



HCBS Workforce Recruitment and Retention Enhancement Initiative
State of Rhode Island

**Enhanced HCBS Rate Increase:
Program Guidance for Enhanced Outpatient Services (EOS) Providers**

Updated April 29, 2022

Information in this guidance is subject to change

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1. Executive Summary

The State of Rhode Island will leverage enhanced federal medical assistance percentage (FMAP) authorized under the Federal American Rescue Plan Act (ARPA) of 2021, Section 9817, *Additional Support for Medicaid Home and Community-Based Services during the COVID-19 Emergency* to stabilize the home and community-based services (HCBS) workforce, mitigate labor impacts of the COVID-19 emergency, and provide access to quality, person-centered HCBS services for Medicaid beneficiaries, promoting independent living. It is our collective challenge and opportunity to direct the maximum potential amount of estimated \$114 million one-time, enhanced HCBS FMAP funding to address what we learned from the public health emergency, address system inequities and meet the complete needs of Rhode Island Medicaid members needing HCBS services.

Based on policy analysis and substantial stakeholder survey feedback highlighting a critical need to strengthen the HCBS workforce via improved compensation, EOHHS is dedicating an estimated \$57 million of these funds to a HCBS Workforce Recruitment and Retention plan with the goal of increasing compensation to frontline HCBS workers. Of this, approximately \$300,000 will be directed to enhanced outpatient services (EOS) through EOS Provider Agencies that did not otherwise receive a direct increase in the State Fiscal Year 2022 budget. These agencies shall use these funds to enhance and expand HCBS services by increasing worker compensation via a flexible range of options to attract and retain direct care workers and licensed health professionals.

The State of Rhode Island is excited to launch this effort to build back a better, more equitable healthcare system after the COVID-19 pandemic and be prepared for the changing needs and desires of Rhode Islanders. As with all programs launched at Rhode Island EOHHS, we ground our decision making for this program in our core values of choice, community engagement, and race equity.

2. Program Description

Supporting and building the HCBS workforce is a cornerstone of Rhode Island's COVID-19 pandemic recovery strategy. The support that direct care workers and licensed health professionals provide to Medicaid enrollees who have physical or behavioral support needs helps to promote individual wellness and self-determination, allowing enrollees the choice to remain in their homes and communities and avoid unnecessary acute care or facility-based care. At the same time, the pandemic has caused workforce shortages that continue to exacerbate challenges in meeting consumer demand for HCBS services.

Rhode Island EOHHS will invest in recruitment and retention for enhanced outpatient services through the following mechanism:

1. State directed payment for service codes H0036, paid as a temporary rate enhancement flowing through managed care organizations (MCOs) to EOS Provider Agencies. The operational details of the state directed payment (timing, etc.) are in development and subject to CMS approval.
2. EOS Provider Agencies will have through March 31, 2023 to expend the funds.

