

Proposal for Coronavirus Relief Fund

Submitted by DHS

Title: COVID-19 Emergency Response Reimbursement Payments

Extension

The CARES Act Steering Committee previously approved the proposal from the Arkansas Department of Human Services (DHS) for a time-limited, one-time reimbursement for infrastructure and operational costs specifically incurred by health care providers in order to continue safely serving clients during the period March 18 to May 30, 2020. Providers were permitted up to sixty days following the completion of the emergency response payment period (July 30, 2020) to submit a request for reimbursement. The cost of this proposal was \$23.4 million. As of September 21, 2020, DHS has awarded \$1,344,083.67 to 158 providers.

DHS is proposing to extend this initiative for a reduced amount of funding to address two specific COVID-19 impacts: a) To add a group of providers that were not included in the original proposal and have not received federal funds to offset their additional COVID-19 costs, and b) to provide support for the shift to telemedicine and ongoing cost of PPE/safety for many small and medium-sized providers in order to continue delivery of services.

a. Adding providers not included in the original proposal.

DHS proposes to add providers that were not covered under the original initiative. These are:

1. Assisted Living Facilities;
2. Intermediate Care Facilities for individuals with developmental/intellectual disabilities;
3. Residential Care Facilities;
4. In-home hospice care providers;
5. Personal care agencies; and
6. Home health agencies.

These added providers would have until October 30 to file claims for costs incurred during the initial period of March 18 to May 30, 2020. The same expenses that were eligible for reimbursement in that period for other providers will be eligible for reimbursement under this proposal for these additional providers:

Eligible providers may be reimbursed for any of the following suggested purposes or may propose additional improvements, not included below, for DHS consideration and approval prior to payment:

1. Costs associated with expanding the use of telemedicine and telehealth by shifting to or enhancing available telemedicine services through equipment, technology, and facility upgrades, e.g. training staff and purchasing tablets for staff and clients;)
2. Additional workforce support or training, including training staff on delivering services via telemedicine;

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3. Shifting to or enhancing available telemedicine services through equipment, technology, and facility upgrades;
4. Purchase or lease of specialized equipment;
5. Re-configuring patient intake areas or rooms to maintain social distancing and reduce the risk of COVID-19 transmission;
6. PPE and enhancing cleaning and sanitation services beyond what would be required under normal infection control policy, and in compliance with CDC recommendations;
7. Emergency operations facility improvements;
8. Changing business practices to expand services available and location of services and safe delivery of services in clinic settings; e.g. shifting hours of service availability and instituting screening;
9. Expanding use of in-home services (payment would be used to establish ability to change method of providing services, e.g. training staff. Virtual services are not included in component;)
10. Maintaining operations by adding extended hours, additional days, or shifting scheduled hours to accommodate well vs. sick visits.

For the added providers, DHS would provide one-time reimbursement payments of up to:

Eligible Provider	(March 18 to May 30) Costs Not to Exceed	Estimated Sites	Estimated Cost
Personal Care/Home Health Agencies/In-Home Hospice (<25 employees)	\$5,000	122	\$610,000
Personal Care/Home Health Agencies/In-Home Hospice (25-100 employees)	\$15,000	52	\$780,000
Personal Care/Home Health Agencies/In-Home Hospice (>100 employees)	\$30,000	14	\$420,000
Assisted Living Facilities	\$30,000	57	\$1,710,000
Intermediate Care Facilities	\$30,000	42	\$1,260,000
Residential Care Facilities	\$30,000	21	\$630,000

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b. Supporting the shift to telemedicine and ongoing safety costs:

A number of providers and provider groups, including physicians and providers of services for the elderly, physically and intellectually/developmentally disabled, have contacted DHS and other state agencies to request additional funding for PPE, sanitation, safety-related costs and supplies and technology support, including training and support to expand the use of telemedicine. Additionally, the requests from the Arkansas Health Equity Response Team and the Arkansas Medical, Dental, and Pharmaceutical Association include assistance for training and infrastructure items related to the shift to delivery of services via telemedicine and for PPE.

Accordingly, DHS proposes to extend \$10,066,000 of the remaining funds for this initiative to support investments in telemedicine and ongoing PPE/sanitation/safety costs. Providers that were eligible for the first phase of the initiative would have until November 25 to file claims for costs incurred during the period May 31 to November 15, 2020 for reimbursement. No other changes are proposed and, except for the newly added providers in section a) above, no new claims would be accepted for costs incurred prior to May 31. The extension will use the same provider types. Providers are encouraged to submit all eligible expenses and DHS will reimburse equitably for eligible expenses not reimbursed by other sources up to the maximum of eligible expenses the provider filed, based on fund availability. If all eligible providers file expense reimbursement requests, the fund will be able to cover a minimum of \$2,000 for each provider. If all eligible providers do not request reimbursement for eligible expenses up to \$2,000, then there will be additional funds to equitably distribute to those who submitted eligible expenses above that amount. There will be no cap on the amount of eligible expenses that can be covered for a provider, the limitation will be availability of funds. Additionally, if the entire funding allocated to cover expenses for the newly added providers in section a) above is not used, that money will be added to the funds available for reimbursement under this section.

