



## EXECUTIVE MEMO

To: Executive Directors, DSN Boards  
CEOs, Private Providers  
Finance Directors

From: Deputy Director Pat Maley

Re: Status of Federal American Rescue Plan's 10% HCBS FMAP Increase

Date: April 14, 2021

The purpose of the memo is to provide a status update on the Federal \$1.9 Trillion American Rescue Plan Act, which was signed into law over a month ago by the President on 3/11/2021. Many in our provider network are keenly tracking this important federal legislation, as is DDSN.

A key component of this Act is to increase the Federal Medical Assistance Percentage (FMAP) by 10% for all Home & Community Based Services (HCBS). This will start on April 1, 2021 and end in 12 months. The initial DDSN service delivery system 10% FMAP *estimate* on its billable DDSN HCBS services is \$35-40 million for 12 months.

South Carolina has not received any specific federal guidance to date on implementing this program. As with any new federal legislation, responsible federal agencies, such as the Center for Medicare & Medicaid Services (CMS), will need a little time to develop guidance on implementation and identify the specific Medicaid services to receive this 10% FMAP enhancement.

Rest assured, DDSN's provider network will be alerted when DDSN receives any new information. DDSN will work closely with the network in making recommendation to the Commission on how to best use this funding.

Federal funding for Medicaid HCBS is uniquely flexible: the only real requirement in the legislation is that the funding will "implement, or supplement the implementation of, one or more activities to enhance, expand, or strengthen" HCBS. Basically, the funding should go towards anything HCBS-related.

The point of contact (POC) for this issue will be Deputy Director Pat Maley who can be contacted at telephone (803) 898-9697 or email [pmaley@ddsn.sc.gov](mailto:pmaley@ddsn.sc.gov).

Thank you -- Pat