



**DEPARTMENT OF HEALTH & HUMAN SERVICES
CENTERS FOR MEDICARE AND MEDICAID SERVICES**

Center for Medicaid and State Operations
7500 Security Boulevard
Baltimore, MD 21244-1850

MEDICAID INFRASTRUCTURE GRANT

To Support the Competitive Employment of People with Disabilities

Sponsored By:

Department of Health and Human Services

The Centers for Medicare & Medicaid Services

CFDA No. 93.768

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Executive Summary

Ticket to Work and Work Incentives Improvement Act of 1999 Medicaid Infrastructure Grants

The Centers for Medicare & Medicaid Services (CMS) is soliciting proposals from States to develop infrastructures to support the competitive employment of people with disabilities by facilitating targeted improvements to States' Medicaid programs and by facilitating linkages between Medicaid and other programs accessed by the people with disabilities who are employed. Section 203 of the Ticket to Work and Work Incentives Improvement Act of 1999 directed the Secretary of the Department of Health and Human Services (DHHS) to establish a grant program to support State efforts to enhance employment options for people with disabilities. CMS is the designated DHHS agency with administrative responsibility for this grant program.

The grant program was authorized for 11 years beginning in FY 2001, and \$150 million in funding was appropriated for the first 5 years of the program. The minimum grant award to an eligible State is \$500,000 per fiscal year. There is a tiered eligibility structure for this grant program and States are eligible to request funding in consecutive budget years. All States are eligible to apply for funding.

While CMS anticipates that the proposals submitted by States will vary, we expect that States participating in this grant program will use funds to remove barriers to employment of persons with disabilities by creating health systems change through the Medicaid program. Included in this concept is the development of certain core Medicaid components in each State that enable people with disabilities not only to work, but to sustain their health coverage if they find they need to relocate to another State for employment purposes. Continuity of health coverage is an important principle that Congress has emphasized in other legislation as well, such as the Health Insurance Portability and Accountability Act of 1996. An adequate Medicaid personal assistance services (PAS) program and a Medicaid buy-in for employed people with disabilities are, therefore, significant components of the Ticket to Work and Work Incentives Improvement Act. Because this grant program has existed for several years and many States have accomplished the Medicaid improvements, States may use the funding to develop a comprehensive approach to bridge Medicaid services with other key supports and programs used by people with disabilities who are employed. This option is described further in the body of the solicitation.

CMS recognizes that the best source of assistance in developing State policy is other States. The Medicaid Infrastructure Grant Program provides funding for States with experience in removing barriers to employment for people with disabilities. These States may share their experience by participating in the State-to-State Medicaid Infrastructure Network or serving as a technical assistance provider to States developing comprehensive approaches to removing employment barriers.

Either of the following may apply: (a) the Single State Medicaid Agency; or (b) any other agency or instrumentality of a State (as determined under State law) in partnership, agreement and active participation with the single State Medicaid Agency, the State Legislature, or the Office of the Governor. For purposes of this grant program, "State" is defined as each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

The budget period will run 12 months from January 1, 2004 through December 31, 2004, with subsequent annual continuation requests possible for States that qualify for multi-year funding. The minimum grant award will be \$500,000 per year. No State or local cash matching funds are required.

TIMETABLE

MILESTONE FY2004 FUNDING

DATE

Notice of Intent to Apply Due for FY2004 funding

May 5, 2003

Applicants' Teleconference

To be scheduled during the week of May 19, 2003. Only those States that submit a notice of intent to apply will be notified of the teleconference.

Applications for FY2004 funding due for Medicaid Infrastructure Grant

July 1, 2003

Implementation of Medicaid Infrastructure Grant activities

January 1, 2004

I. Purpose

The Centers for Medicare & Medicaid Services (CMS) is soliciting proposals from States to develop infrastructures to support the competitive employment of people with disabilities by either facilitating targeted improvements to the States' Medicaid programs or developing a comprehensive infrastructure that addresses many of the barriers to employment. Section 203 of the Ticket to Work and Work Incentives Improvement Act of 1999 directed the Secretary of the Department of Health and Human Services (DHHS) to establish a grant program supporting State Medicaid program efforts to better serve people with disabilities who are employed. CMS is the designated DHHS agency with administrative responsibility for this grant program.

The grant program was authorized for 11 years beginning in FY 2001, and \$150 million in funding was appropriated for the first 5 years of the program. The minimum grant award to an eligible State is \$500,000 per fiscal year, subject to the sufficiency of the annual appropriation limit to cover all applicants. There is a tiered eligibility structure for this grant program and States are eligible to request funding in consecutive fiscal years if they meet certain qualification standards. All States are eligible to apply for funding.

A unique component of this solicitation is the opportunity for States to include in their application a new use of grant funding. States may propose to use funding to lessen or remove the primary barriers to employment for adults with disabilities through a comprehensive, coordinated approach between Medicaid and non-Medicaid programs. This use of funding will allow States with fairly advanced Medicaid systems to take the next step in employment efforts and bring the Medicaid components together with other non-Medicaid resources and programs. States may choose to create these linkages in the entire State or in sub-State areas. The major objectives of this program, titled Comprehensive Employment Opportunities (CEO) Infrastructure Development are as follows:

- ❖ ***Protection of Health Care Coverage:*** Each individual can work without fear of losing the health care coverage and long-term services and supports that he or she relies on to live.
- ❖ ***Availability of Key Supportive Services:*** Each individual has access to key employment supports and services including personal assistance services, service coordination, vocational rehabilitation, housing, and transportation services.
- ❖ ***Increased Coordination of Programs and Policies:*** Programs work together in support of each individual's employment goals. Each individual fully understands the implications of working. Specifically, individuals should be aware of the effect of work on benefit changes, the availability of work incentives, and how to access vital services.

While CMS anticipates that the proposals submitted by the States will vary, there is the overall expectation that States participating in this grant program will use the funds to remove the barriers to employment of persons with disabilities by creating health systems change through the Medicaid program or by bridging Medicaid and other programs to further remove barriers. Summaries of current grantee activities can be found on the CMS website for TWWIIA at <http://www.cms.hhs.gov/twwiia/default.asp>.

The development or enhancement of certain core Medicaid components in each State would enable people with disabilities not only to work, but to sustain adequate health coverage if they find they need to relocate to another State for employment purposes. Continuity of health coverage is an important principle that Congress has emphasized in other legislation as well, such as the Health Insurance Portability and Accountability Act of 1996 (HIPAA). An adequate personal assistance services benefit and a Medicaid buy-in for employed people with disabilities are, therefore, significant components of the Ticket to Work and Work Incentives Improvement Act. This grant program provides money to the States to develop these and other core elements.

Recognizing that the best source of assistance in developing State policy is other States, the Medicaid Infrastructure Grant Program also provides funding for States with experience in removing health care barriers to employment for people with disabilities who wish to share their experience by participating in a State-to-State Medicaid Infrastructure Partnership or by serving as a technical assistance provider for States that are developing comprehensive approaches to removing employment barriers.

II. Background: The Ticket to Work and Work Incentives Improvement Act of 1999

Many Americans with significant disabilities want to work but are discouraged from doing so by barriers in the current system of benefits and supports. The Ticket to Work and Work Incentives Improvement Act of 1999 seeks to address many of these barriers. This Act expands Medicare and Medicaid coverage for certain categories of employed individuals with disabilities because people with disabilities have continually identified the loss of health care coverage as one of the major obstacles that they face as they return to work.

The infrastructure grants program was created to provide financial assistance to States to facilitate the competitive employment of people with disabilities through (a) Medicaid buy-in opportunities under the Medicaid State Plan, (b) demonstrations offering the ability to purchase Medicaid coverage for people with a severe impairment who do not yet meet the SSI disability test, (c) significant improvements to Medicaid services that support people with disabilities in their competitive employment efforts, (d) participation in a State-to-State Medicaid Technical Assistance Network, (e) serving as the technical assistance provider for States formulating comprehensive approaches to barrier removal, and/or (e) providing comprehensive coordinated approaches across programs to removing barriers to employment for individuals with a disability.

In addition to this infrastructure grant program, the Act provides States the option to offer Medicaid buy-ins to two optional eligibility groups. The first optional group is for individuals from age 16 through 64 who would meet the eligibility requirements for the Supplemental Security Income program but for higher earnings or resources. The second optional group, referred to as the Medical Improvement Group, is for people who, at one time, were eligible

under the first optional group but who are determined to have medically improved at a regularly scheduled continuing disability review (CDR).

The legislation also creates a Medicaid Demonstration program that allows States to provide Medicaid benefits and services to a specified maximum number of working individuals who have a specific physical or mental impairment that is likely to lead to disability as defined by Social Security. This demonstration authority allows States to assist working individuals by providing the necessary benefits and services required for people to manage the progression of their conditions and remain employed. A separate grant solicitation has been issued for this “*Demonstration to Maintain Independence and Employment.*” However, Medicaid Infrastructure Grant program funds may be used to support the development of the Demonstration to Maintain Independence and Employment. Infrastructure grant funds may also be used to conduct outreach to beneficiaries and other stakeholders about the availability of such new options.

For States that have already devoted significant resources to improving the State’s Medicaid infrastructure to better support individuals with disabilities, funding under this solicitation is now being offered to build bridges from Medicaid to other programs needed by working people with disabilities. This new use of funding is a natural progression of States’ efforts to decrease fragmentation and increase coordination of employment programs and policies.

