



State of Indiana

Indiana Family and Social Services Administration

Proposed Spending Plan for Implementation of the American Rescue Plan Act of 2021, Section 9817 – First Quarterly Update

State of Indiana

Submitted to The Centers for Medicare and Medicaid Services

October 18, 2021



Eric Holcomb, Governor
State of Indiana

Indiana Family and Social Services Administration

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Transmittal Letter

October 18, 2021

The Indiana Family and Social Services Administration (FSSA) is submitting the following quarterly HCBS spending plan to CMS pursuant to the guidance issued via SMD #21-003. FSSA is grateful to CMS for granting partial approval of our initial spending plan on September 30, 2021, and we look forward to CMS' review of our response for additional information, which was submitted October 7, 2021. Clarifications provided in our October 7, 2021 letter are incorporated in the narrative below. FSSA's designated point of contact for the quarterly spending plan submissions will be Allison Taylor, the State Medicaid Director.

As part of our quarterly HCBS Spending Plan submission, FSSA attests to the following assurances:

- The state is using the federal funds attributable to the increased FMAP to supplement and not supplant existing state funds expended for Medicaid HCBS in effect as of April 1, 2021;
- The state is using the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program;
- The state is not imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;
- The state is preserving covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
- The state is maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

FSSA looks forward to CMS' review of our quarterly HCBS Spending Plan submission. We are excited be able to use the enhanced FMAP funding to improve the continuum of HCBS, and enable improved health and well-being outcomes for Hoosiers.

Sincerely,

Allison Taylor
Medicaid Director, Office of Medicaid Policy and Planning
Indiana Family and Social Services Administration

Spending Plan Narrative

Background

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARP), of which Section 9817 provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS). In accordance with ARP and the additional Centers for Medicare and Medicaid (CMS) guidance issued, the Indiana Family and Social Services Administration (FSSA) plans to use the federal funds attributable to the increased FMAP and state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement the strategies outlined in this Spending Plan to enhance and expand access to, quality of, and capacity of HCBS under the Medicaid program.

In response to the COVID-19 Public Health Emergency (PHE), Indiana's FSSA will use this enhanced FMAP funds to increase community living options for qualifying Medicaid beneficiaries, stabilize and support the HCBS workforce and HCBS provider network, build up the necessary health information technology infrastructure, and accelerate long-term services and supports (LTSS) reform in accordance with Title II of the Americans with Disabilities Act, 42 U.S.C. §§ 12131–12134, as interpreted by the Supreme Court in *Olmstead v. L.C.*, 527 U.S. 581 (1999) and with Title XIX of ARP.

Executive Summary

States are in a unique position to accelerate the expansion of HCBS which offer older adults and individuals with disabilities greater choice and control in regards to services that help them achieve greater quality of life. Indiana is in the midst of implementing an array of HCBS strategies that promote community living and services in support of this goal. This module describes Indiana's plan to utilize the HCBS enhanced FMAP funds to improve delivery of services that are sustainable across communities, equitable in their approach and access, data-driven, and invested in continuous improvement of quality and outcomes.

Our plan initially focuses on a stabilization phase in response to the COVID-19 public health emergency. In a concurrent phase over the three-year enhanced FMAP period through March 2024, FSSA proposes to utilize an outcomes-orientation approach in determining how to effectively advance HCBS in the State of Indiana. Our four (4) priority areas, as outlined in this plan, and echoed and validated by our stakeholder partners, are:

1. Workforce
2. Enhance HCBS
3. Build Provider Capacity
4. Caregiver Training and Support

The proposals detailed in this spending plan are preliminary ideas put forth by the state of Indiana and are subject to change as the project evolves.

Plan Details

Phase I: Stabilize Community Provider Networks

As we emerge from the public health emergency, it is critical that we stabilize Indiana's workforce and community-based provider network. This first, immediate phase will focus on meeting urgent needs in the HCBS landscape and will supplement the relief funds that the State has already distributed.

FSSA plans to do so through the establishment and administration of targeted stabilization grant programs. We will apply an equity lens to this effort, and a key driver of program design will be to prioritize HCBS provider groups and communities that have been underrepresented in the relief funds paid out to date.

To that end, FSSA will work with stakeholders to determine eligibility criteria, which may differ for various phases of these stabilization grant programs in order to target underrepresented provider groups and employees. Factors that may be considered when determining eligibility include geography, race, gender, and regional income level.

Quarterly Update dated October 18, 2021:

FSSA affirms that the stabilization grant programs will be targeted to provider types and paid family caregivers as listed or could be listed in Appendix B of SMDL #21-003. FSSA is evaluating data to inform the design of our stabilization grant program strategy and will engage with stakeholders prior to making determinations. For activities that contemplate improving internet connectivity, the State plans to approach these efforts as pilots to help inform whether this activity is an effective way to enhance, expand, and strengthen HCBS. If determined to be effective, the State will follow the waiver amendment process to formally add the service to the waiver and develop a methodology to support internet access specific and limited to the approved services. For additional information, please see CMS' partial approval letter (Attachment A) and our response letter (Attachment B).

➤ **Provider Stabilization Grant Program**

In order to support providers affected by the public health emergency, FSSA will work with stakeholders to develop a stabilization grant program.

Purpose: To address COVID-19 related expenses including costs related to compensation and benefits (including incentives related to the COVID-19 vaccine), COVID-19 testing, personal protective equipment, and other COVID-19 related expenses especially costs for administering vaccine to homebound individuals.

Cost Allowance: FSSA will determine allowable expenses for the provider stabilization grant program.

Application Process and Determination: In order to distribute these funds, FSSA will develop an application process for providers with accessibility and simplicity in mind. To apply, providers will be asked to supply information to FSSA regarding their operational costs. Grant amounts will be determined based on the total amount of allowable COVID-19 related expenses claimed by the provider for the grant period.

➤ Workforce Stabilization Grant Program

To recognize the extraordinary efforts of the direct support workforce, FSSA will distribute a grant specifically to support frontline staff who worked to support their communities through the COVID-19 pandemic.