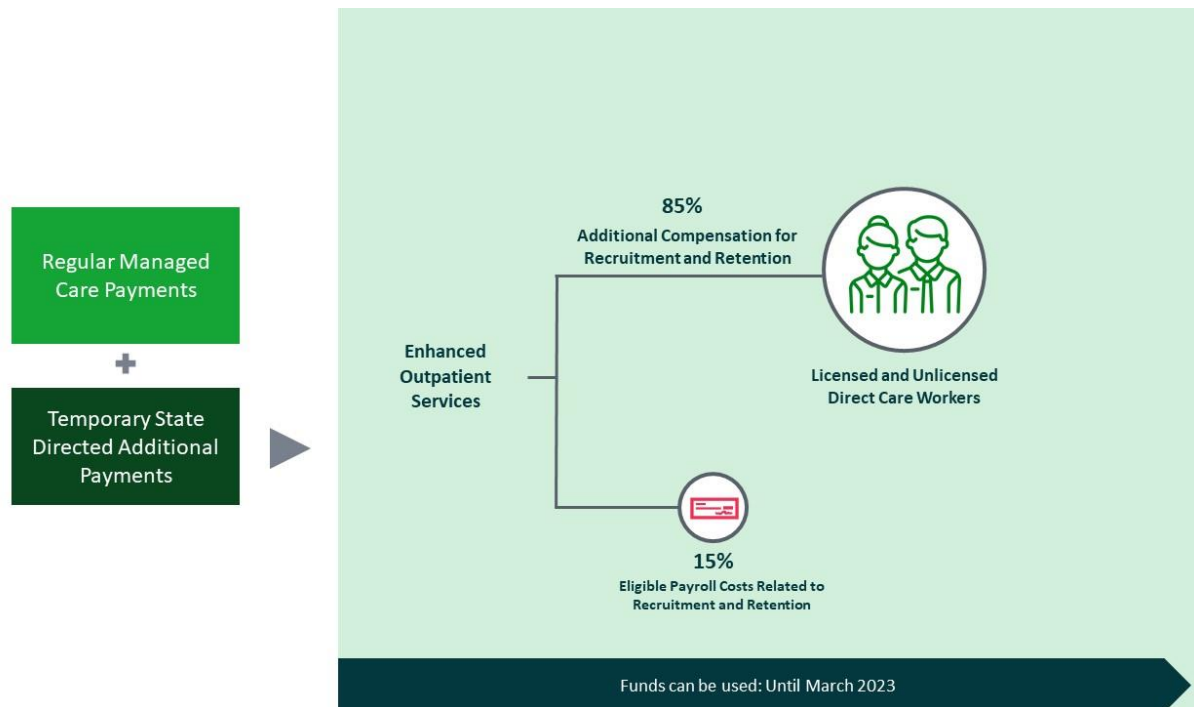
The temporary rate increase will create a pool of funding for EOS Provider Agencies that shall be used for the specific purposes of recruiting, building, and retaining their workforces of direct care workers and licensed health professionals. EOS Provider Agencies must spend at least 85% of these funds on new additional compensation (e.g., hiring and retention bonuses or increased wage rates) for frontline direct care workers and licensed health professionals. Of that 85%, at least 50% of funds must be spent on



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retention activities. No more than 15% of funds shall be spent on increased payroll costs directly related to the increase in new additional compensation for direct care workers and licensed health professionals.

Funding Flow Diagram for Enhanced Outpatient Services



The goals of this program include:

- Increasing the total number of HCBS direct care workers and licensed health professionals actively providing frontline services to Medicaid enrollees to meet consumer needs more fully
- Improving HCBS staff retention rates
- Reducing HCBS position vacancy rates

EOHHS will post documents and information related to this program on the [ARPA HCBS Enhancement Initiative](#) page. EOS Provider Agencies are encouraged to check this site regularly for updated information. Questions and comments may be sent to sarah.harrigan@ohhs.ri.gov or rick.brooks@ohhs.ri.gov.

3. Program Details

3.1 Eligible Provider Agencies and Services

The following EOS Provider Agency types are eligible to participate in this HCBS workforce recruitment and retention plan. See Appendix A for list of specific agencies.



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Category	Provider Agency Types
Children's Behavioral Health	Enhanced Outpatient Service Providers

Enhanced Outpatient Services (EOS)

The mechanism by which EOS Providers shall receive enhanced funding is a significant, temporary state-directed payment paid as a rate enhancement flowing through Managed Care Organizations (MCOs) to EOS Provider Agencies. EOS Provider Agencies shall not be required to file a separate claim to receive the state directed payment from the MCO. The payment shall be calculated and paid separately from normal reimbursement mechanisms.

The operational details of the state-directed payment (timing, etc.) are in development and subject to CMS approval. Once approved, EOS Provider Agencies will have through March 31, 2023 to expend the funds. More detailed information on this mechanism will be provided as soon as it is available.

3.2 Qualifying Activities

Definitions

Direct Care Workers means frontline paraprofessional employees who provide care and services *directly* to Medicaid beneficiaries and are not licensed by the RI Department of Health. These staff shall be directly employed by the EOS Provider Agency receiving the rate increase and shall not include employees who are contracted or subcontracted through a third-party vendor or staffing agency. Administrative/management staff who spend at least 50% of their time on frontline direct care may be considered a Direct Care Worker for the purposes of the Qualifying Activities outlined in this document.