III. FUNDING AVAILABLE

Funding for the Medicaid Infrastructure Grant (MIG) Program is authorized through Section 203 of the Ticket to Work and Work Incentives Improvement Act of 1999. Section 203 provides for grants to develop and establish State infrastructures to support working individuals with disabilities.

Funding awarded for this program has been authorized and appropriated by Congress through fiscal year 2011.

IV. DURATION OF AWARDS AND TYPES OF STATE ELIGIBILITY

Award duration (and therefore cumulative award amount) depends partly upon the degree to which the State’s Medicaid personal assistance services program effectively supports competitive employment. States may only seek subsequent competitive awards (as their eligibility permits) contingent upon the expenditure or obligation of previous grant awards. States may apply under the following circumstances:

1. **Full Eligibility:** Fully eligible States are defined in Appendix One, which contains CMS’ operational definition of an effective personal assistance service that will qualify a State for full eligibility under the grants program. Those States with Statewide personal assistance

services meeting the criteria in Appendix One will enjoy full eligibility and may secure multi-year funding. States with personal assistance programs that meet the criteria described in Appendix One may apply for up to four years of funding. If a multi-year commitment is requested, funding beyond the first year will be reserved for such States for future budget years subject to the continued availability of funds under the grants program. At the end of four years, such States may re-apply and be eligible for further funding, contingent upon the availability of funds on a competitive basis.

States seeking full eligibility must offer evidence that their personal assistance services under Medicaid fulfill the requirements in Appendix One of this grant solicitation.

2. **Conditional Eligibility:** Conditionally eligible States are those that do not meet the criteria in Appendix One but offer statewide personal assistance services of limited scope capable of serving people with disabilities engaged in competitive employment of at least 40 hours per month. Additionally, States that commit to the improvements necessary to reach this level of service by the last day of the first full year of funding may also apply under this category. If a State applies for conditional eligibility under these circumstances (does not have a statewide program capable of offering services outside the home), *evidence that the changes needed to bring the State into full compliance with conditional eligibility have been made or are imminent must be presented to the CMS project officer by the end of the first budget year.* CMS acknowledges that changing State programs may be impossible in one calendar year but States will be required to demonstrate tangible and significant progress towards full compliance with conditional eligibility requirements. CMS will not fund years 2 through 4 in States that do not make the necessary changes to offer statewide PAS in accordance with conditionally eligible requirements.

Conditionally eligible States may apply for up to four years of funding; however, funding after year one is subject to continued availability of funds and contingent upon the States meeting annual benchmarks that have been agreed to by CMS in the Terms and Conditions of the grants. These benchmarks must represent design changes that will significantly improve a State's personal assistance services under Medicaid and move them closer to the criteria established in Appendix One. We expect that the benchmarks will be designed with the involvement of the disability community. If the State's PAS system is not statewide and/or capable of providing services outside the home, these are benchmarks that must be acknowledged in the first year of the grant in order to participate in continuation cycles for the remaining three years.

Subsequent funding will be released after the State has achieved the agreed upon benchmarks. If a conditionally eligible State does not meet its benchmarks for budget years 01, 02 or 03, funds for the next budget year will be withheld until such time as the State meets that respective year's benchmarks. If benchmarks are missed for two consecutive budget years (01 and 02, or 02 and 03), any undisbursed funds for futures year(s) will be forfeited by the State and will revert to the pool of funds available for future grant

solicitations. Upon such forfeiture of grant funds, forfeiting States will have to reapply competitively in order to be eligible to receive future funding at the conditionally or fully eligible status. At the end of four years, States that have successfully met all benchmarks may re-apply for funding on a competitive basis, contingent upon the availability of funds.

To the extent that system improvements are sufficiently expansive that the State is later able to meet the criteria in Appendix One, the State may then apply for additional amounts and years of funding as a “fully eligible State.” If a conditionally eligible State meets the criteria in Appendix One prior to the end of the four years of funding, then the State will no longer be required to meet annual benchmarks. The State will then be eligible for full eligibility if the State chooses to competitively apply for future funding under the Medicaid Infrastructure Grant.

In addition to future funding availability being contingent on satisfactory performance, CMS retains the right to deny subsequent competitive awards to States with existing awards if those States have not expended or obligated most of the funds awarded to them under the previous award by the time we review new grant applications.

Reserved Eligibility: States that do not qualify for full or conditional eligibility (those that do not have and cannot commit to the development of a sufficient personal assistance service system) may still apply and have first or second-year funds reserved for them, contingent upon later passage and implementation of coverage for personal assistance services capable of serving people with disabilities in competitive employment of at least 40 hours per month. Receipt of funding under this eligibility category is contingent upon the availability of funds. In addition, States seeking reserved eligibility must meet the following requirements:

- (a) Obtain a commitment from the Single State Medicaid Agency, with the involvement of the disability community, to seek the necessary legislative and/or Gubernatorial approvals to implement a PAS system capable of supporting competitive employment of at least 40 hours per month within two years of the grant application due date; and
- (b) Provide evidence of implementation of PAS based on criteria set above and agreed to by CMS. Upon implementation of such PAS improvements, CMS will release the grant funds (at any point during or at the end of the year in which the State implements PAS improvements) after which the State will be able to access funds for one budget period (or one year) under this grant. Funds not claimed within the 2-year time period may be released for competitive application by other States.

States that are determined by CMS to be ineligible for funding by the end of year two may re-apply for reserved eligibility.

V. Amounts, Number and Duration of Awards

The budget period for the MIG solicitation will run 12 months from January 1, 2004 through December 31, 2004. The minimum grant award will be \$500,000 per year. The maximum award a State may request is the greater of:

- \$500,000 per year, or
- Ten percent of the Medicaid buy-in expenditures for people with disabilities, per year. States should base this calculation on service costs only and include State and Federal dollars. Additionally, there are maximums for each activity undertaken by a State. The award amount will be the sum total of the following individual elements elected by the State:
 - Basic Medicaid Infrastructure Development (including TA Partnership) \$750,000
 - Demonstration to Maintain Independence \$250,000
 - Comprehensive Employment Infrastructure Development \$750,000
 - Comprehensive Infrastructure Research and Technical Assistance \$1,000,000.

States are required to document their Medicaid buy-in expenditures either in the form of expenditure reports for the previous fiscal year or actual budgeted expenditure levels approved by the legislature and Governor for the previous year, the current year or as projected for the budget year. All documentation regarding the buy-in expenditures must be included with the initial application. Award amounts will be adjusted yearly according to State requests and Medicaid buy-in expenditures.

Funding above \$500,000 per budget year is at the discretion of CMS. Funding in excess of the minimum grant award of \$500,000 will be subject to a higher evaluative standard than States applying for the minimum grant award. In addition, high award States will also be expected to make a significant contribution toward helping States with more limited workforce incentive experience by participation in one of the State-to-State Medicaid Infrastructure Networks.

The Medicaid Infrastructure Grants Program was authorized in law for 11 years beginning in FY 2001. Funding appropriated at \$20 million for the first year, gradually increases in annual amounts totaling \$150 million for the first five years (\$25 million in year two, \$30 million in year three, etc). States may apply for one or more years of funding. We anticipate some form of grant solicitation annually, but also expect competition for the grants will increase significantly over time.

Finally, the Ticket to Work and Work Incentives Improvement Act of 1999 requires that if the amount appropriated for a fiscal year is not sufficient to pay each State with an approved application that the State would receive an amount equal to the *pro rata* share of the amount made available. Given the number and amount of awards that have been and are expected to be made under the Medicaid Infrastructure Grant, CMS does not believe it will need to invoke this *pro rata* reduction formula. While CMS does not anticipate this issue arising, should it arise, CMS will address how to implement a *pro rata* distribution at that time.

VI. Uses of Funds

Grant awards will be issued within the constraints of available Federal funds and at the discretion of CMS. The official award document is the "Notice of Grant Award (NGA)." It will provide the amount of the award, purpose of the award, terms of the agreement, duration of the project period for which funding is available, and any special terms and conditions of the grant. Once signed by the awarding office, the NGA package will be mailed directly to the authorized official as indicated on the SF424 face page.

Federal grant funds may not be used to cover costs that are reimbursable under an existing public or private program, such as social services, rehabilitation services, or education. See Appendix Two for an outline of other prohibited uses of grant funds.

Funds may not be used for the direct provision of services to people with disabilities except in two instances; 1) services may be provided on a one-time, last resort, emergency basis for the purpose of sustaining the individual's competitive employment; and 2) up to 10% of the funding may be used for benefits counseling services to assure that individuals are benefiting from the infrastructure development and service coordination. An emergency use would consist of an intervention or support enduring no more than one day which is designed to compensate for the unexpected breakdown of a person's normal support system and for which other resources are not readily available to sustain a person's employment schedule or commitments. Examples might include: emergency rental of a replacement wheelchair or coverage for transportation breakdowns. Benefits counseling provided with grant funds must add to available services and must not be reimbursable from other sources.

Funds under this grant initiative cannot be used to match any other federal funds. Grant funds may not be used for services, equipment, or supports that are the responsibility of another party under federal or State law (such as vocational rehabilitation or education services) or under any civil rights laws including, but not limited to, modifications of a workplace or other reasonable accommodations that represent an obligation of the employer or other party. Grant funds may not be used to provide personal assistance services (except for an emergency use described above) or substitute in other ways for the absence of adequate personal assistance services in the State. Funds may not be used for infrastructure for which federal Medicaid matching funds are available at the 90/10 matching rate, such as certain information systems projects.