Purpose: To provide bonuses for current frontline staff who remained active through COVID-19.

Cost Allowance: Prior to soliciting applications, FSSA will determine a set number of categories that individuals could fall into depending on their duration of tenure as an active frontline employee during the COVID-19 public health emergency. Tied to each category will be a corresponding set bonus amount per employee. These bonus amounts will be tiered accordingly, with the largest bonus amount correlated to the longest tenure period category, and so on.

Application Process and Determination: FSSA will develop an easy and accessible application process where providers are invited to submit the necessary qualifying information for their employees. We will require that this full amount be passed on to each staff member represented in the calculation and will provide a small percentage fee for their administration of the pass through.

➤ Caregiver Support Grant Program

To recognize and validate the often uncompensated yet vital work of caregivers, FSSA will establish a dedicated caregiver support grant to promote access to valuable technology resources that help facilitate human connection and reduce loneliness as caregivers and loved ones transition out of the COVID-19 pandemic and beyond.

Purpose: To provide access to technology, such as tablet devices, image sharing applications or animatronic pets to combat social isolation and loneliness exacerbated by the COVID-19 public health emergency.

Cost Allowance: FSSA has determined a preliminary estimate of electronic devices needed for individuals in the HCBS continuum to support and combat the negative

expressions of those experiencing social isolation and loneliness. FSSA plans to make technical assistance available for anyone who receives an electronic device through this process in order to ensure recipients of these devices can experience the full benefits these options can offer.

Application Process and Determination: FSSA will develop an equitable and easily accessible application process, differentiated between caregivers and providers, to ensure the appropriate technology reaches the appropriate recipients. A longer-term solution will also be articulated during this process, and further detail can be found in Section IV.

Phase II: Effectively Advance HCBS in the State of Indiana

1. Workforce

Support the Provider Workforce

One of our key priorities is to support and expand the HCBS provider workforce, especially front-line workers, which will ultimately support the provision of quality HCBS. In this transitional post-COVID-19 time, it is critical that we build Indiana's community-based provider workforce and translate lessons learned from the public health emergency into sustainable, long-term strategies.

Quarterly Update dated October 18, 2021:

FSSA affirms that the workforce strategies contemplated by this section, that are not listed in Appendix B, support HCBS, as we need more workers to meet member needs and growing member demand for home-based services. These administrative efforts will help build and retain the HCBS workforce.

➤ Recruitment and Retention of Workforce

On a broad level, FSSA is centering our plans around a data and outcomes-driven approach to enhance HCBS services in line with community needs. A core requirement is thus to expand the existing HCBS workforce in order to meet HCBS member needs and growing member demand.

FSSA plans to develop a comprehensive direct service workforce strategy. Included in this will be a research review of evidence-based or best practices used by other states and organizations that led to increased recruitment, retention, and career satisfaction among direct service workforce. This research will be conducted in collaboration with our State University Partners to develop actionable and sustainable recommendations for growing and sustaining the direct service workforce in Indiana. In conjunction with this work, FSSA will hold a Workforce Summit with Providers, Direct Support Workers, the Department of Workforce Development (DWD), Educational Institutions, Individuals

Served, Families and Others to share the results of the research review and to hear from direct support workforce subject matter experts which will help to inform our long-term plan.

As part of the implementation of this comprehensive strategy, FSSA plans to explore how to use a pay-for-outcomes strategy in regards to provider recruitment and retention strategies. One example of a potential pay for performance measure is the percentage of staff hired with a certain level of training.

To support individuals in the workforce, including paid family caregivers which can be any family member who is paid through the Medicaid waiver to provide services to a waiver participant, FSSA plans to build up training and resources for both individuals interested in pursuing a career as a direct service worker and current direct service workers. These efforts may include the following:

- Developing a common curriculum for direct service workers providing HCBS
- Creating career ladders for direct service roles
- Developing a clear and feasible path for individuals to become high quality direct service providers
- Developing financial supports for individuals in the form of scholarships, subsidized childcare, paid internships, and loan forgiveness opportunities
- Coordinating and developing peer-learning networks to support direct service providers
- Implementing a statewide recruitment campaign to highlight the importance of direct service work and connect candidates with direct service opportunities in their community. This would include a one-stop website for providers and employees to post and find direct service work

As many states are also focusing on expanding the direct service provider workforce, we will continue to work closely with our peers across the country to build upon and implement other innovative ideas. We will also work to promote direct support work as a career path and to establish apprenticeship pathways that increase the workforce. These efforts will help build and retain the HCBS workforce.

Looking at long-term stability, FSSA plans to take this opportunity to develop structural strategies for sustainable provider and workforce growth. Concurrent with the strategies outlined above, FSSA will research and develop pathways to use Medicaid as a funding source for sustainable workforce initiatives. This includes researching payment strategies and regulatory requirements and their potential as barriers to access. Based on these findings, FSSA will identify payment and legislative strategies that address these barriers in order to promote and expand workforce competency and capacity.

➤ Private Duty Nursing

As part of a broader effort to transition away from institutional care to HCBS, FSSA hopes to expand HCBS provider capacity, including increasing Private Duty Nursing for home-based settings, which excludes all congregate settings, including assisted living. Private Duty Nursing enables individuals that need in-home monitoring, require adjustments in treatment regimens, or have medical conditions that require frequent assessments and care plan changes to receive the care they need in the comfort of their own home. Currently, the Indiana State Plan Home Health rate structure is designed to incentivize short-term stays with the daily overhead fee, creating a disincentive for providers to deliver extended visits. Many Medicaid members need extended services, and in combination with overall nursing shortages, there is a statewide challenge finding nursing care for extended hours. While the shortage in care is especially acute in rural areas, the gap exists statewide. In order to incentivize delivering extended services to promote enhanced health and well-being for our Medicaid members requiring longer term care, we hope to leverage this funding to establish the rate for Private Duty Nurses.