Eligible Licensed Health Professionals means frontline employees, who provide care and services *directly* to Medicaid beneficiaries and are licensed by the RI Department of Health. These staff shall be directly employed by the EOS Provider Agency receiving the rate increase and shall not include employees who are contracted or subcontracted through a third-party vendor or staffing agency. Administrative/management staff who spend at least 50% of their time on frontline direct care may be considered an Eligible Licensed Health Professional for the purposes of the Qualifying Activities outlined in this document.

Eligible Payroll Costs shall include payroll taxes, unemployment insurance, workers compensation, liability, and/or other employer costs paid by the EOS Provider Agency that increase because of increased compensation to Direct Care Workers and Eligible Licensed Health Professionals under this Program.

Allowable Activities

Under this Program, a minimum of 85% of the funds from this temporary HCBS rate increase must be passed through directly from EOS Provider Agencies to frontline workers to support hiring, retention, and stability of this critical workforce. EOS Provider Agencies must use the enhanced funding by March 31, 2023, via the following qualifying activities:



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- At least 85% of funding shall be spent on payments directly to frontline workers (direct care workers and licensed health professionals).
- Managerial staff qualify as frontline workers if they spend at least 50% of their time working directly with clients.
- Of this 85%, at least 50% must be spent on retention activities.
- No more than 15% of funding shall be spent on eligible payroll costs (as defined above).

Specific examples of qualifying activities include, but are not limited to the following:

Recruitment Activities

Total package not to exceed 10% of the salary range per new employee; may include incentives such as:

- **Hiring bonus:** incentive payment that is over and above an hourly rate of pay and are not part of an employee's standard wages. It is recommended that the payment be disbursed in pieces across a multi-month period.
- **Relocation costs:** incentive payment to support relocation of new employee.
- **Tuition reimbursement:** incentive payment to support tuition costs or educational loan repayment costs.

Retention Activities

- **Wage rate increase:** increase to the hourly or annual wage the EOS Provider Agency paid an employee prior to the start of these program activities.
- **Retention bonus:** incentive payment as compensation that is over and above an hourly rate of pay and are not part of an employee's standard wages.
- **Shift differential payments, or differential payments for hard-to-fill locations** over and above agency standard policy.
- **"Wraparound benefits"** defined as employer provided benefits to help the workforce remain employed - over and above agency standard policy. Examples may include, but are not limited to, transportation support/mileage reimbursements, meal vouchers, or childcare assistance or car maintenance support.
- **Tuition reimbursement:** incentive payment to support tuition or educational loan costs.

To count as an allowable activity, additional compensation using these enhanced funds must be over and above compensation that was paid to frontline workers prior to the temporary rate increase (as of November 30, 2021); it shall not be used to replace base wages or other regular compensation (e.g., standard shift differentials in line with current Provider Agency policies). Each Provider Agency should maintain documentation to show the compensation paid to its frontline workers prior to the temporary rate increase, for compliance purposes.

Unspent funds

EOS Provider Agency must return any unspent funds remaining after March 31, 2023 to EOHHS, unless EOS Provider Agency pre-arranges an extension period with EOHHS based on compelling reasons by emailing to sarah.harrigan@ohhs.ri.gov or rick.brooks@ohhs.ri.gov.

3.3 Program Participation Requirements

- July 1, 2022: Submit *Attestation and Initial Workforce Report* affirming an understanding of, and commitment to, the requirements associated with the enhanced HCBS FMAP rate increase, and



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providing baseline workforce data. This report must be filled out via the EOHHS website. For the data requirements, see draft in Appendix B.

- Submit a quarterly *Workforce and Expenditure Report* for each reporting period to address the impact of rate increases and investments in workforce recruitment, retention, and capacity, and documenting the distribution of funds consistent with the requirements in this Program Guidance. See Appendix C.