Because funds from the first period are still available, DHS does not request additional funding, only to be able to use a portion of those unspent funds for the extension period.

Extended Emergency Response Reimbursement Payment

The amount of the Extended Emergency Response Reimbursement Payment will be determined by the state, and made available for provider types as listed in the table below:

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Type of Health Care Provider	Estimated Sites
1.Independent Primary Care Physicians	1,200
2.Other Independent Physicians	250
3. Dentists	900
4.Independent Therapy practices (must have own physical site to receive clients)	2,000
5.Independent Ambulances	150
6. Outpatient Behavioral Health Agencies	80
7. Early Intervention Day Treatment (EIDT) Centers	75
8. Adult Development Day Treatment (ADDT) Centers	70
Added Provider Types:	
9. Assisted Living Facilities	57
10. Intermediate Care Facilities for individuals with developmental/intellectual disabilities	42
11. Residential Care Facilities	21
12. In-Home Hospice Care Providers	188
13. Personal Care Agencies	
14. Home Health Agencies	

The provider must accept Medicaid patients and meet applicable licensing requirements in order to qualify for an Emergency Response Reimbursement Payment. DHS shall retain the authority to determine whether the health care providers meet the requirements necessary to qualify for an Emergency Response Reimbursement Payment.

Eligible providers may be reimbursed for any of the following suggested purposes or may propose additional improvements, not included below, for DHS consideration and approval prior to payment:

1. Costs associated with expanding the use of telemedicine and telehealth by shifting to or enhancing available telemedicine services through equipment, technology, and facility upgrades, e.g. training staff and purchasing tablets for staff and clients;)
2. Additional workforce support or training, including training staff on delivering services via telemedicine;
3. Shifting to or enhancing available telemedicine services through equipment, technology, and facility upgrades;
4. Purchase or lease of specialized equipment;
5. Re-configuring patient intake areas or rooms to maintain social distancing and reduce the risk of COVID-19 transmission;

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6. PPE and enhancing cleaning and sanitation services beyond what would be required under normal infection control policy, and in compliance with CDC recommendations;
7. Emergency operations facility improvements;
8. Changing business practices to expand services available and location of services and safe delivery of services in clinic settings; e.g. shifting hours of service availability and instituting screening;
9. Expanding use of in-home services (payment would be used to establish ability to change method of providing services, e.g. training staff. Virtual services are not included in component;)
10. Maintaining operations by adding extended hours, additional days, or shifting scheduled hours to accommodate well vs. sick visits.

For the extension period, DHS would provide a single, one-time reimbursement payment, so providers should submit all eligible expenses at one time for reimbursement.

Total Estimated Cost of the extension: \$15,476,000

Funds already disbursed: \$1,345,595

Total revised cost of the Emergency Response Payments: \$16,821,595

Approved funds to be returned to the CARES Act Steering Committee: \$6,603,405

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Restrictions on funds:

The recipient of funds would be required to attest that these are necessary expenditures due to the public health emergency with respect to COVID-19 and that none of these funds are used to:

- duplicate or supplant funding from any other source of payment including by future rate increases or from federal funding
- offset loss of revenue
- provide “retention” or retainer payments
- pay bonuses
- pay any increase in management fees to administrative personnel

Process and Procedures for Payment:

For purposes of program integrity, the provider must be enrolled in the Arkansas Medicaid program as of the beginning of the relevant payment period (March 18 for new providers added to the original Emergency Response Payment proposal and May 31, 2020 for all providers applying for reimbursement in the May 31-November 15 period.) Providers must also be currently accepting Medicaid beneficiaries.

To be eligible to receive the Emergency Response Reimbursement Payment or Extended Emergency Response Reimbursement Payment, an eligible provider shall submit to DHS a description of the infrastructure, equipment, PPE/safety expense, or process improvement(s) made to its facilities and operations to better meet the challenge of COVID-19. The submission shall be on a form provided by DHS and shall include copies of the invoices or other documentation reflecting the actual costs incurred in making the infrastructure or operations improvement(s). Expenses must be incurred and invoiced in the period covered by this extension proposal and submitted timely within the submission dates directed by DHS. Invoices or other records of the expenses incurred must be collected and retained by the provider.

All requests for reimbursement must be submitted by November 25, 2020 and DHS will finalize review of those reimbursement requests by December 15. DHS will reimburse providers for expenses in the May31 – November 15 period above the maximum allowed for reimbursement in that period at an equal rate, with individual providers limited to a maximum reimbursement for those eligible expenses submitted timely, according to fund availability.

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