

Disabled and Elderly Health Programs Group

July 23, 2021

Karen Kimsey
Director
Commonwealth of Virginia
Department of Medical Assistance Services
600 E. Broad St
Richmond, VA 23219

Dear Director Kimsey:

Please find below the Centers for Medicare & Medicaid Services' (CMS) request for additional information regarding Virginia's section 9817 initial spending plan and spending narrative submitted on June 11, 2021.

We have identified missing information which we will need to review before the initial spending plan and spending narrative can be approved. The State Medicaid Director Letter (SMDL) [#21-003](#), section D, titled *Required Reporting on Activities to Enhance, Expand, or Strengthen HCBS under the Medicaid Program* provides a description of the information states should include in their initial spending plans and spending plan narratives.

Additional Information Requested

Please provide the following additional information related to each of these areas to facilitate our review and approval process:

- Estimate the anticipated expenditures for the activities the state intends to implement to enhance, expand, or strengthen HCBS under the state Medicaid program between April 1, 2021, and March 31, 2024.

In the submission, your state listed a number of activities that it intends to implement. However, the anticipated cost for each activity was not included. **Please update your spending plan and narrative to provide the estimated cost for each activity to enhance, expand, or strengthen HCBS under the Medicaid program.** It is also unclear whether some of the proposed activities would enhance, expand, or strengthen HCBS under the Medicaid program. CMS is requesting the following changes or clarifications to your state's spending plan and narrative:

- Clearly indicate if the providers that will receive payments under the "Access to HCBS and support services" activity are delivering any of the services listed in Appendix B or services that could be listed in Appendix B. If the providers are not delivering services that are listed in Appendix B or could be listed in Appendix B, please explain how those payments expand, enhance, or strengthen HCBS under Medicaid; and

- Clearly indicate whether the providers targeted under the workforce development activity are providers delivering any of the services listed in Appendix B or services that could be listed in Appendix B. If the providers are not delivering services that are listed in Appendix B or could be listed in Appendix B, please explain how those payments expand, enhance, or strengthen HCBS under Medicaid.

CMS will need additional information before it can determine whether those activities or uses of funds are approvable under ARP section 9817.

General Considerations

As part of this request for additional information, CMS is noting the following:

- CMS expects your state to notify CMS as soon as possible if your state's activities to expand, enhance, or strengthen HCBS under ARP section 9817:
 - Are focused on services other than those listed in Appendix B or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit). If any activities are not directly related to the services listed in Appendix B or services that could be listed in Appendix B, please explain how those activities expand, enhance, or strengthen HCBS under Medicaid;
 - Include room and board (which CMS would not find to be a permissible use of funds); and/or
 - Include activities other than those listed in Appendices C and D (e.g., capital investments, for which CMS will need to follow-up with the state to determine whether these are permissible activities or uses of funds).

CMS will need additional information before it can determine whether any of those activities or uses of funds are approvable under ARP section 9817.

As of today, CMS's review is suspended until we receive your complete response. So that we may continue with the review process, please provide the requested information within 15 business days. We look forward to continuing to work with you to advance HCBS in Virginia. Please submit questions or concerns regarding this request for information to HCBSincreasedFMAP@cms.hhs.gov.

Sincerely,



Jennifer Bowdoin
Director, Division of Community Systems Transformation

cc: Chris Gordon