2. Enhance HCBS

To Ensure All Individuals have Easy and Equitable Access to HCBS

The State of Indiana is committed to enhancing the delivery of HCBS in order to provide easy and equitable access to necessary services. It is our top priority to center the individuals served as we build upon our existing infrastructure and implement targeted strategies that empower all individuals to thrive in their communities. Our efforts will include ensuring equitable access to HCBS, expanding wraparound services to address systemic barriers to quality home and community-based care, and integrating our systems to provide a cohesive HCBS environment.

Quarterly Update dated October 18, 2021:

FSSA affirms that the strategies contemplated by this section enhance HCBS and do not include activities that will incur costs not allowable under CMS guidance or impose stricter eligibility standards for HCBS programs and services than was in place on April 1, 2021. FSSA also believes the legal aid activities outlined in this section could enhance HCBS to help members navigate the complicated and disconnect process of living at home. For activities that contemplate improving internet connectivity, the State plans to approach these efforts as pilots to help inform whether this activity is an effective way to enhance, expand, and strengthen HCBS. If determined to be effective, the State will follow the waiver amendment process to formally add the service to the waiver and develop a methodology to support internet access specific and limited to the approved services. For additional information, please see CMS' partial approval letter (Attachment A) and our response letter (Attachment B).

➤ Address Social Needs of Members Receiving HCBS

In order to expand access to home and community-based service options, Indiana is taking a holistic approach to tackling systemic barriers that currently prevent individuals from being supported in their home and community.

A key component of home and community-based services is supporting individuals receiving services through using integrated supports to address their social needs. These needs can be as unique as the individuals supported, but generally focus on issues related to housing, employment, access to food, transportation, etc. With this in mind, FSSA will invest in efforts specifically targeted at increasing access to housing, transportation, employment, and wealth management education.

To address housing, we will work with the Indiana Housing and Community Development Authority along with the Corporation for Supportive Housing to build on current efforts to build the pool of accessible, affordable housing across the State. For individuals with intellectual and developmental disabilities, this includes building on the community integration set-aside, as well as the Moving Forward project. These efforts, however, do not include activities that will incur capital investment costs. For older adults, we will create a grant for the purpose of developing a Community Aging in Place -- Advancing Better Living for Elders (CAPABLE) pilot program, pursuing an innovative approach to building home modification capacity, and developing housing support services. The CAPABLE pilot program is an evidence-based client-directed home-based intervention to increase mobility, functionality, and capacity to “age in place” for older adults, provided by a team of an occupational therapist, a nurse, and a handy worker to address both the home environment and use the strengths of the older adult to improve safety and independence. FSSA will evaluate the potential positive outcomes and cost savings this pilot program could achieve, which will inform the program design of a long-term approach. These efforts will not include payment for room and board.

For employment, FSSA will work with self-advocates, families, and providers to use recommendations advanced by the Task Force for Assessment of Services and Supports for People with Intellectual and Developmental Disabilities and the recently adopted Indiana Employment First Plan to develop a comprehensive approach to increasing competitive, community-based employment opportunities. This approach will include strategies that emphasize enhanced benefits planning support and the use of quality-driven payment mechanisms, such as pay for performance.

To address other areas of social need, FSSA will work with individuals, families, and other stakeholders to identify strategies to address challenges and barriers.

From a workforce perspective, FSSA plans to address non-clinical barriers by building a sustainable workforce that increases capacity and access to care at the least restrictive setting to support HCBS, which would allow the HCBS workforce to meet member needs and growing member demand. This will include strategies to increase workforce that

reflects the demographics of the members who receive HCBS services. This will allow individuals to remain at home and to avoid unwanted and unnecessary institutional stays.

➤ Address Health Inequities

Indiana is committed to providing quality care for all individuals, which requires a targeted approach when considering health inequities. This commitment will require the integration of health equity considerations into policy and programs, collaborating with other agencies, measuring and tracking outcomes data, ensuring equal access and intentionally engaging minority communities. Initially, FSSA will explore opportunities to assess the current barriers individuals may face in accessing healthcare and HCBS services, depending on a variety of factors such as race, geography, disability, and income level.

FSSA will work with local entities such as the local Indiana Minority Health Coalitions (IMHC) to provide community supports, assist in identifying disparities, create collaborative strategies, improve communication channels, and provide education.

Aside from ensuring that workforce strategies are inclusive and accessible, FSSA will develop a comprehensive plan to measure, analyze, and respond to identified inequities in health and social programs across race and geography. To do so, we will connect with local communities that understand their own needs best in order to inform and support our recruitment and training efforts.

Additionally, FSSA will engage outside technical assistance and advisory support to review and provide guidance on identifying and addressing health inequities in Indiana's LTSS system. One specific initiative that FSSA will pursue is developing and implementing an in-home vaccination program to ensure equitable access to COVID-19 vaccines and other vaccines in the long term. Another key component of this work will be to grow our data capacity to better analyze the data by race, location, disability, poverty rates, and other factors in order to better understand the health landscape.

➤ Policy and Regulatory Review

FSSA plans to provide technical assistance to ensure that the home health and personal care needs of our members are being met both efficiently and effectively. This will be accomplished by reviewing the regulatory and policy infrastructure and subsequently developing and implementing a plan to make the appropriate and necessary changes to both State Plan and waiver services, including the interplay between their separate and distinct processes. Our overriding goal is to maximize available resources by incentivizing the right care at the right time. The hope is to allow for more effective utilization of both waiver and State Plan services, as well as to encourage potential additional services to meet the needs of our members.

➤ Expedited Eligibility

FSSA is committed to developing an expedited eligibility model for Indiana to decrease the waiting time for HCBS delivery to likely Medicaid beneficiaries without imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services that were in place on April 1, 2021. The agency plans to utilize a combination of State process changes, information technology (IT) system improvements, communications, and training to implement the model.

- State Process Changes

State process changes will build upon our pilot expedited eligibility program to offer expedited application processing statewide for the HCBS population. FSSA also plans to create a specialized LTC Eligibility unit that will focus on applications for members needing LTSS. The unit will have expertise in assisting HCBS applicants and be specially trained in the special income limit (SIL) and budgeting processes for HCBS members.

