

## Center for Medicaid, CHIP and Survey & Certification

---

### *CMCS Informational Bulletin*

**DATE:** February 26, 2011

**FROM:** Cindy Mann  
Director  
Center for Medicaid, CHIP and Survey & Certification (CMCS)

**SUBJECT: Recent Developments in Medicaid**

We are pleased to announce that CMCS has recently released the following rules, grants and guidance: Community First Choice proposed rule, Money Follows the Person Grants, Medicaid Prevention Grants and the Maintenance of Effort State Medicaid Director's letter and Qs and As. In addition, we have included two links from our most recent "Virtual Meetings" with States.

#### **Community First Choice**

CMCS released a proposed rule regarding the implementation of the Community First Choice (CFC) Option, a provision of the Affordable Care Act that establishes an important new State plan option. Under the option, effective October 1, 2011, enhanced federal match will be available to provide "person-centered" home and community-based attendant services and supports to help increase individuals with disabilities' ability to live the community. Section 2401 of the Affordable Care Act, entitled "Community First Choice Option," adds a new section 1915(k) of the Social Security Act and provides States the opportunity to cover home and community based attendant services and supports for Medicaid eligible individuals with incomes not exceeding 150% of the federal poverty level or, if greater, who have been determined to require an institutional level of care, under their State plan. If a State elects this option, they must make such services and supports available to individuals under a person-centered service plan. Covered services include attendant services and supports for purposes of assisting individuals in accomplishing activities of daily living, instrumental activities of daily living and health-related tasks through hands-on assistance, supervision or cueing. States may also cover costs related to moving individuals from an institution to the community, such as security and utility deposits, first month's rent, and purchasing basic household supplies. States choosing to participate in this new option will receive a 6 percentage point increase in Federal medical assistance percentage for expenditures. This proposed rule can be viewed on the *Federal Register* website at <http://edocket.access.gpo.gov/2011/pdf/2011-3946.pdf>. Comments must be received by 5pm on April 26, 2011 (please see *Federal Register* link above for ways to submit comments).

#### **Money Follows the Person Program**

CMCS also released a new round of Money Follows the Person (MFP) grants to 13 States, who will join the 29 States and the District of Columbia already operating MFP programs. The MFP program provides individuals with long-term services and supports enabling them to move out of institutions and into their own homes or other community based

settings. The new round of grantees will receive more than \$45 million in the first year of the program, and more than \$621 million through 2016. The MFP Program was set to expire in fiscal year 2011, but was expanded by section 2403 of the Affordable Care Act for an additional five years and offers States an approximate 50% increase in Federal matching for one-year. Groups benefiting from these home and community based programs include the elderly, persons with intellectual, developmental and/or physical disabilities, mental illness or those diagnosed with both conditions. To date, this program has helped 12,000 individuals move back into their communities and these grants are expected to help an additional 13,000 people.

### **Medicaid Prevention Grants**

CMCS, in conjunction with the Office of Research, Development, and Information, is pleased to announce the invitation to States to apply for participation in the Medicaid Incentives for Prevention of Chronic Diseases Program authorized by section 4108 of the Affordable Care Act. This nationwide program will test and evaluate the effectiveness of a program to provide financial and non-financial incentives to Medicaid beneficiaries of all ages who participate in prevention programs to address at least one of the following prevention goals: tobacco cessation, controlling or reducing weight, lowering cholesterol, lowering blood pressure, and avoiding the onset of diabetes or improving the management of the condition; and demonstrating changes in health risk and outcomes, including the adoption of healthy behaviors.

This new funding opportunity does not require States to match the incentive payment with State funds. Beneficiary incentives available through section 4108 may be used by States to complement other chronic condition health initiatives, such as the currently available Health Home Medicaid State plan option provided by section 2703 of the Affordable Care Act. Approved administrative and program expenditures for successful applicants will be reimbursed through grant funds from the \$100 million dollars appropriated under section 4108 of the Affordable Care Act for this program and evaluation.

Successful applicant States must commit to operating their program for at least 3 years, conducting a State-level evaluation, and fulfilling reporting requirements specified by the legislation and CMS, including information technology system modification necessary to support the evaluation and reporting requirements. The Office of the Governor or the State Medicaid Agency may apply for funding under this grant opportunity, however CMS will accept only one application per State. We encourage State offices and agencies to work collaboratively to develop one application packet.

All applications must be submitted electronically through <http://www.grants.gov>. The solicitation and further application requirements may be obtained at <http://www.cms.gov/MIPCD/>. We plan to post additional information on this web site as it becomes available, such as technical guidance and questions and answers. An applicant's teleconference is scheduled for March 8, 2011 from 2:30 to 4:30 PM eastern time and may be accessed by calling the operated assisted toll-free dial-in number: (800)837-1935, and the Conference ID is: 2314.

The closing date for this Funding Opportunity Announcement is May 2, 2011.

### **Affordable Care Act Maintenance of Effort**

CMCS is pleased to announce the release of a letter to State Medicaid Directors providing guidance on the “maintenance of effort” (MOE) provisions in the Affordable Care Act of 2010. This letter and the Q&As address the Affordable Care Act MOE provisions for Medicaid and the Children’s Health Insurance Program (CHIP) generally, and specifically answer questions related to the nonapplication of the MOE provisions for certain adult populations in States with a budget deficit, section 1115 waivers and demonstration projects, and the treatment of premiums. This guidance is part of CMCS’ ongoing effort to provide guidance to States on the Affordable Care Act. We continue to review the application of the MOE provisions under the Affordable Care Act and will be issuing further guidance based on questions and issues that arise. To view this letter, visit <http://www.cms.gov/smdl/downloads/SMD11001.pdf>.

### **Virtual Meetings and Webinars**

The Centers for Medicare & Medicaid Services (CMS) is hosting a series of “virtual meetings” to share information with States about ways to improve care and lower costs in Medicaid. We have provided below, for your information, links to information from our last two meetings.

- February 10, 2011, CMS hosted a virtual meeting, “Improving Care and Lowering Costs in Medicaid.” To view this meeting, go to:  
<http://www.youtube.com/user/cmshhsgov/#p/u/0/wK11ig-ImPw> or  
<http://www.cms.gov/apps/files/medicaid-video.html>.
- February 15, 2011, CMCS hosted a webinar, “The Power of Integrated Care: Implementing Health Homes in Medicaid.” To view the webinar and presentation slides go to:  
<http://www.nashp.org/webinar/power-integrated-care-implementing-health-homes-medicaid>.

If you have any questions about these meetings, please email [MedicaidMeetings@cms.hhs.gov](mailto:MedicaidMeetings@cms.hhs.gov).

I hope you will find this information helpful. Thank you for your continued commitment to Medicaid and CHIP.