



LTQA Webinar Recap: Lessons Learned from State Implementation of ARPA HCBS Spending Plans

Event: July 23, 2024

Speakers:

Camille Dobson, ADvancing States

Hayley Gleason, Colorado Department of Health Care Policy & Financing (HCPF)

The American Rescue Plan Act of 2021 (ARPA) Section 9817 allocated a historic \$13 billion in Federal funds to Home and Community-Based Services (HCBS). With additional state investment, total spending on HCBS from ARPA is estimated to be \$37 billion. This represents the largest single investment in HCBS over the last 40 years. This unprecedented investment aimed to enhance the quality and accessibility of services for older adults and individuals with disabilities, enabling them to live more independently. States were required to submit HCBS spending plans within 30 days¹ to the Centers for Medicare & Medicaid Services (CMS), outlining how they would utilize these funds over three years² to improve their HCBS systems. The funding provided an opportunity for states to implement various initiatives, although they faced tight deadlines and resource constraints.

On July 23, 2024, Long-Term Quality Alliance hosted a member-only discussion³ on the challenges and lessons learned from the state implementation of ARPA HCBS spending plans. The discussion featured Camille Dobson, Deputy Executive Director at ADvancing States, and Hayley Gleason, Economic Recovery Officer at the Colorado Department of Health Care Policy & Financing (HCPF).

[ARPA Section 9817](#) added an additional \$4,933 additional spending per beneficiary, across all 50 states and the District of Columbia. More than 1,200 activities have been proposed to enhance, expand, or strengthen HCBS. The most proposed activity types include workforce recruitment and retainment, workforce training, quality improvement, reducing or eliminating HCBS waiting lists, and expanding use of technology. ADvancing States led an ARPA HCBS Technical Assistance Collective to support states in planning for and implementing their ARPA HCBS spending plan initiatives. This TA Collective was funded by [The John A. Hartford Foundation](#), [The SCAN Foundation](#), [The Milbank Memorial Fund](#), [The Peterson Center on Healthcare](#), [Arnold Ventures](#), and [The CARE Fund](#).

The speakers highlighted five key themes while discussing the complexities states faced in executing their HCBS spending plans, the strategies that proved effective in overcoming obstacles, and the implications for future policy and funding initiatives.

¹ Due date was subsequently extended by six weeks.

² The initial spending period duration of three years was later extended to four years.

³ LTQA has long served as a “big table” convening organization to share knowledge and experience needed to advance development and continuous improvement of person-centered LTSS. Member-only discussions highlight areas of specific relevance to our members. The aim is to create an opportunity for LTQA members to share learning and discuss the latest LTSS policy and research.

Key Themes and Challenges

1. **Staffing Needs:** Staffing was a significant challenge as existing teams faced high demands due to the influx of new projects. The necessity for permanent staff familiar with processes became evident, as temporary or overburdened staff struggled to keep up with the requirements of the ARPA HCBS projects.
2. **Time for Evaluation:** Many states, including Colorado, found that there was insufficient time to fully evaluate the new programs. Evaluation was not required as part of the ARPA funding. The rapid implementation timeline meant that thorough assessments of program effectiveness and impact were often delayed, limiting the ability to make informed adjustments.
3. **Sustainability Planning:** Planning for the sustainability of new initiatives proved to be difficult, particularly for teams still in the implementation phase. States needed to balance the immediate demands of rolling out new projects with the long-term goal of ensuring these programs could continue beyond the ARPA funding period.
4. **Oversight and Tracking:** Effective oversight and tracking were crucial for managing the numerous projects funded by ARPA. Standardization of processes and the provision of administrative support played a vital role in ensuring that projects stayed on track and met their intended goals. Colorado's robust tracking systems exemplified how systematic oversight can aid in managing large-scale funding initiatives.
5. **Grants:** Administering grants proved to be more time-consuming and challenging than anticipated. States encountered difficulties in setting up and managing grant programs, leading to delays and complications in funding distribution. This highlighted the need for better infrastructure and support systems to handle the administrative burden of grant management.

In addition, ADvancing States undertook a national survey to understand states' approaches to implementing ARPA and to identify opportunities for more effective implementation for any future federal funding. Recommendations include: states need ample time to develop a spending plan with meaningful stakeholder input; states' budgets and legislative cycles, as well as the complexities of state procurement processes, should be considered when deciding the length of time states have to full expend additional federal dollars; and both states and CMS need administrative funding to support the development and implementation of systemic improvements.

Despite these challenges, the ARPA HCBS funding has shown significant potential for driving improvements in HCBS systems across states. Colorado's experience underscores the importance of strategic planning, stakeholder engagement, and robust administrative processes in successfully implementing large-scale funding initiatives. As states continue to navigate the complexities of these projects, the lessons learned from ARPA HCBS funding will be invaluable for future federal funding efforts aimed at enhancing HCBS services.