- System Changes

IT system changes will support the ability to establish eligibility quickly. The specialized unit and their expedited process will be marketed to stakeholders statewide to assure understanding and uptake for their services.

- Communications/Marketing

To ensure utilization of the expedited eligibility model once in place, FSSA will pursue a comprehensive marketing campaign that employs differing methods based on targeted populations and their caregivers. Additionally, FSSA will develop expanded informational web pages on the EWE program as well as informational, easy-to-understand video modules that describe LTC options focused on HCBS waivers and how to effectively serve as an Authorized Representative and assist an LTC applicant.

- Training

FSSA will invest in additional technical assistance and training options to support implementation and onboarding of the expedited eligibility model. Trainings may include:

- LTC expertise training to develop a deeper bench of LTC experts
- On-demand training for local Area Agencies on Aging (AAA) and providers
- Extra training for Navigators on LTC applications

➤ Legal Aid

Under the Older Americans Act, FSSA is required to have a Legal Assistance Developer (LAD) to facilitate legal assistance services across Indiana for older individuals with the greatest social and economic needs. While legal assistance is currently provided across the state through legal assistance providers who contract with the individual AAAs, the services are ad hoc; the identification and delivery of the services is inefficient; and services are not necessarily tailored to the needs of the community. There is very little available data on legal services and no consistent strategy driving the services. This lack of coordination indicates that the legal assistance services are likely not meeting the true needs of our clients.

Thoughtful legal assistance services could enhance HCBS under Medicaid to help members navigate the complicated and disconnected process of living at home. FSSA proposes a comprehensive assessment of legal aid services currently provided by FSSA Aging partners to first identify and recommend ways to integrate elder justice practices with service options planning.

The legal assistance program needs an assessment by experts to better understand the legal needs of older individuals in Indiana and to form a strategic plan with recommendations on how to best deliver legal services through the AAAs and other innovative ideas around identifying potential clients, training, and other program needs. Additionally, this assessment would help further Indiana's goal of respecting an individual's rights by analyzing the current use of supported decision-making by legal assistance providers and their understanding of that concept. The assessment would make recommendations to ensure supported decision-making is an integral part of legal service delivery in appropriate situations. We plan to engage a university with subject-matter expertise to create this assessment to understand and meet the legal needs of older Hoosiers. The university will be responsible for completing a comprehensive assessment studying the history, strengths, and weaknesses of the current legal services system; studying and identifying the legal assistance needs of older Hoosiers across the state; and creating workable recommendations for the legal assistance program.

➤ Telehealth Expansion for Individuals with Intellectual and Developmental Disabilities (I/DD)

A central pillar of the State's plans for HCBS is improving access to holistic health services for individuals who face disproportionate roadblocks in accessing treatment or care through evidence-based mechanisms. While telehealth utilization increased dramatically due to the COVID-19 pandemic, telehealth remains inaccessible for many. To bridge the gap, we plan to pilot telehealth expansion for individuals with I/DD who face disproportionate accessibility barriers (i.e., access to public transportation, paratransit services, caregiver assistance, etc.), which are exacerbated for individuals living in rural or underserved areas across Indiana. Telehealth expansion will provide

immediate access to doctors and telehealth experts focusing on populations with complex support needs, with services tailored to meet individual needs of each individual. Doctors will perform telemedicine exams through sophisticated diagnostic tools and implement individualized treatment plans by working closely with staff, family, and patients. The State plans to potentially make this telehealth service available to individuals with I/DD in residential facilities and the family home. It is anticipated that the implementation of the service would reduce emergency room visits and medical costs as well as result in improved health outcomes and patient satisfaction with care due to enhanced speed of diagnosis and treatment in comparison with traditional emergency room visits.

➤ Building Indiana's Self-Advocacy Leadership Network

Home and community-based services are rooted in the principles of person-centeredness and self-direction. For many individuals with intellectual and developmental disabilities, they have not had life experiences and opportunities that have enabled them to build skills around decision-making, advocacy (and self-advocacy), and the engagement needed to direct their own life. Self-Advocates of Indiana – a group of Hoosier citizens who speak out, advocate, and educate for equal rights, respect, and inclusion for all in the community – recommend that the best way to support individuals with I/DD in developing their skills and experience with self-advocacy and self-direction is through training and peer-to-peer support.

With this in mind, Indiana proposes working with self-advocates, families, and other system stakeholders to develop a statewide, comprehensive approach to building a self-advocacy leadership network. To help promote self-advocacy in daily life and in public policy, we will develop training and curriculum based on the Charting the LifeCourse (CtLC) Framework, developed through the National Supporting Families Community of Practice, which Indiana has been a part since 2016. In addition to trainings, the approach will include strategies to build a peer mentoring network to enable self-advocates with lived decision-making and advocacy experience to connect with and support other self-advocates in navigating systems and supports that lead to their good life.

Additionally, FSSA is interested in providing access to mobile applications that support individuals with their person-centered planning, remaining connected and in communication with their support team, and understanding and navigating supports and issues important to them. To do so, FSSA would pursue a pilot program to implement these solutions. Learnings from this pilot would be investigated, and similar solutions could be pursued or adapted to include other HCBS populations. Eventually, these solutions could be transitioned to an existing Medicaid waiver as necessary.

➤ Social Isolation Support through Technology

FSSA hopes to increase HCBS sustainability by decreasing older adult loneliness and social isolation within Indiana communities. Social isolation occurs when an individual does not have adequate opportunities to interact with others, whereas loneliness is a subjective experience stemming from the perception of not having enough social relationships or contact with other people. Recent studies show that millions of Americans, both young and old, are socially isolated, lonely, or both, which negatively impacts quality of life and health outcomes. To combat this epidemic, FSSA plans to reduce institutional admissions by promoting communities of sustainable wellbeing and independence for Hoosiers. These efforts will expand upon the Caregiver Supports Grant Program initiated in Phase I.