States that request multi-year funding commitments or receive funding which exceeds the minimum grant award level (\$500,000 for the budget period) for basic infrastructure development must agree to provide and/or contribute to some form of technical assistance to other States based on the learning achieved in the process of implementing the Medicaid employment initiative. Specific details will be negotiated based on the State's interest in providing assistance, the type of assistance already offered by other grantee States, the expressed desire of States which are requesting assistance, and the input of all States with regard to the best methods to assure a national infrastructure capability. Examples of assistance already requested by States can be found in Appendix Two.

The indirect rate for the Medicaid Infrastructure Grant is limited to the Single State Medicaid Agency's approved indirect rate not to exceed nine percent. The nine percent indirect rate limit applies to both the direct grantee and any subcontractors under the grant.

A. Basic Medicaid Infrastructure Development

Funds may be used for infrastructure, that is, to establish or improve the capability to provide or manage necessary health care services or support for competitive employment of people with disabilities who may be Medicaid eligible. The infrastructure may be at the State and/or local level and may be provided or contracted by government or other organizations under contract with the responsible government agency. Some examples are provided below:

Medicaid Buy-In: Planning, design, implementation and/or effective management of any of the Medicaid buy-in options under the 1997 Balanced Budget Act (section 1902(a)(10)(A)(ii)(XIII) of the Social Security Act) and/or the Ticket to Work and Work Incentives Improvement Act (section 1902(a)(10)(A)(ii)(XV) or (XVI) of the Social Security Act). Examples include: time-limited staff planning costs; expenses for people with disabilities to participate in State planning and implementation events; automated information and eligibility systems modifications necessary for the buy-in or for Medicaid payment of Medicare Part B premiums on behalf of subscribers to the Medicaid buy-in; automated enrollee tracking systems; basic research and evaluation, etc. Also included is outreach to people with disabilities or employers to learn about the opportunities to work and to sustain health coverage under Medicaid and/or Medicare, to enroll in the Medicaid buy-in, and to access needed supports to sustain competitive employment. Additional examples are provided in Appendix Two.

Medicaid Services: Planning, design, or initial management and/or evaluation of improvements to make the Medicaid State Plan (or Medicaid waivers) provide more effective support to workers with disabilities. Examples include: improvements to personal care, transportation, durable medical equipment, community-based treatment, or Medicaid waiver support of employment. Coordination between the activities of other State Agencies in support of working people with disabilities and the State Medicaid Program is permissible. Additional examples are provided in Appendix Two.

On-going administration of Medicaid services is not a fundable activity unless such administration is part of a well-defined test of alternate and improved methods focused specifically on employment (e.g. testing, implementation and management of new prior authorization criteria under Medicaid personal care designed to assess the need for additional support when people are employed).

State-to-State Medicaid Infrastructure Networks: States that request more than one year of funding or receive more than the minimum amount for basic infrastructure development under a grant award are required to submit a technical assistance plan in compliance with minimum requirements set by CMS. In addition, all States requesting more than the minimum amount for basic infrastructure development will be required to assume a greater level of responsibility for

either funding of, or participating in, the provision of technical assistance. States requesting multi-year funding are required to participate in CMS certified State-to-State Medicaid Infrastructure Networks. All awardees are encouraged to work with the Medicaid State-to-State Infrastructure Networks in efforts to share experiences and collect and disseminate information across the country. See the TWWIIA website at <http://www.cms.hhs.gov/twwiia/default.asp> for more information on the technical assistance requirement and currently operating partnerships.

State-to-State technical assistance helps other States plan and design needed Medicaid infrastructure; disseminate information on “lessons learned”; facilitate the sharing of knowledge among States, employers and community organizations; support efforts to involve people with disabilities in the design and management of the Medicaid buy-ins; and replicate successful programs supporting the employment of people with disabilities by eliminating health care barriers.

Participation in a State-to-State Medicaid Infrastructure Network must make significant use of staff administering State programs affecting work incentives improvements who can share their experiences with other States. One of the purposes of these networks is to identify key actors with special knowledge and talents that can promote sharing of successful practices. State administrative staff must be available to the State-to-State technical assistance network for purposes of traveling to other States to provide technical assistance.

B. Demonstration to Maintain Independence and Employment

Planning, design, and initial implementation of the demonstrations authorized under section 204 of the Ticket to Work and Work Incentives Improvement Act. Separate funding (through a separate grants solicitation) is provided for State demonstrations that offer Medicaid coverage for people who do not meet the SSI disability test but have a potentially severe physical or mental impairment, as defined by the State. Medicaid infrastructure funds allocated pursuant to this solicitation may be used to design such a demonstration and to make necessary implementation preparations.

If a State seeks Infrastructure Grant funding for design or initial implementation of the demonstration, the State must submit a response to the separate solicitation to participate in the Demonstration to Maintain Independence and Employment found on the CMS website at <http://www.cms.hhs.gov/twwiia/default.asp> (it need not attach a copy to this solicitation response). We anticipate the solicitation for the FY 2004 Demonstration funding will be available this summer. To minimize the risk assumed by the State when going through consecutive competitive selection processes, a State may submit two versions of its budget under this solicitation. One would reflect the budget if a State is also approved for a demonstration, the second would reflect the budget if the State is not chosen as a demonstration participant.

C. Comprehensive Employment Opportunities (CEO) Infrastructure Development

States that have developed effective Medicaid services with the goal of assisting employment may use Medicaid Infrastructure Grant funding to build a comprehensive approach to removing

employment barriers by forming linkages between Medicaid services and other non-Medicaid programs. Such infrastructure development should continue to support the goal of removing barriers to employment and create lasting improvements by expanding the capacity of the State to support individuals with disabilities who wish to work. Comprehensive infrastructure improvements may be designed with the goal of creating the environment necessary to maximize performance in demonstrations offered by the Social Security Administration or the Department of Labor focused on the employment of adults with disabilities.

States may use the funding to form partnerships with local housing authorities or with one-stop employment centers to assure a more comprehensive infrastructure. These partnerships should decrease the phenomenon of having one system encourage employment and earnings, while a different system uses the earnings to terminate an individual's eligibility for supports. One potential partner would be a State Employer Network, established as part of the Social Security Administration's "Ticket" program. Employer Networks under the "Ticket" program provide training and job preparation for people with disabilities interested in employment. For more information on the "Ticket" program, visit the website: http://www.yourtickettowork.com/program_info.

A comprehensive approach to services and supports is needed because while SSDI, SSI, Medicare and Medicaid all contain valuable work incentive provisions that can extend cash benefits and medical coverage; such incentives are under-utilized and, very often, poorly understood by both beneficiaries and professionals alike. Further, most programs work independently from one another. Removing a percentage of an individual's benefits as a result of work results in a negative net income. For example, reductions to the SSDI benefit do not consider that the person may also be losing a housing benefit under Section 8 or Food Stamp benefits. The supports lost can exceed the amount earned; therefore, work may not pay.

Significant actions were taken through the Ticket to Work and the Work Incentives Improvement Act of 1999 to lessen these barriers. However, the current system remains highly fragmented and difficult to implement in a coordinated way.

Funding may be used to create an environment in which a simple message can be offered to workers with disabilities: "If you go to work, you will be better off. You will have health coverage and higher income. You will be able to save and accumulate assets to pursue your long-term economic and vocational goals; and you will have access to the key services on which you rely."

In order to achieve this outcome, States will need to involve a significant number of programs, services, and agencies working in partnership with the common goal of a comprehensive approach that supports the individual with a disability who wants to work.

The State must demonstrate in the application both capacity and understanding of a comprehensive approach to removing barriers to employment for individuals with a disability. This would include experience with and knowledge of how the current programs and services work and interact with one another, what the strengths and challenges are in the current system,

plans to address the challenges in the system, and how the current economic outlook in the State may affect the demonstration.

There are many elements to a successful comprehensive system. We have organized them under the “WORK PATH”. States need to address each element of the WORK PATH in their proposal if they request funding under this section.

WORK PATH- Essential Elements

- *Work Pays*
- *Opportunity Development through Employers and Job Connections*
- *Research*
- *Key Services and Supports*
- *Peer Worker Connections and Personal Commitments*
- *Access to Information and Benefits Counseling*
- *Total Program Design*
- *Health Care and Long-term Supports and Services*

A. WORK PAYS

States must assure that the infrastructure developed creates the situation whereby working will result in an increase of net income and that benefit reduction from SSI and Social Security do not exceed the increase in earned income from employment. States will need to pursue creative solutions to achieve this result. Additionally, States could pursue the idea of using individual development accounts (IDAs). IDAs offer a unique opportunity for qualifying individuals to save toward specific goals, see their savings increased with matched contributions, and receive training to help them develop financial literacy skills. The SSI program’s treatment of federally supported IDAs ensures that beneficiaries have the means as well as the opportunity to save, and that the savings will not affect SSI eligibility. States could pursue gaining similar treatment of State supported IDAs.

B. OPPORTUNITY DEVELOPMENT THROUGH EMPLOYERS, JOB CONNECTIONS AND ENTREPRENEURSHIP

The active participation of employers is critical to the success of a comprehensive employment program. States must involve public and private employers, its State and local Workforce Investment Board and any other relevant business stakeholders in the grant project; and conduct employer outreach and education to advance the hiring of people with disabilities in competitive, integrated employment settings. States could propose additional activities such as: educating employers and businesses on relevant issues, including resources on accommodations under the Americans with Disabilities Act as well as tax credits available to employers/businesses who hire individuals with a disability; recruit for job openings; and support employers after the initial hiring through, for example, ongoing education and mediation.