3.4 Program Dates

Key dates for providers participating in the HCBS Workforce Recruitment and Retention Program are as follows:

- December 1, 2021: Enhanced rate period begins for managed care reimbursement for EOS providers.
- March 31, 2022: Enhanced rate period ends for managed care reimbursement.
- April 29, 2022: Attestation & Initial Workforce Report due by 5pm.
- March 31, 2023: All program funds must be spent or returned to EOHHS after this date, unless an extension is pre-arranged.

Reporting periods: quarterly reports due 2 weeks after the last day of each reporting period, by 5pm.

Start Date	End Date	Quarterly <i>Workforce and Expenditure Report</i> due:
July 1 2022	Sept. 30 2022	Oct. 14, 2023
Oct. 1, 2022	Dec. 31, 2022	Jan. 14, 2023
Jan. 1, 2023	Mar. 31, 2023	Apr. 14, 2023



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Appendix A: Eligible Provider Agencies

Provider Name	FEIN
BRADLEY HOSPITAL	50258806
COMMUNITY CARE ALLIANCE	50312278
EAST BAY COMMUNITY ACTION PROGRAM	50310024
FAMILY BEHAVIORAL SOLUTIONS, INC.	471498228
FAMILY SERVICE OF RHODE ISLAND INC	50258858
GATEWAY HEALTHCARE, INC	50309043
GRODEN CENTER INC	50369378
NORTH AMERICAN FAMILY INSTITUTE	900059160
ST MARYS HOME FOR CHILDREN	50213340 and 50498391
THE FOGARTY CENTER	42936360
THE PROVIDENCE CENTER	50316969
THRIVE BEHAVIORAL HEALTH, INC.	510189278
TIDES FAMILY SERVICES	222478229
UNITED CEREBRAL PALSY OF RHODE ISLAND INC	50285815



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Appendix B: Initial Attestation and Workforce Report

Initial Attestation and Workforce Report

Attestation and Report subject to change. Please access final version and submit online at: [ARPA HCBS Enhancement Initiative](#) by April 29, 2022 by 5PM.

Provider Agency Contact information

Agency: _____

NPI #: _____

Name of agency lead contact submitting report: _____

Job title of lead contact: _____

Email of lead contact: _____

Phone for lead contact: _____

Mailing address for lead contact: _____

*For the purposes of this program, **Direct Care Workers** means frontline paraprofessional employees who provide care and services directly to Medicaid beneficiaries and are not licensed by the RI Department of Health. These staff shall be directly employed by the Behavioral Health Provider Agency receiving the rate increase and shall not include employees who are contracted or subcontracted through a third-party vendor or staffing agency. Administrative/management staff who spend at least 50% of their time on frontline direct care may be considered a Direct Care Worker for the purposes of the Qualifying Activities outlined in this document.*

*In addition, **Licensed Health Professionals** means frontline employees, who provide care and services directly to Medicaid beneficiaries and are licensed by the RI Department of Health. These staff shall be directly employed by the Behavioral Health Provider Agency receiving the rate increase and shall not include employees who are contracted or subcontracted through a third-party vendor or staffing agency. Administrative/management staff who spend at least 50% of their time on frontline direct care may be considered a Licensed Health Professional for the purposes of the Qualifying Activities outlined in this document.*



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Workforce Report

	Direct Care Workers	Licensed Health Professionals
Total employed		
# part-time employees		
# full-time employees		
0 - 1 year of service		
1 - 5 years of service		
5+ years of service		
# who speak a language other than English		
Ethnicity of employees		
Not Hispanic or Latinx		
Hispanic or Latinx		
Race of employees		
White		
Black or African American		
American Indian or Alaska Native		
Asian		
Native Hawaiian or Other Pacific Islander		
Other		
Total job openings		

Specify job titles for Direct Care Workers:

Specify job titles for Licensed Health Professionals:



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Quarterly Workforce Report Attestation