Informed by research studies, a number of innovative social connectedness interventions have been identified to reduce loneliness and isolation in older adults, and as a result, enhance health outcomes and independent living. These interventions include:

- Interactive app-based technology solutions
- Tablet devices and technical assistance
- Accessible and secure digital communication platforms
- Animatronic pets

FSSA hopes to implement these solutions as programs in service of our HCBS population. We will also explore expansion of the program to individuals with I/DD and other HCBS consumers as learnings develop.

➤ Aging and Disability Resource Center (ADRC) Support

The State of Indiana is currently embarking on a comprehensive reform of Medicaid-funded LTSS, with a focus on improving health and wellness outcomes and increasing equitable access to outcomes-focused care and community-based services. In Indiana, ADRCs provide streamlined access to information and resources, care options, short-term case management, and benefits enrollment across the spectrum of LTSS as part of Indiana's efforts to improve holistic, front-door access to needed supports for individuals with existing or anticipated long-term care needs. Across the State, HCBS Aged and Disabled (A/D) Medicaid Waiver growth has eclipsed the amount of funding available to perform enrollment intake activities, such as Level of Care (LOC) assessments and initial person-centered service planning. This is a temporary concern as the intake function is currently performed by Area Agencies on Aging; however, as Indiana transitions to a managed LTSS (mLTSS) model, the enrollment intake process may transform as well.

Indiana also plans to leverage funding to conduct the Community Assessment Survey for Older Adults (CASOA), an ADRC-related survey administered by the National Research Center, Inc. that has historically been performed every four years. The CASOA provides a statistically valid survey of the strengths and needs of older adults as reported by older adults in communities across the state to improve our understanding and ability to predict the services and resources required to serve the aging population in Indiana. The results of this survey will be leveraged to improve ADRC-related services and more broadly, LTSS services.

Additionally, while institutional providers express a desire to transition their provision of care, there has historically been a lack of funding support. As a result, the State has identified a need to fund direct assistance for the transfer from institutions to home-based services. This funding would provide direct assistance to providers to promote transitioning from institutional care into HCBS to enhance capacity and build a more holistic continuum of care.

➤ Dementia Strategic Plan and Implementation Report

As the State builds out our continuum of care to holistically support Hoosiers, we plan to leverage funds to enhance access and quality of care for individuals with dementia. Under Indiana Code, the State is required to produce a Dementia Strategic Plan and Implementation report by December 1, 2021. The Dementia Strategic Plan and Implementation Report are required to be submitted annually to the Indiana Legislature. In order to meet legislative requirements, the State has identified a funding need for enhanced capacity.

The Dementia Strategic Plan directly seeks to enhance and sustain HCBS for individuals with dementia as well as individuals with I/DD as they may have unique and specific needs. The Dementia Strategic Plan will start with an evaluation phase that considers the services, resources, and care available to address the needs of individuals with dementia, and their families and caregivers. Following evaluation, we will work to identify methods to reduce the financial costs of dementia, as well as strategies to enhance Indiana's dementia-based workforce, to increase access to HCBS for individuals with dementia, and to enhance the quality of care. Informed by these findings, we will also recommend strategies to decrease health disparities concerning dementia in ethnic and racial populations in Indiana.

The Dementia Strategic Plan and Implementation Report is imperative not only to fulfill legislative requirements, but also to improve the continuum of care equitably for individuals who face disproportionate barriers to care.

➤ HCBS and mLTSS Value-Based Purchasing (VBP)

As part of the ongoing, statewide LTSS reform effort, FSSA is implementing processes to explore and support evidence-based VBP work. The State's long-term goal is to align cost and quality of services to enhance sustainable health and well-being outcomes. FSSA is currently in an early stage of this effort and will continue to evaluate which providers to move to VBP. Following this determination, we hope to engage a vendor to perform the following services for the appropriate providers:

- Recommend performance measures
- Design performance measures for the State measures if no national measure exists
- Evaluate and identify data needed for measurement and how to obtain data the State does not have access to already
- Design and implement learning collaboratives for measurement reporting and project plans

The aforementioned vendor outputs will support the State in finalizing a list of candidate HCBS and mLTSS performance measures for identified providers.

➤ Supportive Housing Partnership Consultant

As the State builds out our continuum of health and well-being supports, it is imperative to consider new, collaborative partnerships to address root causes across all social determinants of health. Supportive housing interventions improve outcomes for families and individuals across the board, including improving housing stability, and further improving health outcomes and lowering public costs by reducing the use of publicly-funded crisis services. Specifically for the elderly or individuals with I/DD, supportive housing programs improve health outcomes, quality of life, and enable maximum independence. As such, FSSA plans to hire a Supportive Housing Partnership Consultant to advise us on how we can build a stronger relationship across State divisions, specifically with the Indiana Housing and Community Development Authority (IHCDA). The Consultant would help move the needle for the State's strategic partnerships by leveraging an existing IHCDA assessment and recommendations report, which provides a starting point for our learning and discussions around what we want to implement and partner on. The Consultant would also provide assistance in writing the required Residential Care Assistance Program waiver.

➤ Integrate HCBS Data Systems to Improve Quality and Reduce Inequities

In order to streamline real-time information sharing in support of the other strategic outcomes described in this spending plan, FSSA will make immediate improvements to its HCBS data systems. Establishing a comprehensive and integrated HCBS data

environment will lead to an improved understanding of differences in health outcomes as well as increased efficiency, which is pivotal from a quality and equity perspective. FSSA will accomplish this through system upgrades, updated data management resources, expanded data partners, and enhanced development capacity.

- **Data Integration Efforts**

FSSA plans to pursue improvements to data warehousing for data integration with HCBS claims data and other data sources from source transactional systems. Ancillary HCBS systems will be a part of this effort, including but not limited to HCBS case management, incident reporting, eligibility, health information exchange, and Medicare encounters systems. FSSA also plans to work with Indiana Health Information Exchange (IHIE) to leverage the Fast Healthcare Interoperability Resources (FHIR) standard and to build a provider-friendly application for ease of exchange and access of member demographics, social needs, care plans, and medical histories.

