responsibilities

Grant funds received shall only be used for the purposes of recruiting and retaining employees delivering eligible direct care services and shall not be used to defray or supplant any other organization costs.

Providers are required to maintain records of the receipt and distribution of the grant funds to their employees. For federal reporting purposes DHS will request information regarding how the funds were distributed and the impact of the funds on recruitment and retention efforts. DHS will announce the timeline and method of reporting at a future date.

Providers receiving the funds will have until **March 31, 2024**, to fully expend the funds for the purposes of recruitment and retention as outlined in the terms and conditions.

An FAQ has been posted to the [DHS ARPA webpage](#)².

If you have questions, please contact the Iowa Medicaid Provider Services Unit at 1-800-338-7909 or by email at imeproviderservices@dhs.state.ia.us.

² [American Rescue Plan Act \(ARPA\) 2021 | Iowa Department of Human Services](#)