By submitting this form on _____ [Today's Date] _____, I, _____ [Name] _____, hereby attest that, to the best of my knowledge and belief, that the above information is accurate and complete. I recognize that the purpose of the HCBS FMAP temporary rate increase received by _____ [Agency] _____ is to improve recruitment, retention, and capacity of the frontline home and community-based services (HCBS) workforce. I hereby attest that at least 85% of the enhanced HCBS FMAP temporary rate increase will be spent to provide additional compensation for frontline workers via Qualifying Activities as described in Program Guidance, and that at least 50% of those funds (the 85%) will be dedicated to staff retention. I further attest that no more than 15% of the enhanced HCBS rate increase will be spent on payroll costs directly related to the additional compensation for frontline workers for a full-time equivalent will receive these funds. My agency will maintain payroll records to support this attestation, and such payroll records may be subject to audit by EOHHS. In the event that EOHHS determines that Program funds have been used for ineligible expenses, my agency may be required to repay such funds to EOHHS. My agency also commits to returning to EOHHS any Program funds not expended after the Program end date of March 31, 2023. My agency will maintain and submit quarterly Expenditure Reports and Workforce Reports as required by EOHHS.



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Appendix C: Quarterly Workforce and Expenditure Report

Quarterly Workforce and Expenditure Report

Attestation and Report subject to change. Please access final version and submit online at: [ARPA HCBS Enhancement Initiative](#).

Quarterly reports must be submitted to EOHHS within two weeks following the end of each reporting period and should include data as of the last day of the reporting quarter.

Start Date	End Date	Workforce and Expenditure Report due
Dec. 1 2021	Mar. 31 2022	Apr. 14, 2022
Apr. 1 2022	Jun. 30 2022	Jul. 14, 2022
Jul. 1 2022	Sep. 30 2022	Oct. 14, 2023
Oct. 1, 2022	Dec. 31, 2022	Jan. 14, 2023
Jan. 1, 2023	Mar. 31, 2023	Apr. 14, 2023

Contact information

Agency: _____

NPI #: _____

Name of agency lead contact submitting report: _____

Job title of lead contact: _____

Email of lead contact: _____

Phone for lead contact: _____

Mailing address for lead contact: _____

Reporting period

Reporting period - start date:	
Reporting period - end date (use this date's data):	

*For the purposes of this program, **Direct Care Workers** means frontline paraprofessional employees who provide care and services directly to Medicaid beneficiaries and are not licensed by the RI Department of Health. These staff shall be directly employed by the Behavioral Health Provider Agency receiving the rate increase and shall not include employees who are contracted or subcontracted through a third-party vendor or staffing agency. Administrative/management staff who spend at least 50% of their time on frontline direct care may be considered a Direct Care Worker for the purposes of the Qualifying Activities outlined in this document.*

***Licensed Health Professionals** means frontline employees, who provide care and services directly to Medicaid beneficiaries and are licensed by the RI Department of Health. These staff shall be directly employed by the Behavioral Health Provider Agency receiving the rate increase and shall not include employees who are contracted or subcontracted through a third-party vendor or staffing agency. Administrative/management staff who spend at least 50% of their time on frontline direct care may be considered a Licensed Health Professional for the purposes of the Qualifying Activities outlined in this document.*



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Table 1: Workforce Report

	Direct Care Workers	Licensed Health Professionals
Total employed		
# part-time employees		
# full-time employees		
0 - 1 year of service		
1 - 5 years of service		
5+ years of service		
# who speak a language other than English		
Ethnicity of employees		
Not Hispanic or Latinx		
Hispanic or Latinx		
Race of employees		
White		
Black or African American		
American Indian or Alaska Native		
Asian		
Native Hawaiian or Other Pacific Islander		
Other		
Total hired during reporting period		
Total terminations during reporting period		
Retention rate (# terminations during reporting period divided by # employed at start of reporting period)		
Total job openings		

Specify job titles for Direct Care Workers:

Specify job titles for Licensed Health Professionals:

Comments (optional; note highlight successes, challenges and lessons learned):



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Table 2: Expenditure Report Summary

