

ARPA Funding Distribution Communication

Governor Wolf signed Act 54 of 2022 (Act 54), which allocates \$250 million from the Federal American Rescue Plan Act (ARPA) to nursing facilities (NF), NFs providing ventilator or tracheotomy care, personal care homes (PCH) and assisted living residences (ALR), home health and home care agencies, participant directed workers providing personal assistance services, adult daily living service providers, residential habilitation providers, and Living Independence for the Elderly (LIFE) programs.

Act 54 established funding from ARPA to be used for COVID-19 relief for costs not otherwise reimbursed by federal, state or other sources of funding. To qualify for the one-time payment, a provider must be in operation as of July 1, 2022.

The Office of Long-Term Living (OLTL) is validating provider data and calculating the payments due each provider under Act 54. Providers should expect to receive a letter with more details about the payments, including information on the approved use of the funding, and reporting requirements in August 2022.

Additionally, as OLTL did with the Coronavirus Aid, Relief, and Economic Security (CARES) Act and previous ARPA payments, payment information will be posted by provider type to the [Department of Human Services' \(the Department\) website](#).

Nursing Facility Payments

Act 54 provided \$131.157 million for NF payments. \$104.926 million will be allocated to NFs based on Medical Assistance (MA) days of care for the third quarter of calendar year 2021 and \$26.231 million will be allocated based on licensed beds for all NFs as of July 1, 2022. NFs providing ventilator or tracheostomy care and that qualified for a payment under Act 56 of 2021 in the quarter ending March 31, 2022 also qualify for a portion of a \$4.283 million allocation.

NF providers, including those providing tracheotomy and ventilator care, that qualify for an Act 54 payment and are enrolled in the MA program do not need to submit requests for the funding. All currently enrolled NFs will receive the funding, provided they meet the criteria in the act.

OLTL is preparing the distribution of the funds as one-time gross adjustments for NFs currently enrolled in MA. Providers should expect to see the payment appear as a gross adjustment transaction/lump sum payment on a PROMISe remittance advice with payment issuance occurring nine days after the transaction appears on their remittance. OLTL's intention is to distribute the payments in **early Fall 2022**.

NFs not currently enrolled in MA must confirm they want to receive the payment. NFs not enrolled in MA must complete an acceptance form and return it to the Department. The form will be posted on the Department's website in August 2022. OLTL will begin issuing payments and mailing checks in Fall 2022. Because it is a manual process to prepare an invoice to generate a payment, checks will be issued in the order in which forms are received and processed.

PCH/ALR Payments

Act 54 provided \$26.767 million for payments to PCHs and ALRs. \$24.090 million will be allocated based on the occupancy of the facility on or before July 1, 2022, and \$2.677 million will be allocated proportionally based on the number of Supplemental Security Income (SSI) residents in the facility as of March 2022.

To validate PCH and ALR occupancy and SSI resident counts, OLTL sent providers a web-based form via email in August 2022. A link to the form will also be available on the Department's website. When completing the form, a PCH or ALR must indicate if it wants to receive an Act 54 payment and provide its federal tax identification number (FEIN), name, and address as they appear on its IRS Form W-9. OLTL will calculate the payments due each provider and begin issuing payments and mailing checks in Fall 2022. Because it is a manual process to prepare an invoice to generate a payment, checks will be issued in the order in which forms are received.

Home and Community-Based Service (HCBS) Providers and LIFE ARPA Payments

Act 54 provided \$74.946 million to support personal assistance service providers. Individual provider allocations are based on claims and encounters for services provided in the third quarter of 2021. A total of \$59.957 million will be allocated to home health and home care providers. Direct care workers in the participant-directed model providing personal assistance services will receive \$14.989 million.

Adult daily living providers will receive \$6.959 million, distributed proportionally based on claims and encounters paid in the third quarter of calendar year 2021.

Residential habilitation providers will receive \$535,000, distributed proportionally based on claims and encounters paid in the third quarter of calendar year 2021.

LIFE providers will receive \$5.353 million, distributed proportionally based on the LIFE provider's total amount reimbursed for long-term care managed care for the third quarter of calendar year 2021.

Home health, home care, adult daily living, residential habilitation, and LIFE providers that qualify for an Act 54 payment and are enrolled in the MA program do not need to submit requests for the funding. All currently enrolled HCBS and LIFE providers will receive the funding, provided they meet the criteria in the act.

OLTL is preparing the distribution of Act 54 funds to HCBS and LIFE providers as one-time gross adjustments. Providers should expect to see the payment appear as a gross adjustment transaction/lump sum payment on a PROMISe remittance advice with payment issuance occurring nine days after the transaction appears on their remittance. OLTL's intention is to distribute the payments in **early Fall 2022**. Remittance advice and payment dates will be included in the Act 54 payment details posted on the Department's website.