- **Dual Eligible Special Needs Plans (D-SNPs) and Medicare Data Integration**

Indiana plans to pursue activities around D-SNP and Medicare data integration. A primary activity will be the planning and operationalization of processes to bring in Medicare encounter data from state D-SNPs and integrating with the State's enterprise data warehouse. Further, the State plans to bring in Consumer Assessment of Healthcare Providers and Systems (CAHPS) data received from state D-SNPs in alignment with the requirements in the 2022 SMAC. The State also plans to incorporate D-SNP data from the Indiana Health Information Exchange (IHIE).

- **Data Products**

In order to achieve better HCBS outcomes, FSSA will pursue a data products and applications managed services partner to support the development and deployment of necessary data products and applications. This includes but is not limited to record linkage services, automation services, business intelligence, data science, advanced analytics, and project management. It also includes the development of data dashboards to monitor outcomes, support internal decision-making and disseminate key information to public stakeholders.

- **Project Management and Data Governance**

FSSA plans to enhance its HCBS data governance to assure improved management of education and literacy, data quality, privacy and security, strategic alignment, and metadata management. FSSA will build up our Research and Evaluation capacity to support project management, business and partner engagement, data management, requirements gathering, analysis & visualization, and co-authoring for state programs and state-university partnership research, evaluation, data briefs, and task orders.

- Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey

FSSA will complete a CAHPS Survey for HCBS consumers to learn valuable information regarding beneficiaries' perception of quality of care. This would allow us to gain feedback regarding available HCBS programs in Indiana, learn where there are gaps in programming, and hear about the end user experience as it relates to provider service delivery. The results of the CAHPS survey will be integrated with our data systems and used to inform our value-based purchasing activities.

- Care Management for Social Services (CaMSS) Support

In order to enable an enhanced continuum of care, FSSA hopes to enhance IT systems that enable care management. By implementing improvements to Indiana's current care management IT system, CaMSS, we hope to provide more holistic insights into individual needs, align care across programs, and move towards a more integrated and outcomes-based approach.

- Implementation of and Enhancements to the BDDS Portal

FSSA is continuing to enhance the Bureau of Developmental Disability and Rehabilitative Services (BDDS) Portal to consolidate legacy data systems, and build appropriate system functionality to effectively meet the State's business needs in supporting individuals with I/DD in waiver services as well as in our intermediate care facilities. These critical enhancements and changes will ensure necessary data elements and reporting requirements are captured to support monitoring and management of outcomes, person-centered planning processes, and compliance monitoring for the HCBS Settings Rule.

3. Build Provider Capacity

To Meet the Growing HCBS Needs of the Medicaid Population

FSSA is committed to improving the HCBS system to enable all Hoosiers to access the care they need and thrive in the settings they choose. As demand for HCBS increases among older individuals or individuals with I/DD, we must adjust to reflect the needs of and strategically help improve health outcomes for some of our most vulnerable Hoosiers. As part of our existing mLTSS reform efforts, the State plans to increase the number of Hoosiers who qualify for HCBS under Medicaid in conjunction with increasing the availability of HCBS, and as such, we plan to bridge the gaps in our existing HCBS infrastructure by supporting provider capacity building efforts across the state. We will accomplish this by supporting providers to build out additional capacity, right-sizing institutional networks, and developing a crisis system for older adults and individuals with I/DD.

Quarterly Update dated October 18, 2021:

As noted in CMS' partial approval letter (Attachment A) and our response letter (Attachment B), the State is awaiting further clarification regarding this section of our spending plan.

➤ Build Capacity to Deliver

Concurrently to the stabilization plans described in Phase I, Indiana must build additional capacity within our provider network to deliver HCBS.

Some potential supports that FSSA will pursue in partnership with providers include increasing the availability of structured family caregiving and shared living. These service models often result in better quality of life for the individuals supported, while at the same time create new, non-traditional opportunities for direct service workers. In addition, FSSA will work with individuals, families, and providers to increase access to adult day centers (particularly in rural areas), community employment supports, and will promote self-direction as a core determinant of an individual's health plan and peer-to-peer support approaches.

FSSA will also address workforce capacity by increasing the workforce through non-agency caregiver support strategies, as further detailed in Section II.

➤ Update Institutional Networks

As part of the effort to rebalance the provision of Long Term Supports and Services (LTSS), FSSA intends to partner with the nursing facility industry to improve alignment of available facilities with projected future institutional needs. Potential changes include the reduction of multiple occupancy rooms, managed closure of facilities in regions with low nursing facility occupancy levels, and assistance for maintaining or opening facilities in regions projected to have future bed capacity challenges.

A key area of focus will be providing support to all residents of nursing facilities that close for any reason (e.g., changing market dynamics or a State supported closure program). The closure of an existing nursing facility provides an opportunity to re-evaluate each resident's needs and to determine options for meeting those needs in a community setting. Revisiting care options is a key step in the journey to build a person-centered and financially sustainable system for the future.

FSSA is currently evaluating financial approaches that can be used to support nursing facilities in areas with limited bed capacity and to encourage closures in geographies where bed capacity significantly exceeds current and projected needs. In both instances, FSSA will leverage available quality metrics to make sure that any capacity re-sizing results in aggregate quality improvements.

To support providers in this transition and address underutilized capacity, FSSA plans to create a number of grant opportunities that incentivize institutional and RCAP settings to

convert to HCBS settings and 14(c) programs to transition to community employment programs by the end of the transition period in order to be eligible to become certified Medicaid waiver providers as they convert to HCBS settings. In support of this shift, FSSA will also facilitate a Learning Collaborative and technical assistance programs for providers to leverage. Once these strategies are in motion and HCBS capacity is increasing, FSSA will facilitate the appropriate bed closure in institutional settings.

