Maryland Medicaid American Rescue Plan Act Reinvestment Spending

The Maryland Department of Health (MDH) invites the public to submit ideas for expenditures related to the remaining American Rescue Plan Act (ARPA) reinvestment funds. A portion of the reinvestment funds have been earmarked for rate increases for select Home and Community Based Services (HCBS) and community behavioral health services.

Submission Requirements
Submissions should comply with the Centers for Medicare and Medicaid (CMS) guidance outlined in the May 13, 2021 State Medicaid Directors’ Letter. See Appendix C of the guidance for examples of activities to support HCBS. Any submission ideas that do not follow CMS guidance cannot be considered.

Submissions Due November 15, 2021
Submissions are now closed.

Background
The American Rescue Plan Act (ARPA), a COVID-19 relief package that became law on March 11, 2021, provides funds for state Medicaid programs for specific initiatives including additional support for HCBS and community behavioral health services.

During the 2021 legislative session, the Maryland General Assembly passed the Budget Bill directing Medicaid and the Developmental Disabilities administration (DDA) to spend at least 75 percent of the federal ARPA reinvestment dollars for a one-time only HCBS provider rate increase.

Maryland’s Budget Bill also requires DDA to spend the remaining 25 percent of their ARPA reinvestment funds on HCBS provider grants. The DDA has been conducting stakeholder surveys to gather feedback on these grant opportunities.

In July 2021, MDH submitted an initial spending plan, reflecting Maryland’s Budget Bill requirements, to CMS for expenditures to strengthen HCBS and behavioral health services under the Medicaid program as allowed under ARPA Section 9817.

CMS granted MDH partial approval of the initial state spending plan in September 2021. Full approval of the plan is pending MDH’s submission of additional information and the state’s continued compliance with program requirements including submitting CMS’s required quarterly spending plans.