



ARPA Supplemental Payment FAQ

American Rescue Act of 2021

Supplemental Payment FAQ

Effective April 1, 2021

Q: What is the Supplemental Payment Program?

Supplemental payments are additional funds above and beyond the standard Medicaid payments. The purpose of supplemental Payments is support and strengthen Home and Community Based Services (HCBS) by providing additional resources to providers that deliver physical and behavioral health services in the home or community. The Supplement Payment program is part of the [Home and Community Services Spending Plan and Narrative](#).

The Supplemental Payment program is funded from Section 9817 of the American Rescue Plan Act (ARPA) of 2021, which provides states with a one year 10-percentage point increase to the federal medical assistance percentage for certain Medicaid expenditures that meet the APRA definition of HCBS.

The Montana Department of Public Health and Human Services (DPHHS) presented information regarding the supplemental payment during the provider calls on September 17, 2021, and November 19, 2021, and sent memos to stakeholder lists on October 4, 2021, and October 28, 2021. You can find these materials in the resources section of the Supplemental Payment Program website.

Q: What are the requirements for receipt of the supplemental payment?

Supplemental payments will be issued for approved services to provider types identified in the Montana ARPA Home and Community Services Spending Plan and Narrative in order to assist providers in sustaining and/or increasing service delivery and investing in workforce recruitment and retention. For a complete list of provider types and services that qualify for supplemental payments, please see [ARPA Provider and Service List](#).

Supplemental payments will be issued in two separate phases:

Phase 1: During Phase 1, eligible providers will not be required to take any action; DPHHS will perform the necessary data extracts and calculations for this payment.

- Supplemental payments of 15% will be made for allowable services to Medicaid members by eligible providers for dates of service between 04/1/2021 and 09/30/2021 and billed by 10/31/2021.
- Supplemental payments of 12% will be made for allowable services to Medicaid members by Eligible Providers for dates of service between 10/1/2021 and 12/31/2021 and billed by 1/31/2022.
- If a clean claim was not billed by the dates listed above, the supplemental payment for claims will not be made available for that designated timeframe.

Phase 2: During Phase 2, supplemental payments will be available to eligible HCBS providers that:

- Report that the costs of delivering Medicaid services exceed standard Medicaid payments;
- Commit to investing in workforce recruitment and retention; and

- Maintain or increase level of service delivery.

For providers who choose to participate in Phase 2 of the supplemental payments, payments will be made as follows:

- **Phase 2, Period 1:** 01/01/2022-03/31/2022 Supplemental payments of 12% will be made for allowable services to Medicaid members by Eligible Providers for dates of service between 01/01/2022-03/31/2022 and billed by 04/30/2022.
- **Phase 2, Period 2:** 04/01/2022-09/30/2022 Supplemental payments of 8% will be made for allowable services to Medicaid members by Eligible Providers for dates of service between 04/1/2022 and 09/30/2022 and billed by 10/31/2022.
- **Phase 2, Period 3:** 10/01/2022-03/31/2023 Supplemental payments of 4% will be made for allowable services to Medicaid members by Eligible Providers for dates of service between 10/1/2022 and 03/31/2023 and billed by 4/30/2023.

Q: What are the requirements for spending the supplemental payment?

Supplemental payments are intended to assist providers in sustaining and/or increasing service delivery and investing in workforce recruitment and retention.

Q: Are providers required to participate in both phases of the Supplemental Payment?

Providers will automatically receive Phase 1 supplemental payments and may opt into Phase 2 payments available to eligible HCBS providers. For Phase 2, DPHHS will supply eligible HCBS providers with a simple Provider Agreement form allowing providers to:

- a) opt into the receipt of Phase 2 supplemental payments, and
- b) agree to the associated conditions.

Eligible HCBS providers who have opted into Phase 2 and meet the requirements listed above will be issued a supplemental payment.

Q: How are supplemental payments made?

Supplemental payments are sent electronically to the providers' current bank account.

Q: Who do I contact if I have a question regarding Supplemental Payments?

Please email HSHSBCSSupplementalPayment@mt.gov and someone will respond to your question within two business days.