➤ Develop a Crisis System and Support Implementation of 9-8-8

The State of Indiana is looking to invest in expanding the capability and capacity of the Indiana Crisis System as part of its HCBS investment plan. The State will leverage Medicaid funding to support service capacity infrastructure, including the capacity to be responsive to the needs of all HCBS recipients experiencing crisis. Indiana is interested in developing a robust crisis system predicated on the Crisis Now model as delineated in the SAMHSA National Guidelines for Behavioral Health Crisis Care Best Practice Toolkit, which includes four core elements:

- High-tech crisis call centers with real time coordination
- Centrally deployed, 24/7 mobile crisis
- Crisis receiving and stabilization programs
- Essential crisis care principles and practices

As such, our efforts will include the support for a call center or multiple call center organizations to develop the infrastructure necessary to provide 24x7 call coverage capacity while meeting the expectations laid out in the SAMHSA toolkit. Part of this effort will also address the rules the FCC adopted in July 2020, designating 988 as the phone number for Americans in crisis to connect with suicide prevention and mental health crisis counselors. Switching to an easy-to-remember 988 as the '911' for suicide prevention and mental health crisis services will make it easier for Hoosiers in crisis to access the help they need and decrease the stigma surrounding suicide and mental health issues. FSSA plans to implement this new resource by July 2022.

The State will also be allocating funding to community behavioral health providers to expand mobile response team capacity and crisis stabilization capacity, which are a critical component of the Crisis Now model.

These services will be sustained in future years by leveraging other existing funding mechanisms.

➤ HCBS Rating Methodology

FSSA has begun work on an HCBS reimbursement approach that will provide several benefits to HCBS providers. One objective of the revised reimbursement is to move away from reliance on provider cost reports which will reduce the administrative burden that they impose on HCBS providers. Additionally, a primary goal of the methodology

work is to improve the alignment and continuity of the rate setting across FSSA's divisions to provide HCBS reimbursement that is consistent and predictable. Our intent is to implement rating methodologies that are easily understood by HCBS providers and that offer greater stability for their business planning purposes. To that end, rate methodology updates will also reflect labor and expense changes driven by the COVID-19 public health emergency.

Another key goal of the rating methodology work is to deliver rates that support the sustainability of the HCBS programs with a specific focus on how rates impact the provider's ability to hire and retain adequate staff to deliver the services needed by HCBS eligible Medicaid members.

Finally, the updated rating methodology should promote person-centeredness and Value-Based Purchasing. The person-centered rating aspects will support community integration for HCBS participants, and the Value-Based Purchasing focus will help to drive health outcomes.

4. Caregiver Training and Support

To Support Families and Caregivers of Individuals Receiving HCBS

FSSA is committed to improving the system of supports for families and caregivers. According to the AARP's 2020 LTSS Scorecard, Indiana ranked 51st overall for support of caregivers. Caregivers play an essential role in supporting Hoosiers receiving HCBS, and women of color represent a majority of paid and unpaid caregivers. In order to equitably enhance the system of supports for families and caregivers, Indiana is prioritizing an array of services and supports to help HCBS recipients and their families support their overall mental, physical, and emotional well-being as detailed throughout this section. Indiana will center these initiatives on addressing inequities across a variety of factors including gender, race, geography, income level, and disability.

➤ Caregiver Training for HCBS Waiver Participants

In order to equip caregivers to help individuals receiving HCBS meet their needs, FSSA will provide training for caregivers. The Caregiver Training service will be provided to HCBS Aged & Disabled (A/D) Medicaid Waiver, Family Supports Waiver (FSW), Community, Integration, and Habilitation (CIH) Waiver, as well as Traumatic Brain Injury (TBI) Waiver participants. This service would reach families who are not otherwise eligible for the existing Structured Family Caregiving service. Family caregivers will be provided with the resources they need through ongoing support from a professional caregiver coach who is experienced in working with lay caregivers and navigating the HCBS landscape, using family-centered coaching protocols that conform to best practices and are informed by the needs of lay caregivers, and promoting the use of

telephony and other accessible technology to meet family caregivers where they are and enable access to caregivers across the state. Training mentors will also support caregivers in uplifting the individual's voice and fostering self-determination.

➤ Caregiver Survey

FSSA will also leverage funding to gather crucial feedback from the diverse caregiver community to better understand existing gaps in the continuum of supports and create a strategic plan to address the identified gaps. Contractual support is needed in order to implement the Caregiver survey, gap analysis, and strategic planning to implement recommended changes in accordance with the results of the survey and gap analysis.

➤ Caregiver Mental Health Supports

FSSA is excited to commit funding to providing critical mental health supports for caregivers, a priority that was echoed by our stakeholders and partners. As a first step, FSSA will conduct research and connect with peer states and stakeholder partners to determine effective mental health support strategies. A necessary part of this effort will include increasing Indiana's capacity to assess the needs, including the personal physical and mental health, of family caregivers. FSSA would like to explore potential innovative and accessible avenues; such as, training and resources in trauma-informed care specific to the elderly or individuals with I/DD, self-care practices, processing emotions associated with diagnoses, caregiver support groups, and caregiver counseling.

Specifically, FSSA plans to address caregiver isolation and loneliness, which have serious implications on mental and physical health. These feelings can jump-start thoughts and behaviors that exacerbate the emotional toll of caregiving.

In order to maintain good caregiver health, the following areas of support have been identified in the past five years and heavily validated through stakeholder feedback as critical to improving caregiver mental health and health outcomes: Connection and Training.

In order to improve caregiver mental and physical health based on the needs identified above, FSSA is interested in exploring partnerships to support implementation of an innovative model to address the unmet needs of family caregivers (FCs). One potential idea is the Caregiver Village, a digital interactive community, which would provide 24/7 access to pertinent resources and support sustained engagement of volunteer advocates (Vas) and FCs and provide resources to them.

➤ Caregiver Assessment Technology

In order to enhance Indiana’s care continuum, FSSA will consider what assessment technology may be beneficial to implement. Initially, FSSA plans to engage consulting support to assess how other states with mLTSS recommend the use of caregiver assessment platforms as well as how data integration and HCBS measurement work would flow if we decide to implement an assessment platform. The results from the initial assessment would include recommendations to support FSSA’s decision-making process around purchasing and implementing a dedicated platform. If the State determines that AAAs should utilize a caregiver platform for non-mLTSS members, funds could be used to release an RFP and purchase one statewide system. If so, FSSA will pursue additional research to inform the RFP.