C. RESEARCH

By creating an infrastructure in a State that better supports employment efforts of individuals with disabilities, States will become better environments for future employment related research and demonstrations. Along with the standard research requirements of States participating in the Medicaid Infrastructure Grant program, CMS expects that States who receive greater funding for comprehensive programs acknowledge the likelihood of future research efforts of all federal agencies with a strong interest in employment.

D. Key Services and Supports

- **Employment and Vocational Services**

The active participation of a State's workforce development and vocational rehabilitation agencies/providers is an important component of a comprehensive infrastructure. Other elements that States may want to consider include State and local workforce investment systems, participation of people with disabilities on State and local Workforce Investment Boards; coordination of State workforce programs with the Vocational Rehabilitation system; use of Individual Training Accounts in the State, particularly for people with disabilities who have intensive training needs; coordination with employers and the business community on hiring people with disabilities; coordination with grants already received from the Department of Labor (e.g., Work Incentive Grants, customized employment grants) designed to enhance services to people with disabilities through one-stops; and others.

- **Transportation**

Access to reliable, accessible transportation is a critical component of securing and retaining employment for individuals with a disability. States need to describe what initiatives or activities they are or will be undertaking to ensure accessible, reliable transportation (particularly to and from job sites) that can be incorporated into the State's systems.

There are several Federal, State and local transportation initiatives, grant opportunities and programs that have been established to increase transportation options for people with disabilities. The State may want to consider the following "stand alone" transportation initiatives:

- Job Access and Reverse Commute Grants;
- Metropolitan Transit Planning Grants;
- Non-urban Area Formula Transit Grants;
- Over-the-Road Bus Accessibility Program; and
- Transit Capital Assistance Program for Elderly Persons and Persons with Disabilities.

States may also want to explore opportunities that may be available as part of larger workforce, health and/or community development programs, including:

- Vocational rehabilitation employment-related funding available for retrofitting vehicles, installing hand controls; and reimbursing for transit-related fares (i.e. bus, taxi);
- Workforce Investment Act (WIA) funded transportation for employment-related training; and
- Medicaid transportation funding, including services under home and community-based waivers.
- The Social Security Administration’s PASS (Plan for Achieving Self-Support) program, which enables disability beneficiaries to set aside income for transportation, including the purchase of a vehicle.

- **Mental Health and Substance Abuse Services**

The availability of mental health and substance abuse services is a critical component of successful employment for many individuals with a disability. All applicants must ensure access to these services for individuals who require these services.

For example, for persons with a primary presenting disability of mental illness, this may mean the application of an organized system of rehabilitative services that support employment. Some of the programs and services currently underway in States which are designed to enhance employment opportunities for mental health consumers include:

- Transitional and supported employment programs;
- Individual Placement and Support (IPS) services, and programs that combine IPS and Assertive Community Treatment services;
- Employer consortiums that promote employment for mental health consumers;
- “Clubhouse” models that include job skills training; and
- Employment Assistance through Reciprocity in Natural Supports (EARN) models.

- **Housing**

Access to affordable, accessible housing is critical to developing and retaining employment for individuals with a disability. We expect that States will address this issue in their application.

In their applications, States should describe what, if any, initiatives or activities they are currently undertaking to find and maintain affordable and accessible housing opportunities:

- Collaborating with the relevant Public Housing Authorities (PHAs), and State housing agencies administering the Section 8 Housing Choice Voucher (HCV) program (also known as “tenant-based rental subsidies”) to help find accessible and affordable private market rental housing for program participants, including determining whether there are any available Section 8 Housing Choice Vouchers specifically set aside for people with disabilities in the State and/or relevant localities under these HUD programs:

- Mainstream Housing Opportunities for Persons with Disabilities;
- Rental Assistance for Non-Elderly Persons with Disabilities Related to Certain Developments; and
- Rental Assistance for Non-Elderly Persons with Disabilities in Support of Designated Housing Plans; and
- Fair Share Vouchers. The State may consider partnering with the relevant agencies and/or advocacy groups that are working to obtain the Housing Choice Vouchers under these various funding sources.
- Determining whether any of the relevant PHAs are participating in the Section 8 homeownership programs and making that information available to working individuals with disabilities.
- Obtaining information and coordinating efforts with HUD's Continuum of Care technical assistance providers. The Continuum of Care program delivers services and housing to people who are homeless, including people with disabilities.
- If relevant, coordinating with the State and/or metropolitan area's Housing Opportunities for People with AIDS (HOPWA) programs.
- Availability of Section 811 funds that can be used to acquire, rehabilitate, or construct new housing for people with disabilities, as well as subsidize tenants' rents in these buildings.
- Information on funds available for accessibility modifications under the Property Improvement Loan program and the Rehabilitation Loan program, and/or any available local home improvement programs using block grant funds.
- Linkages to additional housing resources, including information on the Low Income Housing Tax Credit, the Federal Home Loan Bank's Affordable Housing Program, and other government programs that are working to expand housing for people with disabilities.

E. PEER WORKER CONNECTIONS AND PERSONAL COMMITMENTS

States are challenged to develop opportunities and enlist peers to connect with one another in support of employment efforts.

F. ACCESS TO INFORMATION AND BENEFITS COUNSELING

States must ensure that there is access to the benefits and financial information needed by individuals to make decisions about employment and to maximize their employment and career advancement potential.

States are allowed to use up to 10% of grant funds to provide benefits counseling to Medicaid recipients including those in the Medicaid buy-in programs. If States will be using funds for this purpose, these efforts must be fully described in the application and must not duplicate other available funding.

If States are interested in pursuing other efforts to increase coordination of information, benefits and services, these efforts should also be described in the application. For example, a State may choose to offer expanded counseling on financial management and financial literacy similar to that offered currently at the one-stops and the USDA's Cooperative Extension efforts.

G. TOTAL PROGRAM DESIGN

The purpose of this use of funds is to create a comprehensive and coordinated approach to removing barriers to employment for individuals with a disability.

Removing Uncertainty and Fear:

The State must organize the infrastructure to generate the maximum possible reduction of uncertainty and fear of adverse consequences on the part of people with disabilities to achieve competitive employment.

For example, States may overlay federal incentives with a simple State contractual assurance that individuals with a disability who increase their work effort will be better off financially. The challenge for States is to organize assurances that are clear-cut, simple and as ironclad as possible.

H. HEALTH CARE AND LONG-TERM SUPPORTS AND SERVICES

- **Medicaid Eligibility**

A State must have a Medicaid buy-in program for workers with disabilities (or its §1115 equivalent) to provide adequate health care protections and services for people with disabilities who are working. At a minimum, a State must protect health insurance continuity through Medicaid coverage for workers with a disability that include the following features:

- a. **Income Disregard:** Income up to at least 150% of the federal poverty level is disregarded after normal SSI disregards are applied.
- b. **Asset Disregard:** An asset/resource disregard level of no less than \$10,000.
- c. **Asset Continuity:** Ability of an otherwise Medicaid-eligible individual to maintain point-in-time, accumulated, assets when the individual otherwise ends his or her participation in the Medicaid Buy-In.

A State must have a Medicaid buy-in program, but if a State does not meet any of the other requirements described above at the time of application it may still apply provided (a) the State executive branch makes a commitment to seek the changes necessary (e.g., modify an existing program) and, (b) the application provides a detailed timetable for doing so. Fulfillment of these standards, if not present at the time of application, will become a condition of any grant agreement.

- **Medicaid Personal Assistance Services**

A State must make personal assistance services available in the State under the Medicaid program to a sufficient extent to support the competitive employment of people with disabilities. Please see Appendix One for further detail.

Uses of Funds Continued (Section IV.)

D. Comprehensive Employment Opportunities (CEO) Infrastructure Research and Technical Assistance Provider

CMS will approve funding under the Medicaid Infrastructure Grant to a State agency or instrumentality for up to \$1,000,000 per year for up to four years to serve as a CEO Technical Assistance Provider (TA), contingent upon the State having the Medicaid expenditures to warrant this amount (See Section V, Amount, Number and Duration of Awards). Only State agencies or instrumentalities as defined in the solicitation (Section IX) are eligible to apply for these additional activities. A State may subcontract some or the entire TA provider role to a university with the understanding that the university will work with CMS to achieve technical assistance goals.

This agreement may total up to \$1,000,000 per year. CMS reserves the right to offer a funding level that differs from the requested amount, and to negotiate with the Applicant with regard to the appropriate scope and intensity of effort that would be commensurate with the final funding level.

CMS prefers to have a concentrated number of individuals performing this TA task. Therefore, CMS requests that at least 50 percent of the staff participating in the TA project devote at least 80 percent of their time to CEO TA activities.

TECHNICAL ASSISTANCE PROVIDED UNDER THIS CONTRACT INVOLVES ASSISTING IN THE DESIGN, DEVELOPMENT AND IMPLEMENTATION OF A PROGRAM OF COMPREHENSIVE INFRASTRUCTURE DEVELOPMENT TO ALL STATES PARTICIPATING IN THE CEO PROGRAM

Any State applying to be the CEO Infrastructure Research and Technical Assistance Provider must demonstrate expertise in providing assistance on the design and management of comprehensive programs that support the employment of individuals with a disability. This includes knowledge of programs, services, benefits and work incentives. The required knowledge, expertise and capacity must be sufficient to design and implement an effective technical assistance and research program for all of the CEO projects.

