

INFORMATIONAL LETTER NO. 2329-MC-FFS

DATE: March 24, 2022

TO: Home- and Community-Based Services (HCBS) Waiver and State Plan HCBS Providers

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

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

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

EFFECTIVE: Upon Receipt

As previously announced in [Information Letter \(IL\) 2309-MC-FFS¹](#), Iowa Medicaid is accepting applications from eligible HCBS Waiver and Habilitation direct service providers to receive funds from the HCBS ARPA Recruitment and Retention Grant. The previously announced deadline for the first round of grant applications was February 18, 2022. The Department is opening a second application period.

Individual Consumer-Directed Attendant Care (ICDAC) and agency providers who did not apply for funds during the first application period will now have until **Friday April 22, 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.

Iowa Medicaid is distributing funds from the ARPA HCBS Recruitment and Retention grant to the Managed Care Organizations (MCOs) for distribution to eligible providers. The provider payments will serve the purpose of retaining essential individual Consumer-Directed Attendant Care (CDAC) and Consumer Choices Option (CCO) employees and assisting qualified HCBS agencies with 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.

¹ <https://secureapp.dhs.state.ia.us/IMPA/Information/ViewDocument.aspx?viewdocument=8dfcc901-97b8-4f02-9416-32d928e1d325>

Eligible HCBS Providers Include:

- HCBS Waiver ICDAC providers
- HCBS Waiver Agency CDAC
- HCBS Waiver CCO employees
- HCBS Waiver Day Habilitation providers
- HCBS Waiver Supported Community Living (SCL) providers
- HCBS Waiver Respite providers
- State Plan HCBS Habilitation Home-Based Habilitation (HBH)
- State Plan HCBS Habilitation Day Habilitation providers

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

- They billed an MCO or FFS Medicaid for eligible HCBS 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.

CCO employees actively employed and identified in CCO participants' budgets as providing self-directed personal care services, self-directed community supports, employment, or individual-directed goods and services were included in the calculation of the total full-time equivalents (FTE) for fund distribution during the first application period. They will not receive a second distribution of the grant funds.

ICDAC and agency providers who apply for a grant, but who do not meet the eligibility criteria, will be notified.

Calculation of the Amount to be Distributed

The Department will distribute an equal share of funds for each FTE identified. For the purposes of calculating the amount to be distributed per FTE:

- ICDAC providers will be considered one (1) 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 shall be treated as one (1) FTE.
 - The agency provider shall not request funding for the recruitment and retention of FTEs more than the total number of open and filled direct care worker positions delivering eligible HCBS within the agency.
 - The agency provider shall exclude from their FTE calculations direct care workers who do not provide eligible HCBS.

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

ICDAC and Agency Providers Attestation

By accepting these funds, the Medicaid provider agrees to comply with ARPA HCBS Recruitment and Retention Grant Fund terms and conditions.

Applying for Grant Funds

ICDAC providers who believe they meet the above criteria should complete the application form found [here](#)². Agency providers who believe they meet the above criteria should complete the application form found [here](#)³. Application includes completion of the online application, attestation to terms and conditions, and submission of the Minority Impact Statement. Iowa Medicaid will review each application for completeness and to verify eligibility for grant funds. Agency providers enrolled under multiple national provider identifiers (NPIs) for eligible HCBS should list those NPIs and their corresponding pay to legacy numbers on the application. Providers should submit one application per organization. Duplicate applications will be rejected.

ICDAC and agency providers will have until close of business on **April 22, 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 ICDAC, CCO participants, and agency providers for each FTE.

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 <https://www.tfaforms.com/4958877>

³ <https://www.tfaforms.com/4958883>