



ARPA Supplemental Payment Project Overview

American Rescue Act of 2021

Overview

Effective April 1, 2021

The Purpose of the Supplemental Payment Program is to 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 Supplemental Payment Program will span 2 years and consist of two phases. Supplemental payments will be issued for services that contains direct care activities which are those that include a direct care/personal assistance component. For a complete list of Provider Types and services that qualify for supplemental payments, please see [ARPA Provider and Service List](#).

PHASE 1

Phase 1 spans from 04/01/2021 through 12/31/2021. These payments are calculated and paid by the Department and based on claims submitted for certain services. In Phase 1, providers are eligible for the receipt of Supplemental Payment based solely on the [services](#) delivered. There are no other requirements for receipt of the Supplemental Payments in Phase 1. Phase 1 consists of two periods:

Phase/Period	Services Delivered Date Span	Services Billed By	Percentage Payment
Phase 1, Period 1	04/01/2021 and 9/30/2021	10/31/2021	15%
Phase 1, Period 2	10/01/2021 and 12/31/2021	1/31/2022	12%

PHASE 2

Phase 2 spans from 01/01/2022 through 03/31/2023. In Phase 2, providers are expected to sustain or increase service delivery and use - to invest in workforce recruitment and retention. In order to receive Supplemental Payments, providers must also demonstrate that the cost of delivering services exceeds standard Medicaid payments. Phase 2 consists of three periods:

Phase/Period	Services Delivered Date Span	Services Billed By	Percentage Payment
Phase 2, Period 1	01/01/2022-3/31/2022	04/30/2022	Up to 12%
Phase 2, Period 2	04/01/2022-9/30/2022	10/31/2022	Up to 8%
Phase 2, Period 3	10/01/2022-03/31/2023	04/30/2023	Up to 4%

PARTICIPATION PROCESS

Phase 1

The only requirement to participate in Phase 1 is that providers deliver and bill eligible services in accordance with the dates described in the Phase 1 table above.

Phase 2

Step 1: Enroll and agree to participation terms and conditions.

HCBS providers will submit a [Provider Agreement form](#) to hshcbssupplementalpayment@mt.gov, agreeing to the conditions of Phase 2:

- Sustain or increase current levels of HCBS service delivery;
- Invest in workforce recruitment and retention

Step 2: Submit quarterly participation confirmation and schedule of revenue and expense.

To receive a quarterly supplemental payment in Phase 2, HCBS providers will send DPHHS a Phase 2, quarterly attestation, signed by the Agency's CEO, CFO or other equivalent position, agreeing to conditions of the program and schedule demonstrating that the cost of delivering Medicaid services for the applicable phase and period has exceeded the standard Montana Medicaid reimbursement. Providers can send these materials to hshcbssupplementalpayment@mt.gov for processing.

Step 3: DPHHS review of required documents.

When DPHHS has received both a Provider Agreement form and Phase 2, Quarterly Attestation and Schedule, DPHHS staff will review the quarterly schedule submitted and confirm the percentage difference between the costs of delivering Medicaid services and standard Medicaid reimbursement. DPHHS will then process the supplement based on the percentage of claims or identified loss, whichever is lower, in accordance with the appropriate period, as referenced in the Phase 2 table above.

Funding Source

Montana's Department of Public Health and Human Services (DPHHS) has implemented the Supplemental Payment Program as part of the [Home and Community Services Spending Plan and Narrative](#). The Home and Community Services Spending Plan and Narrative 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. States are then able to develop and enhance programs that enhance Home and Community Based services.

For more information, please review the Supplemental Payment website. If you have further questions or need assistance, please email: hshcbssupplementalpayment@mt.gov