Areas of technical assistance that the CEO TA Provider would be responsible for establishing include:

1. Training

The proposal must include provisions for the design and implementation of methods of ascertaining areas where CEO project States could benefit from assistance. The organization(s) must be able to coordinate, facilitate, and provide training and other opportunities for information-sharing on issues related to the employment of individuals with a disability specifically focusing on a comprehensive approach and methods of developing key employment-related services described in the solicitation.

Required Activities:

- (a) Resource People: Make available to demonstration sites experts or knowledgeable resource people who can provide assistance with regard to key issues of design or implementation of the CEO demonstration.
- (b) Teleconferences: Sponsor national or regional dialogues on important issues.
- (c) Resource materials that describe promising practices
- (d) Following each significant technical assistance event, post a report highlighting the key lessons learned, innovative programs, and contact information on the Web site.

Examples of Other Activities:

- (e) Service Provider Training Development
- (f) Regional Forums

2. Direct Technical Assistance

The proposal must include the provision of direct technical assistance (one-on-one or small group) and facilitation of peer-to-peer technical assistance of varying intensity and duration including information and referral, short-term assistance and on-site or longer-term assistance.

Required Activities:

- (a) Coordinate and provide, without cost to the benefiting State, at least one direct technical assistance site visit per CEO State per year.
- (b) Ensure the availability of resources to defray the expenses of State staff, key State officials, consumer experts, and other resource people when travel to another State is necessary to provide direct assistance.
- (c) Provide phone technical assistance, teleconferences, or videoconferences.
- (d) Following each significant technical assistance event, post a report highlighting the key lessons learned, innovative programs and contact information on the web site.

Examples of Other Activities:

- (e) Provide information and referral to States, organizations and other stakeholders through a toll-free telephone line, e-mail, web site, etc.
- (f) Conduct a needs assessment of CEO project States and assist them in long-range strategic planning.
- (g) Facilitate direct peer-to-peer site visits, workshops, moderated teleconferences and interactive Question & Answer sessions.
- (h) Conduct on-site assistance visits; provide speakers on specific subjects to attend State activities.

3. Resource Development

The CEO TA Provider and Research Facilitator must also develop and disseminate original materials to assist States in assessing, developing, implementing and analyzing their CEO project.

Required Activities:

- (a) Gather, maintain and disseminate information on grant projects including:

- ◆ Areas of grant activities
- ◆ Contact Information
- ◆ Program progress
- ◆ Program barriers
- ◆ Promising practices
- ◆ Links to State and Federal project web sites
- ◆ Nature and extent of systems improvements
- ◆ Advisory Council membership

(b) Web Site: The CEO TA Provider and Research Facilitator must prepare technical assistance materials for placement on the CMS web site and other Internet resource sites. These materials must be designed in compliance with Section 508 of the Rehabilitation Act (<http://www.section508.gov>) and preferably submitted to CMS as Microsoft Word or Excel documents. The project(s) must maintain its own Internet website to make information readily available.

(c) Developing and maintaining a clearinghouse available via the Web Site of materials that may be useful in designing and implementing a CEO program. Examples of these materials include: work plans, job descriptions, authorizing legislation and regulations, policy manuals, etc.

(d) Written technical assistance materials

Examples of Other Activities:

- (e) Research and Resources: Make available informational fact sheets, reports, bulletins, and other documents or links that will be of interest to professionals in the long term service and support field.
- (f) Innovative Programs: Provide information highlighting promising practices and innovative approaches.
- (g) Policy Analysis: Provide information and analysis regarding relevant legislation and policy affecting long-term service systems-change efforts.
- (h) Events Calendar: Provide lists and description of upcoming events (e.g., technical assistance events, workshops, and conferences) of interest to the States including where to get additional information for each event.
- (i) Related Links: Provide the names and live links to organizations that provide relevant online information about long term services and supports systems change efforts.

4. Progress, Issues, and Barriers

The proposal must include a description of the vehicle to provide input and feedback to CMS, and States on the ongoing operations of technical assistance activities that may inform future policy decisions.

Required Activities:

- (a) Provide input on the impact of laws, regulations, or policies
- (b) Identify barriers and issues faced by States in their CEO project efforts.
- (c) Update CMS regularly via monthly conference calls
- (d) Complete quarterly and annual reports
- (e) Collaborate on appropriate special products.

VII. STATE MATCH

No State or local match is required as part of this grant program.

VIII. INDIRECT COSTS

The provisions of OMB Circular A-87 govern reimbursement of indirect costs under this grant solicitation. This information may be accessed online at the following website address: <http://www.whitehouse.gov/omb/circulars/a087/a087.html>. Also, additional information regarding the Department's internal policies for indirect rates is available online at: <http://www.hhs.gov/grantsnet/adminis/gpd/gpd301.htm>.

IX. WHO MAY APPLY

Either of the following may apply to administer the Medicaid Infrastructure Grant: (a) the single State Medicaid Agency; or (b) any other agency or instrumentality of a State (as determined under State law) in partnership, agreement and active participation with the single State Medicaid Agency. A letter of commitment from the single State Medicaid Agency must be included in the application if a non-Medicaid State agency or instrumentality is applying for the Medicaid Infrastructure Grant.

For purposes of this grant program, "State" is defined as each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

X. Involvement of People with Disabilities and Other Stakeholders

States are required to build into the Medicaid Infrastructure Grants the continuous, active involvement of individuals with a disability or long-term illness in the project design,

implementation and evaluation. That collaboration and partnership is vital to the success of any project.

We also encourage processes that promote the active involvement of additional stakeholders who can promote effective public/private partnerships such as other State and local agencies, service providers, and advocacy groups.

XI. APPLICATION REVIEW

A panel of experts will conduct an objective review of all applications. The panelists will assess each application based on the review criteria to determine the merits of the proposal and the extent to which the State evidences the capacity to implement the Medicaid Infrastructure Grant. We reserve a limited right to assure adequate reasonable geographic and other representation among States receiving grants. However, we will not exercise this right if there is a major qualitative difference between high-ranked applications and any application that would remedy a geographical imbalance.

CMS will make final award decisions based on consideration of the comments and recommendations of the review panelists and the availability of funds.

XII. General Provisions

States receiving grants under the Medicaid Infrastructure Grant must agree to the following:

Grantee Reporting

States receiving awards must agree to cooperate with any Federal evaluation of the program and provide quarterly, annual and final reports in a form prescribed by CMS (including the SF-269a Financial Status Report forms). The reports will be designed to outline how grant funds were used and to describe program progress and barriers. States also agree to provide data on key aspects of their system improvements, scaled to the size of their grant award. For States with Medicaid buy-in programs, such data include the number of subscribers, prior Medicaid eligibility status, Medicare eligibility status, presence of other public or private third-party insurance, premium collections, employment status, and the number of subscribers who increase their employment level.

For States using grant funds to improve Medicaid services that support competitive employment, we will seek data on the nature and extent of the improvements as well as the number of people who benefit from such improvements. An on-line report format will be supplied by CMS and final details will be negotiated as part of the final grant award process.

Congress imposed a reporting requirement on grantee States when it created this program which involves tracking and reporting the number of Title II and Title XVI disability beneficiaries who

return to work during each year of the grant program. CMS will work with the Social Security Administration and the States to fulfill this reporting requirement.

Coordination with Medicare and Private Insurance

States that receive grant funds and that propose (or have) a Medicaid buy-in program or a project under the Medicaid Demonstration to Maintain Independence and Employment should plan on designing methods to coordinate the buy-in or demonstration effectively with private insurance and with Medicare (e.g. payment of Medicare Part B premiums to ensure full Medicare coverage and a reduction in eventual cost to Medicaid). CMS will provide technical assistance on design elements that may be useful for States to consider.

Transition for On-Going Administration

States that use grant funds for any on-going administrative expenses must include a short plan for phasing out grant funds and ensuring that necessary, on-going administration will be assumed as a regular Medicaid administrative expense or paid for through other means.

Meetings

All States receiving awards must plan to attend two meetings of grantee States. States proposing to participate in a State-to-State Medicaid Infrastructure Partnership must plan to attend two additional meetings. Proposed grant budgets must contain the necessary funds to send two representatives to the meetings and, for budgeting purposes, should be based on a Washington, D.C. location.

Civil Rights

All grantees receiving awards under this grant program must meet the requirements of Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Hill-Burton Community Service nondiscrimination provisions; and Title II, Subtitle A, of the Americans with Disabilities Act of 1990.

Intergovernmental Review of Federal Programs

Executive Order 12372 or “Intergovernmental Review of Federal Programs” (45 CFR Part 100) is not applicable to this program.

APPENDIX ONE
PERSONAL ASSISTANCE SERVICES: DEFINITIONS
AND CRITERIA FOR GRANT ELIGIBILITY

Personal assistance services sufficient to enable individuals to work:

For full eligibility under this grant program, entitling a State to receive multiple year funding, a State must offer personal assistance services statewide within and outside the home to the extent necessary to enable an individual to be engaged in full-time competitive employment. For purposes of this grant program, “personal assistance services” means:

A range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual’s control in life and the individual’s ability to perform activities on and off the job. [Ticket to Work and Work Incentives Improvement Act of 1999, Pub. L. No. 106-170, § 203 (b)(2)(B)(ii)].