Stakeholder Feedback

As the State of Indiana strategically approached our plan development, we have intentionally engaged stakeholders to gather integral recommendations and insights from the community. It is FSSA’s goal to partner with the provider and member communities to ensure that the services delivered are in line with community and individual needs and that funds are most effectively leveraged to improve HCBS for Hoosiers. Our goal is to enhance the HCBS delivery system through building equitable, effective, efficient, and sustainable supports to improve health outcomes, fill unmet social needs, and support all Hoosiers to achieve their full emotional, mental and physical well-being potential.

As previously described, FSSA is in the collaborative process of reforming the LTSS system across Indiana, and has gathered intentional feedback through 50+ various stakeholder engagement opportunities and the goals of ARP funding align well with the LTSS reform project’s goals. FSSA leveraged the lessons learned and input from stakeholders throughout the LTSS project thus far to define key spending priorities.

FSSA sought input from the community through various mechanisms, including individual communications and discussions, written correspondence, as well as a survey designed to support FSSA in determining spending priorities for the enhanced funding. The survey was distributed broadly to our stakeholder community and FSSA received over 660 responses from recipients or potential recipients of HCBS, family caregivers, direct service professionals, HCBS industry providers, HCBS industry/association representatives, and other stakeholders in the current HCBS system.

Respondent Type	%	Count
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Consumer (recipient or potential recipient of HCBS)	10.44%	69
Family Caregiver	16.79%	111
Consumer advocate representative	5.60%	37
Direct service professional (DSP, e.g., personal care worker, attendant care)	8.93%	59
HCBS industry provider	35.10%	232
HCBS industry / association representative	3.48%	23
Other - please specify	19.67%	130
Total	100%	661

Survey respondents were asked to identify their top priorities for inclusion in Indiana’s spending plan from the list published in CMS’ guidance around allowable expenses. Workforce Recruitment was universally identified as the top priority across each of the Respondent types shown above, with nearly 50% of Respondents identifying it as a top priority. More broadly, feedback coalesced across the survey and written and verbal stakeholder feedback reinforced the State’s strategic spending priorities to invest in workforce recruitment and retention, expand HCBS provider capacity, provide family and caregiver supports including training and respite, provide stabilization grants in the wake of the COVID-19 crisis, decrease HCBS delivery time, invest in eligibility systems, and broadly build out the HCBS continuum of care to support Hoosiers in all social determinants of health to realize improved health outcomes and thrive with their families and communities.

The top 10 priorities identified by survey respondents are shown in the table below and align well with Indiana’s spending priorities detailed in the preceding sections.

HCBS Funding Priority	%	Count
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Workforce Recruitment	48.57%	322
Expanding HCBS Provider Capacity	44.80%	297
Reducing or Eliminating HCBS Waiting List / Increasing Number of HCBS Waiver Slots	32.28%	214
Caregiver Training and Respite	27.90%	185
Leave Benefits	24.28%	161
Eligibility Systems	23.38%	155
Expanding Behavioral Health and Substance Use Services Capacity	21.57%	143
Expanding Use of Technology and Telehealth	18.55%	123
Assistive Technology and Other Supports for Persons with Disabilities	16.89%	112
Supplies/Equipment Supports for Family Caregivers	16.59%	110

Further, Indiana also reviewed 85 comments submitted by survey respondents detailing their ideas for how the state should allocate its funding. Comments covered a range of subjects including the scope of HCBS services and potential expansion opportunities, reimbursement rates and compensation, transportation options, and the benefits and challenges of technology. FSSA has considered these comments in the development of this plan.

Indiana is grateful to have the opportunity to engage with various stakeholders and incorporate critical insights from the community. Realizing alignment in the State's strategic priorities with priorities expressed by the diverse coalition of HCBS stakeholders is imperative to transforming the continuum of care to improve the health and well-being of Hoosiers.

Spending Plan Budget

In order to estimate the additional funds available to the state as a result of the enhanced FMAP, the State established as a first step the qualifying baseline total costs for HCBS Services for the April 1, 2021 to March 31, 2022 time period, which is approximately 2.26 billion dollars in expenditures. Applying the ten percent (10%) enhanced FMAP to this baseline yielded an estimation of the state funds (\$226 million) equivalent to the amount of federal funds attributable to the increased FMAP. These state funds then become available to be used through March 31, 2024, and the estimated total funds available are calculated by applying the matching FMAP share to the state funds estimate. For the purposes of distribution of the spending over time, the State assumes an even distribution with an equal share of the total funding being used in each year of the eligible three-year period.

FSSA has developed the following budget estimate in alignment with the overarching goals and priorities detailed in the preceding sections. The estimated total funds available of \$877,558,287 has been calculated based on the above. The table below shows the percentage of the total budget FSSA plans to allocate to each of the five major plan components, and the equivalent dollar amount based on the estimated total funds available.

Plan Component	Percent of Total	Total Estimated Funds
Stabilization	20.00%	\$175,511,657.40
Workforce	25.00%	\$219,389,571.75
Enhance HCBS	20.00%	\$175,511,657.40
Build Provider Capacity	30.00%	\$263,267,486.10
Caregiver Training and Support	5.00%	\$43,877,914.35
TOTAL	100.00%	\$877,558,287.00

Quarterly Update dated October 18, 2021:

FSSA is currently awaiting further clarification from CMS regarding certain budget considerations and is evaluating data to best inform our approach. We anticipate having further budget details broken down by quarter available in subsequent quarterly spending plan updates.

Projected Claiming of Enhanced FMAP For Period 04/01/21 - 03/31/2022

QE 06/30/2021	-
QE 09/30/2021	\$56,500,000
QE 12/31/2021	\$113,000,000
QE 03/31/2022 ¹	\$99,547,619
TOTAL	\$269,047,619

¹ Amount includes initially projected enhanced FMAP dollars for the quarter (\$56,500,000) and projected additional FMAP dollars (\$43,047,619) from reinvestment of “freed up” state dollars into HCBS at the enhanced match rate