	Total Program \$s spent since Dec 1 2021 (Provider data)	Ratio of Program expenditures since Dec 2021 (Autofill)
Additional compensation - retention (target $\geq 42.5\%$)		
Additional compensation - recruitment (target $\leq 42.5\%$)		
Increased payroll costs related to the additional compensation above (target $\leq 15\%$)		
Grand Total		

If spending proportions in Table 2 vary significantly from target percentages, please explain here the reasons and plans for reaching the target spending ratios by the end of the program period Mar 31, 2023:

Allowable Activities

The intent of this Program is for a minimum of 85% of the funds from this temporary HCBS rate increase to be passed through directly from EOS Provider Agencies to frontline workers to support hiring, retention, and stability of this critical workforce. EOS Provider Agencies must use the enhanced funding by March 31, 2023 via the following qualifying activities:

- *At least 85% of funding shall be spent on payments directly to frontline workers (direct care workers and licensed health professionals. Managerial staff qualify if they spend at least 50% of their time working directly with clients. Of this 85%, at least 50% must be spent on retention activities.*
- *No more than 15% of funding shall be spent on eligible payroll costs (as defined above).*

Specific examples of qualifying activities include, but are not limited to the following:

Recruitment Activities

Total package not to exceed 10% of the salary range per new employee may include incentives such as:

- **Hiring bonus:** *incentive payment that is over and above an hourly rate of pay and are not part of an employee's standard wages. It is recommended that the payment be disbursed in pieces across a multi-month period.*
- **Relocation costs:** *incentive payment to support relocation of new employee.*
- **Tuition reimbursement:** *incentive payment to support tuition or educational loan costs.*

Retention Activities

- **Wage rate increase:** *increase to the hourly or annual wage the EOS Provider Agency paid an employee prior to the start of these program activities.*
- **Retention bonus:** *incentive payment as compensation that is over and above an hourly rate of pay and are not part of an employee's standard wages.*
- **Shift differential payments, or differential payments for hard-to-fill locations** *over and above agency standard policy.*



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- ***"Wraparound benefits"*** defined as employer provided benefits to help the workforce remain employed - over and above agency standard policy. Examples may include, but are not limited to, transportation support/mileage reimbursements, meal vouchers, or childcare assistance or car maintenance support.
- ***Tuition reimbursement:*** incentive payment to support tuition or educational loan costs.

To count as an allowable activity, additional compensation using these enhanced funds must be over and above compensation that was paid to frontline workers prior to the temporary rate increase (as of November 30, 2021); it shall not be used to replace base wages or other regular compensation (e.g., standard shift differentials in line with current Provider Agency policies). Each Provider Agency should maintain documentation to show the compensation paid to its frontline workers prior to the temporary rate increase, for compliance purposes.



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Table 3: Expenditure Report: Additional Compensation Spending

Additional Compensation Paid to Frontline HCBS workers since Dec 1, 2021	Direct Care Workers	Licensed Health Professionals
Total Wage increases (total elevated wage minus previous base wage)	\$	\$
Retention bonus	\$	\$
Incentives for hard-to-fill shifts or locations	\$	\$
Wraparound benefits	\$	\$
Other (describe): _____		
Retention Subtotal (should sum to the number provided in Table 2 above)	\$	\$
Hiring bonus	\$	\$
Relocation Costs		
Tuition Reimbursement	\$	\$
Other (describe): _____		
Recruitment Subtotal	\$	\$
TOTAL ADDITIONAL COMPENSATION	\$	\$

Comments (optional; note highlight successes, challenges and lessons learned):

Attestation

By submitting this form on _____ [Today's Date], I, _____ [Name], hereby attest that, to the best of my knowledge and belief, that the above information is accurate and complete. _____ [Agency] has maintained personnel records to support this attestation and acknowledges that such personnel records may be subject to audit by EOHHS. In the event that EOHHS determines that Program funds have been used for ineligible expenses, my agency may be required to repay such funds to EOHHS. My agency shall return to EOHHS any Program funds not expended by the Program end date of Mar 31, 2023.