Offering personal assistance services to the extent necessary to enable individuals with disabilities to remain competitively employed is defined in the following bullet points. States that achieve full eligibility for the grant program must have ALL of the following:

- ❖ Personal assistance services must be offered statewide through:
 - (a) the optional Medicaid personal care services benefit under the State Medicaid plan as defined in 42 CFR 440.167, or
 - (b) a section 1115 and/or section 1915(c) waiver and/or 1915(b) waiver *which substitutes for statewide personal care coverage sufficient to support employment under the State Medicaid plan¹ as defined below*, or
 - (c) a combination of State Plan personal care option (or personal care within a Home Health State Plan service) and Medicaid waiver which collectively meet the statewideness and other criteria described below; and

For purposes of the Medicaid Infrastructure Grant program, personal assistance services are those as defined under Medicaid law that include a range of assistance provided to persons with disabilities and chronic conditions of all ages. Such assistance most often relates to performance of ADLs and IADLs. A State’s personal care benefit must be sufficient in amount, duration and scope such that an individual with a moderate to severe level of disability would be able to obtain the support needed to live, get to and from work, and perform at the worksite. This does not mean, however, that a State is responsible for providing personal assistance services at the

¹ Please note that while CMS must evaluate each State’s program on an individual basis, it is possible but unlikely that a State will meet full eligibility based solely on 1915(c) waivers due to the institutional level of care criteria, which is a waiver requirement. Some individuals who would likely need PAS services if they were employed are likely to be excluded from eligibility for these waivers.

worksite to the degree that they go beyond the scope of the Medicaid program and subsume an employer's responsibility under the ADA. States should base determinations of need for PAS at the worksite on an individual basis as documented in a plan of care for that individual. Evidence must be available that the State has the ability, through mechanisms including individualized assessments that account for out-of-home settings, to match need for personal assistance services with the quantity of services delivered. Establishing caps on the number of days or the number of hours per day that services are available without regard to individual need will not satisfy this requirement although a State may establish one or more thresholds that require prior authorization, or caps that have provisions for making exceptions to the caps based upon individuals need and prior authorization review.

A scoring tool was developed for use in making objective determinations of States' eligibility based on their PAS service delivery systems. The scoring tool and a detailed explanation have been put on the website for reference at <http://www.cms.hhs.gov/twwia/default.asp>. An abbreviated version of this extensive scoring tool is below.

Full eligibility:

A State can reach full eligibility if it has a State plan personal assistance service that does not have individual limits that would preclude it from serving a person with a significant disability who is employed 40 hours *per week*. In that regard, services must be available inside and outside the home and cannot be limited to assistance in transportation to medical appointments. Additionally, the service cannot be limited to persons with a particular type of disability or level of disability. If a State reaches the fully eligible criteria based on its State plan service, waivers are not considered.

If a State does not reach full eligibility through its State plan service, a State may still reach full eligibility through its waivers. In order to reach the fully eligible level, a State must have at least statewide MR/DD and physical disability 1915(c), 1915(b) or 1115 waiver(s). These waivers must be of sufficient size and not restricted by extremely high level of care criteria. CMS must determine that there is reasonable evidence that the waivers have the capacity to serve most of the population of individuals with disabilities in the State who are, or wish to be, employed. Additionally, if a State has a Medicaid buy-in program under either the Balanced Budget Act or the Ticket to Work and Work Incentives Improvement Act, the State must have amended their waivers to include the Medicaid buy-in group.

In addition to the requirements above, a State must attest that its system meets all of the following criteria. The State Medicaid Director must submit a letter ensuring compliance with the grant application.

- ❖ A State must have criteria for reviewing and responding to requests from qualified employed individuals with disabilities who believe they require more services than determined at their individual assessment, or a different type of physical or cognitive

assistance than that which has been made available. Such criteria should be developed in consultation with individuals with disabilities who use personal assistance services and are competitively employed; and

- ❖ workers receiving personal assistance services must be able to receive personal assistance services at times during both the day and night seven days a week, subject to a finding of individual need; and
- ❖ unless an individual needs only assistance with activities of daily living, medical necessity definitions used by a State must not preclude the availability of personal assistance services for instrumental activities of daily living such as cooking, cleaning or shopping if such assistance is required for an individual to remain competitively employed.

Conditional Eligibility:

States that have State plan personal assistance services that do not meet the criteria above but that do offer services outside as well as inside the home, and are capable of supporting many people with disabilities in employment, are generally considered conditionally eligible. If a State does not offer services outside the home, even in a limited way, or if a State does not offer services sufficient to support someone who is employed 40 hours per month, the State must commit to changing its system to meet these requirements by the end of the first year of the grant.

States may achieve conditional eligibility through waivers by having both MR/DD and physical disability 1915(c), 1915(b) or 1115 waiver(s) that meet the conditional eligibility level.

Reserved Eligibility:

States that do not have a PAS State plan service and that do not have statewide MR/DD and physical disability waivers that deliver PAS may apply to have funding reserved for them for two years. Funding is released to the State when the State raises its eligibility status.

APPENDIX TWO
EXAMPLES OF PERMITTED AND PROHIBITED USES OF GRANT FUNDS

A. Examples of Permitted Uses of Funds

1. Medicaid Buy-In Programs

Buy-In Design and Implementation: Design, cost-modeling, development and initial administrative implementation of Medicaid buy-ins for the eligibility groups described in sections 1902(a)(10)(A)(ii)(XIII), (XV) and (XVI) of the Social Security Act including:

- ❖ Staffing or contracting costs (and related staff expenses) for planning, cost modeling, initial implementation and management.
- ❖ Expenses incurred by people who have a disability who volunteer to participate in State planning, design, training, and implementation events.
- ❖ Expenses related to processes that actively involve people with disabilities in the design and /or implementation of the buy-in programs.
- ❖ Changes to the State's automated eligibility determination systems.
- ❖ Changes to the State's information systems necessary to: issue Medicaid cards; track enrollment; gather and track key information about enrollees (see grantee reporting requirements); manage premium collections and payments; coordinate benefits with Medicare and other third-party insurers; manage and track special asset disregards such as special earned-income savings accounts that a State may permit as part of its work incentives.
- ❖ Training materials, curricula, and events for training eligibility determination workers, SSA field staff, benefit counselors, independent living centers, advocacy organizations, and others.
- ❖ Software for managing premium collections or tracking special savings accounts permitted as an asset disregard.
- ❖ Outreach efforts to inform prospective enrollees and/or employers about the availability of the buy-in and provide information regarding costs and enrollment criteria.

Tracking, Reporting and Learning Systems: Costs to build and maintain capacity to:

- ❖ Meet the reporting requirements of this grant solicitation.
- ❖ Track key enrollee data (e.g. enrollee characteristics, prior Medicaid and Medicare status, employment, etc.).
- ❖ Conduct basic research on costs of services used by enrollees, utilization, or trends over time.
- ❖ Design and conduct effective methods to obtain enrollee feedback or input on the operation of the buy-in, the effectiveness of the coverage being provided, and methods to improve the manner in which the buy-in facilitates employment.

Coordination of benefits: Expenses involved in designing and implementing methods to coordinate the buy-in programs effectively with Medicare and with other public or private insurance coverage.

2. Medicaid Services That Most Directly Support Individuals with Disabilities who are Employed

- ❖ **Personal Care Under the State Plan:** Design, cost modeling, and development of a Medicaid State Plan service to cover the personal care services optional benefit under the State plan.
- ❖ **Providers of PAS:** Development of provider capacity and reliability to support the provision of personal assistance services (PAS) seven days a week, during the day and night as needed by competitively employed individuals with disabilities; development of effective emergency or back-up systems for people who are competitively employed.
- ❖ **Adequacy of PAS:** Design and/or initial implementation of changes to the State's personal assistance services that substantially improve the extent to which the service supports the competitive employment of people with disabilities, such as: conversion of across-the-board service caps to authorizations based on individual need, inclusion of cueing as a component of personal assistance services, etc.
- ❖ **Training Medicaid Case Managers:** Training materials, curricula and events designed to train case managers funded by Medicaid regarding: the Medicaid buy-in; the availability of vocational rehabilitation services (VR) and the procedures for working with VR agencies; the availability of Section 1619 Medicaid protections for SSI beneficiaries who work; the inner workings of the SSI provision for Programs to Achieve Self-Sufficiency (PASS); provisions of the new Ticket to Work and Work Incentives Improvement Act; changes to Medicare extended periods of eligibility, and other programs which will assist people with disabilities to be employed competitively.
- ❖ **Medicaid Case Management Design:** Redesigning the content, scope, activities, and outcomes of Medicaid case management activities to incorporate valued social and economic roles, defined and desired by the individual with a disability, as an element of each case plan.
- ❖ **Self-Determination Designs:** Incorporating the new employment possibilities in the evolving field of self-determination within the Medicaid program, or redesigning traditional Medicaid services to incorporate self-determination principles with an employment focus.
- ❖ **Benefits Counseling:** A maximum of up to 10% of total grant funds can be used to pay for salary and associated benefits for Benefits Counselors to assist program participants. For those applicant States who propose to include the Benefits Counseling option under their Medicaid Infrastructure grant activities, it should be kept in mind that a service funded under the Medicaid program needs to be structured to serve Medicaid beneficiaries. While part of the Benefits Counselor's job will be to provide referral and guidance to services both inside and outside of the Medicaid program, the clients served must be predominantly Medicaid enrollees.

