



# Section 9817 Spending Plan Quarterly Report

January 17, 2023



# AHCCCS Quarterly Report

## Introduction

AHCCCS has begun a range of implementation activities necessary to carry out the initiatives identified in Arizona’s Section 9817 Spending Plan and Narrative. Central to the State’s approach are efforts to ensure that activities strengthen, enhance, and/or expand home and community-based services (HCBS) for the AHCCCS member population. AHCCCS is also working to ensure that all implementation activities align with the State’s long-term goals for HCBS, and that Spending Plan initiatives are time-limited and do not create an expectation of ongoing benefits or funding. AHCCCS will communicate the nature of these commitments and source(s) of funding to CMS should ongoing funding commitments be identified in the future.

AHCCCS is conducting additional analyses to ensure the State is accurately claiming the appropriate increased Federal Medical Assistance Percentage (FMAP) on services, as identified in Appendix B of State Medicaid Director Letter #21-003. The State has also formulated an estimate of administrative resources necessary to successfully implement Spending Plan activities, as identified in the attached spending plan. The State is aware of updated provisions in SMD #22-002 and has decided to continue HCBS Spending Plan activities until all enhanced FMAP savings are expended or until September 30, 2024, whichever is earlier. Additional detail on the impact of this new timeline on Spending Plan budget projections is further detailed in the attached updated Spending Plan.

## Proposed Changes to Arizona’s Section 9817 Spending Plan

AHCCCS has continued to engage stakeholders and obtain feedback on the State’s Spending Plan and Narrative, originally submitted on July 12, 2021. Stakeholder feedback is also a key consideration as Spending Plan initiatives are implemented. AHCCCS will continue to engage stakeholders and rely on feedback provided to ensure initiatives are implemented in a targeted, effective, and efficient manner. Based on recent stakeholder input, as well as internal evaluations on various factors, such as ease of implementation, feasibility, alignment with existing programs, and timeline, AHCCCS proposes the following revisions to the State’s Spending Plan:

Initiative Name	Description of Change	Spending Plan Page Number
Career/Training/Education Initiative	<u>Modification of Activities:</u> <ul style="list-style-type: none"><li>AHCCCS is looking to invest in their workforce by supporting the use of a competency evaluation tool. This tool will help the State capture and track the skills of their HCBS workforce so that gaps in case can be quickly identified.</li></ul>	Pages 15

AHCCCS has incorporated the above proposed edits in the attached revised Spending Plan and Spending Plan Narrative. Additionally, AHCCCS has made minor, non-substantive edits for clarification to accurately reflect the intent of the Spending Plan.



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### **Conclusion:**

AHCCCS will continue to engage CMS and adhere to federal guidance while implementing the State's Section 9817 Spending Plan, with the goal of expanding, enhancing, or strengthening HCBS. The State will also continue to implement activities as detailed in the Spending Plan, and provide updates in subsequent quarterly reports regarding any changes or modifications to approved activities. Thank you for providing us with the opportunity to supply this quarterly update. AHCCCS is available, should CMS have questions or require additional information.

