



## **American Rescue Plan Act – 10% enhanced FMAP for HCBS** **Request for Inclusion of DMEPOS in this Provision**

### **Congress has authorized a temporary 10% FMAP increase to support the provision of HCBS.**

In response to the unprecedented COVID-19 pandemic and logistical and financial strain it has caused on the American healthcare system, Congress enacted section 9817 of the American Rescue Plan Act of 2021. Section 9871 provides a temporary 10% increase to a State's FMAP for dates between April 1, 2021 to March 31, 2022. Per CMS guidance, States may apply the 10% increase in FMAP to, among other things, "home health care services" under section 1905(a)(7), that "enhance, expand, or strengthens" beneficiary access to home and community-based services (HCBS). "Home health care services" have been broadly defined by CMS in regulations to include "medical supplies, equipment, and appliances suitable for use in any setting in which normal life activities take place," such as the patient's home.

***Below, we have provided our request of the State Medicaid program to leverage the 10% enhanced FMAP for HCBS in the context of DME for use in the home.***

### **Utilize Increased FMAP for 10% Increase in Provider Reimbursement from 7/1/2021 through 6/30/2022.**

- The COVID-19 Pandemic has significantly strained the supply chain for the HME Industry contributing to significant increases in the costs for HME products and creating supply shortages throughout the country.
- DME providers have been on front line servicing COVID-19 patients in their homes providing home ventilation services, oxygen therapy, and other DME equipment and supplies.
- The services provided by the DME providers have been keeping patients in their homes and out of the hospitals which has allowed hospitals to manage their capacity to be able to treat the most critically ill.
- Access to Complex Rehab Technology was protected due to the increased efforts and in-person visits by the Assistive Technology Professionals while utilizing telehealth in conjunction with the PT/OT services for the safety of the patient. This model shortens the timeline for obtaining complex rehab services.
- Increased payment rates would help DME providers that have been financially struggling, and it would allow other DMEPOS providers to expand their offerings to cover a broader patient population and/or offer a more robust supply of goods.

***We request that the Department increase the Medicaid payment rates for DME providers and use the 10% FMAP increase to help offset additional costs.***

***CMS has responded to questions from the DME industry regarding use of funds to supplement changes to the DME fee schedule due to the increased costs of DME due to the PHE with the following statement...***

*"Yes. States may choose to use the funds attributable to the increased federal medical assistance percentage (FMAP) under section 9817 of the American Rescue Plan (ARP) to support durable medical equipment (DME) providers. Under section 9817 of the ARP, states can implement a variety of activities, including enhancements to home and community-based services (HCBS), eligibility, infrastructure, and reimbursement methodologies, to enhance, expand, or strengthen Medicaid HCBS. Examples of activities that states can initiate as part of the section 9817 of the ARA opportunity are provided in Appendices C and D of SMD # 21-003 titled ["Implementation](#)*

[of American Rescue Plan Act of 2021 Section 9817: Additional Support for Medicaid Home and Community-Based Services during the COVID-19 Emergency.](#) States may use the funds attributable to the increased FMAP to strengthen the HCBS system in response to the COVID-19 Public Health Emergency (PHE), increase access to HCBS for Medicaid beneficiaries, adequately protect the HCBS workforce, and safeguard financial stability for HCBS providers. CMS encourages states to engage a broad community of stakeholders to gain varied perspectives on how to expand, enhance, and strengthen HCBS under Medicaid. CMS will determine whether a state's activities meet the requirements of section 9817 of the ARP through the required reporting discussed under Required Reporting on Activities to Enhance, Expand, or Strengthen HCBS under the Medicaid Program in SMD # 21-003"

**Utilize Increased FMAP for DME Provider Coverage and Reimbursement for Respiratory Therapy visits in the home:**

- DME respiratory providers utilize certified or registered Respiratory Therapists (RTs) to provide value-added services such as patient monitoring, education, training, equipment set up, maintenance, and repair.
- Respiratory Therapists (RTs) make home visits and coordinate with the patient's prescribing and clinical care team to improve patient outcomes, compliance, and quality of life for the end user.
- Currently, DME respiratory providers that utilize RTs do so with no added reimbursement. RT home visits offer tremendous value to end users prescribed medically necessary oxygen equipment and related services, home mechanical ventilation therapy, tracheostomy care, positive airway pressure (PAP) therapy, and other related respiratory equipment, supplies and services.
- Additional payment that helps offset the cost of Respiratory Therapists would improve Medicaid recipient access to critical support services and other items in their homes by allowing DME providers to reinvest resources otherwise spent on absorbing the cost of RTs.

***We request the Department utilize the enhanced 10% FMAP for HCBS provided by section 9817 of the American Rescue Plan Act to add coverage for DME providers to be reimbursed for sending certified or registered Respiratory Therapists to Medicaid recipient homes for medically necessary care.***

**Utilize Increased FMAP to provide DME/Complex Rehabilitation Technology (CRT) Coverage and Reimbursement for Assistive Technology Professional Services Provided In Person and/or Remotely:**

- Currently DME providers of complex rehabilitation technology (CRT) are required to employ certified Assistive Technology Professionals (ATPs) to provide individually configured complex wheelchairs. While the evaluation, simulation, fitting, and training time required from these credentialed professionals is significant, there is no separate reimbursement provided for this time and expertise.
- ATPs are key participants in the CRT evaluation and provision process, working as part of a team that includes the physician and typically a physical or occupational therapist. The ATP's primary role is matching the patient's identified functional and medical needs to the appropriate CRT products and configuration. Activities include in-person evaluations, equipment trials and simulations, home environment assessments, CRT configuration recommendations, fitting and adjusting, and training on safe operation. In addition, ongoing follow up and adjustments are provided after the delivery.
- Additional payment would help offset the cost of ATPs and improve Medicaid beneficiary access to critical support services and other items in their home by allowing DME providers to reinvest resources otherwise spent on absorbing the cost of ATPs.
- Timely access and quality outcomes from CRT has been protected due to the increased efforts by ATPs for in-person evaluations, while streamlining the evaluation process and helping ensure the safety of the patient. This model prevents extended timeframes for obtaining CRT and supporting services. For this to be a sustainable option going forward, additional reimbursement is needed to compensate for the ATP's time and expertise and ensure positive outcomes for the patient requiring CRT.

***We request that the Department utilize the enhanced 10% FMAP for HCBS provided by section 9817 of the American Rescue Plan Act to provide payment for DME providers of CRT that covers the expertise and involvement of an ATP in the process of providing this complex medically necessary equipment in the home.***

**Utilize Increased FMAP to Increase Rates and Coverage policy for Personal Protective Equipment (PPE):**

- Due to the pandemic, there has been a significant rise in demand for PPE, including medical grade gloves creating a strain on the manufacturing capacity. This increased demand along with increased manufacturing restraints such as raw material shortages, constraints with global manufacturers in locations such as China and Malaysia have led to significant cost increases on PPE.

***We request the Department utilize the enhanced 10% FMAP for HCBS provided by section 9817 of the American Rescue Plan Act to provide increased coverage and reimbursement for gloves and other PPE.***