- ❖ **Other Medicaid Services:** Improvements in the design, cost-modeling, development and initial implementation or evaluation of other Medicaid services which have a direct and significant impact on the ability of individuals with disabilities to sustain competitive employment, such as transportation services or modifications, assistive devices, communication aids, or community mental health services.
- ❖ **Coordination:** Coordination activities between other State agencies with direct responsibilities to individuals with disabilities in their pursuit of competitive employment and the Single State Medicaid Agency.

3. Medicaid Demonstration to Maintain Independence and Employment

- ❖ ***Demonstration Design and Initial Implementation:*** Design and development of a demonstration program to provide Medicaid coverage to a State defined maximum number of working individuals who have a specific physical or mental impairment likely to lead to disability (as created by Section 204 of the Ticket to Work and Work Incentives Improvement Act of 1999), including the examples cited above as permitted uses for the basic Medicaid buy-in programs.

4. State-to-State Medicaid Infrastructure Partnerships

- ❖ ***Staffing:*** Staffing or contracting costs (and related expenses) for technical assistance and resource center(s) to assist other States to design or implement Medicaid buy-ins or a Medicaid demonstration project.
- ❖ ***Training and Consulting:*** Training materials, curricula development, training events, travel in-State or out-of-State, etc.
- ❖ ***Peer and Network Education:*** Fostering forums for the sharing of knowledge amongst peers, developing effective networks among States, employers, and people with disabilities to share new information, learn new problem-solving techniques, and advance the state-of-the-art in return to work programs.
- ❖ ***Direct Technical Assistance:*** Provision of direct technical assistance to other State agencies, legislatures, Governors, employers, consumer forums, or others on any topic related to the buy-ins (including the Medicaid demonstration) or to improving Medicaid services to support competitive employment of people with disabilities.
- ❖ ***Informational Resources:*** Construction of resource databases for use by others in cost modeling, tracking progress and learning of other States across the country, compiling key design features and results of different States' buy-in programs or Medicaid demonstration.
- ❖ ***Outreach and Communication Resources and Services:*** Developing and distributing key outreach resource materials for use in other States, including printed material, videos, testimony, audio interviews, graphics, etc. Developing and maintaining websites, links, translation services, employer outreach systems, and other communication infrastructure.

5. Comprehensive Employment Infrastructure Development

- ❖ States applying for funding to develop comprehensive employment infrastructures must address all of the elements of the WORKPATH as detailed in the body of the solicitation. However, examples of discrete activities that States could include as part of their overall proposal are listed below. This is not intended to be a comprehensive list, rather just examples of activities that might generate further thought.
 - Employer advisors and job developers to ensure that Medicaid buy-in participants have access to work opportunities
 - Interagency housing linkages coordinating the Medicaid buy-in participants with local public housing authorities.
 - Peer support efforts, for example, mentoring or monthly meetings of individuals who want to work.
 - Policy development and implementation to ensure adequate health care coverage via the Medicaid buy-in etc.
 - Outreach to county eligibility workers on program availability.
 - Employment Assistance through Reciprocity in Natural Supports (EARN) models.

- ❖ Improvements to State and local workforce investment systems through Coordination with grants already received from the Department of Labor (e.g., Work Incentive Grants, customized employment grants) designed to enhance the service to people with disabilities through the one-stops; and coordinating grants currently in process from the Department of Labor (e.g., Community Employment Planning Grants, Community Employment Action Grants) designed to increase employment opportunities for people with disabilities.

- ❖ Improvements to transportation systems serving people with disabilities including coordination with
 - Job Access and Reverse Commute Grants;
 - Metropolitan Transit Planning Grants;
 - Non-urban Area Formula Transit Grants;
 - Over-the-Road Bus Accessibility Program; and
 - Transit Capital Assistance Program for Elderly Persons and Persons with Disabilities
 - Vocational rehabilitation employment-related funding available for retrofitting vehicles, installing hand controls; and reimbursing for transit-related fares (i.e. bus, taxi);
 - Workforce Investment Act (WIA) funded transportation for employment-related training; and
 - Medicaid transportation funding, including services under home and community-based waivers.
 - The Social Security Administration’s PASS (Plan for Achieving Self-Support) program, which enables disability beneficiaries to set aside income for transportation, including the purchase of a vehicle.

- ❖ Mental Health Services
 - Mental health services delivery systems improvements including Individual Placement and Support (IPS) services, and programs that combine IPS and Assertive Community Treatment services; and
 - “Clubhouse” models that include job skills training.

6. CEO Technical Assistance and Research Facilitator

CEO Technical Assistance Provider (TA)

The CEO TA Provider will be responsible for establishing an effective dialogue among participating States to ensure that information about strategies or promising practices within the CEO infrastructure development project are widely distributed and quickly available. In addition the CEO TA Provider will facilitate dialogue between the States and relevant Federal agencies, particularly related to the key supports and services needed to ensure employment, including employment and vocational services, transportation, housing, and health care.

Specific activities include:

- Fostering on-site State-to-State technical assistance, including:
 - Developing and maintaining a clearinghouse; and
 - Facilitating State-to-State conference calls and meetings.
- Developing technical assistance materials and gathering, analyzing, and disseminating practical information;
- Providing training to staff in States with CEO funds;
- Assisting States in developing the research to evaluate program effectiveness;
- Compiling and disseminating responses to questions from CEO States regarding data elements;
- Assisting States in designing State-specific evaluations as requested; and
- Developing or providing expertise for States on employing individuals with a disability.

7. Other

- ❖ **Personal computers:** Personal computers and related software for any added staff capacity (hired or contracted) devoted to development or maintenance of an adequate infrastructure for the Medicaid buy-in programs and/or demonstrations.
- ❖ **Reasonable accommodation:** Reasonable accommodation expenses for staff with a disability who have been enlisted to improve design or implementation capability.
- ❖ **Outreach:** Outreach to stakeholders to increase awareness of the availability of the Medicaid options or Medicaid demonstration.

- ❖ ***Inclusion:*** Inclusion of the disability community in the design, implementation and outreach efforts around these options and demonstrations.

B. Examples of Prohibited Uses of Funds

- ❖ ***Match:*** State or local match to any services provided under the Medicaid program or other Federal program.
- ❖ ***Medicaid 90/10 Projects:*** Any infrastructure expense for which Federal Medicaid funds are available at the 90/10 matching ratio.
- ❖ ***Non-Competitive Employment:*** Any costs related to employment efforts that are not entirely designed to eventuate in the competitive employment of individuals with disabilities.
- ❖ ***Other Target Groups:*** Any infrastructure expense that is not designed to be used primarily for the benefit of people with disabilities who are employed.
- ❖ ***Premiums:*** Premiums for participants in a Medicaid buy-in or other cost sharing under the Medicaid program.
- ❖ ***Other Party Responsibility:*** Services, equipment, or supports that are the responsibility of another party under Federal or State law (such as vocational rehabilitation or education services) or under any civil rights laws including, but not limited to, modifications of a workplace or other reasonable accommodations.
- ❖ ***Direct Provision of Services:*** Direct provision of services to people with disabilities except for 1) a one-time, last resort, emergency basis for the purpose of sustaining the individual's competitive employment or 2) benefits counseling as described above.
- ❖ ***On-going Administration of Medicaid services:*** Ongoing administration is not a fundable activity unless such administration is part of a well-defined test of alternate and improved methods focused specifically on employment (e.g. testing, implementation and management of new prior authorization criteria under Medicaid personal care designed to assess the need for additional support when people are employed).
- ❖ ***Data Processing Hardware:*** Hardware in excess of the personal computers required for staff devoted to the Medicaid employment initiative.

**APPENDIX THREE
APPLICATION FORMAT AND CONTENT
MEDICAID INFRASTRUCTURE GRANT PROGRAM**

Format of the Application

Each application must include all contents described below, in the order indicated, and in conformance with the following specifications:

- ❖ Use white paper only.
- ❖ Use 8.5 x 11" pages (on one side only) with one-inch margins (top, bottom and sides). Paper sizes other than 8.5 x 11" will not be accepted. This is particularly important because it is often not possible to reproduce copies in a size other than 8.5 x 11".
- ❖ Use a font not smaller than 12-point.
- ❖ Double-space all narrative pages.
- ❖ No more than 30 pages for the narrative portion, excluding budgetary information, required appendices, letters of support, assurances and certifications. If the State is applying for the Comprehensive Employment Opportunities (CEO) Infrastructure portion or the CEO Research and Technical Assistance Facilitator, the State may add 10 additional pages per project. Please do not repeat information detailing existing State programs.
- ❖ Additional documentation may be appended; however, material should be limited to information relevant but not essential to the specific scope and purpose of the grant. Please do not include critical details in an appendix because appendices will not be included for purposes of the ratings process.
- ❖ Do not bind copies. Secure pages with a binder clip, paper clip, or 3-ring binder.

Submitting the Application

I. What to Send

Applicants are required to submit (1) an original and one copies of the application and a 3 ¼" floppy disk containing the application.

For the 3 ¼" floppy disk, please send this information on a standard disk that holds at least 1.44 megabytes and is high density. We prefer that documents be submitted in Microsoft® Word and

Microsoft® Excel. However, WordPerfect® will also be accepted. States have the option of sending attachments such as letters of support electronically.

Submissions by facsimile (fax) transmission will not be accepted.

II. When to Send the Application

To be considered for funding under the FY2004 Medicaid Infrastructure Grant, applications must be postmarked by **July 1, 2003**. Applications mailed through the U.S. Postal Services or a commercial delivery service will be considered "on time" if received by close of business on the closing date, or postmarked (first class mail) by the date specified. If express, certified, or registered mail is used, the applicant should obtain a legible dated mailing receipt from the U. S. Postal Service. Private metered postmarks are not acceptable as proof of timely mailings. Applications that do not meet the above criteria will be considered late applications. Those submitting late applications will be notified that their applications were not considered in the competition and will be returned without review.

III. Where to Send the Application

All application forms and related materials must be submitted to:

Medicaid Infrastructure Grant
Attn: Nicole Nicholson
Centers for Medicare & Medicaid Services
OICS, AGG, Grants Management Staff
Mailstop: C2-21-15
7500 Security Boulevard
Baltimore, Maryland 21244-1850
Phone: (410) 786-5158
E-mail: Nnicholson@cms.hhs.gov

Questions regarding applications for grant award should be directed to:

Medicaid Infrastructure Grant Program Manager
Attn: Joe Razes
Centers for Medicare & Medicaid Services
CMSO, DEHPG, DCSI
Mailstop: S2-14-26
7500 Security Boulevard
Baltimore, Maryland 21244-1850
Phone: (410) 786-6126
E-mail: JRazes@cms.hhs.gov

IV. Required Contents

A complete proposal consists of the following material organized in the sequence indicated. Please ensure that the project narrative is page-numbered. The sequence is:

- First: State Agency Cover Letter
- Second: Standard Forms from the Application Forms Kit
- Third: Letter of Agreement from Single State Medicaid Agency (*if applicable*)
- Fourth: Project Abstract
- Fifth: Project Narrative
- Sixth: Budget Narrative/Justification
- Seventh: Letters of Agreement, Endorsements and Support
- Eighth: Required Appendices
- Ninth: PAS Attestation letter for fully eligible States (only)

First: State Agency's Cover Letter

A letter from the Director of the State Medicaid Agency* or other designated State Agency identifying his/her agency as the lead organization, indicating the title of the project, the project director, the amount of funding requested, and the names of all organizations collaborating in the project. The letter should indicate that the State Agency has clear authority to oversee and coordinate the proposed activities and is capable of convening a suitable working group of all relevant partners.

*For purposes of this solicitation, State Medicaid Agency means the Single State Medicaid Agency or umbrella agency that houses the State Medicaid program.

Second: Standard Forms from the Application Forms Kit

The following standard forms must be completed with an original signature and enclosed as part of the proposal.

GRANT APPLICATION KIT

- SF-424: Application for Federal Assistance
- SF-424A: Budget Information
- SF-424B: Assurances-Non-Construction Programs
- SF-LLL: Disclosure of Lobbying Activities

Biographical Sketch

Additional Assurances

You may obtain copies of these forms directly from the CMS web site at <http://www.cms.hhs.gov/twwiia/default.asp>

Fourth: Project Abstract

A project abstract limited to one page. The abstract should serve as a succinct description of the proposed project and should include:

- The overall goals of the project;
- The level of eligibility being applied for (please also indicate on SF-424 under item 11 “**Descriptive Title of Applicant’s Project**”), number of years of funding requested, total budget; and
- A description of how the grant will be used to support or expand competitive employment opportunities for persons with disabilities.

Fifth: Project Narrative

The narrative application should provide a concise and complete description of the proposed project. The narrative or body of the application must not exceed 30 double-spaced pages although a State may add 10 additional pages per project for both the CEO project and the CEO Research and Technical Assistance providers if the 30 pages are insufficient. Additional detail regarding the CEO project follows the general information below. Please do not rely on appendices to describe key details.

This narrative should contain the information necessary for reviewers to fully understand the proposed project and should be organized as follows:

I. Background Analysis: (15 points):

Provide a description of the State's current infrastructure for supporting competitive employment for people with disabilities. Please include the following:

- A description of people with disabilities currently competitively employed in your State and current efforts to remove barriers to employment for people with disabilities;
- A description of services provided with State and Federal funds to people with disabilities who are competitively employed or seeking competitive employment in your State;
- A description of personal assistance services delivery systems currently in place in your State including who is served, how services are accessed and who funds the services; and
- An overall assessment of the strengths and weaknesses of your State’s capacity to support people with disabilities seeking to return to work.

- Provide information regarding the current economic outlook for the targeted area. This would include, but not be limited to unemployment data, predicted job growth industries and job availability.

Review Criteria Standard

- To what extent does the application evidence a thorough understanding of the characteristics of the State’s current population and system and the strengths and weaknesses of that system?

II. Use of Grant Funds: (60 points – If the State is using MIG funds for more than one of the 4 purposes, CMS will review each effort separately.)

Provide a description of how the grant funds will be used for one or more of the four following purposes to improve the existing infrastructure:

- ❖ General Medicaid Infrastructure Development
- ❖ Demonstration to Maintain Independence and Employment
- ❖ Comprehensive Employment Opportunities (CEO) Infrastructure Development
- ❖ Comprehensive Employment Opportunities Research and Technical Assistance

Address each of the following as applicable:

A. Removal of Barriers

Discuss the major barriers to competitive employment for people with disabilities that will be addressed with grant funds. Describe the proposed grant projects in terms of their approach to barrier elimination. Provide a succinct statement of the problems for which Medicaid infrastructure funding will be an answer. For CEO applicants, each element of the WORKPATH must be addressed somewhere in the body of the proposal.

B. Health Systems Change

Because this Infrastructure Grant program is premised upon the positive correlation between access to health care benefits and employment, please describe the health systems changes that will result from Infrastructure Grant funding. Examples of health systems change include offering a Medicaid buy-in to people with disabilities who return to work, coordinating Medicaid buy-in participants with other services and supports such as housing or transportation, expanding personal care services, or identifying health system needs and strategies for improvement.

C. Communication / Access Plan

Discuss how the State intends to make known the availability of infrastructure improvement to the disability and employer communities.

D. Partnerships

Describe any partnership with employers, other State or local agencies and the disability community.

E. Monitoring Plan

Describe plans for monitoring the success of the program over time, including establishing a base estimate of the number of people with disabilities who are currently competitively employed.

F. Research/Program Development

Describe any ongoing research or program development efforts in this area.

Review Criteria Standard:

- ❖ *Significance (15 points):* To what extent does the application propose infrastructure development which will offer enduring and significant improvement in the ability of the system to provide adequate health coverage for people with disabilities who are competitively employed, provide needed personal assistance and other supports, and/or remove other significant employment barriers?

- ❖ *Methodology (35 points):* To what extent do the methods, work plan, and timetable inspire confidence that the goals of the proposal will be met? For example, to what extent are:
 - the needed partners aligned with the proposal;
 - the goals and methods clearly and effectively delineated;
 - the Medicaid buy-in, Medicaid services and/or Medicaid infrastructure complemented and coordinated with other important components of an effective system (e.g. benefits counseling, vocational rehabilitation, school to work programs, and other important pieces of the employment puzzle); or to what extent will the Medicaid infrastructure grant improve such coordination toward the common purpose of enabling competitive employment?

- ❖ *Dissemination and Learning (10 points):*
 - *Dissemination and Feedback Plan:* To what extent does the State have a plan for using its grant experiences to identify different or better ways to improve its buy-in or Medicaid services that support competitive employment efforts of people with disabilities? Does the State have a cogent plan for obtaining timely feedback from people enrolled in the Medicaid buy-in (including the Medicaid demonstration) and from the disability community?

 - *State-to-State Assistance:* Will the grantee State make such lessons available to key actors within the State? To what extent will it make such lessons available to other States (required for fully and conditionally eligible States with multi-year awards and States receiving more than \$500,000 per fiscal year for basic Medicaid infrastructure development)? To what extent does the applicant

plan to: help other States design needed Medicaid infrastructure; facilitate the sharing of knowledge among States, employers and community organizations; support efforts to involve people with disabilities in the design and management of the Medicaid buy-ins, or replicate successful techniques?

-- *Staffing for Dissemination:* To what extent does the State's proposal indicate the staffing and technical capability to ensure such dissemination and learning (or include a cogent plan to develop/acquire such capability)?

III. Products and Timeline (10 points): The purpose of this section is to outline clearly what the State hopes to achieve with each grant. Describe milestones and work products to be accomplished during the budget period. (Examples of work products include, among others, completed program designs or legislative initiatives. The timetable for accomplishing the major tasks to be undertaken should include key dates relevant to the proposed project (e.g. State budget cycles and legislative sessions).

For States applying for *Conditional Eligibility*, States must clearly indicate the annual benchmarks for improvements to personal assistance services (PAS) that must be achieved before funding beyond the first year will be released. By year 2 of the grant program, each conditionally eligible State must be offering PAS statewide and services must be available outside the home if needed. Further benchmarks should represent improvements in PAS that will move a State closer to meeting the level of PAS described in Appendix One.

Review Criteria Standard:

To what extent does the application evidence a clear plan and timeline for implementing the demonstration in each of the areas described above with documented benchmarks, milestones and timeframes and an identification of the responsible parties?

IV. Organization and Staffing (10 points):

Describe the project organization and staffing. Include:

- ❖ Proposed management structure and how key project staff will relate to the proposed project director, the Medicaid Agency, and any interagency or community working groups.
- ❖ Description of the sub-contractors or partners to be involved in the demonstration and receiving funds, their management structure and organization, an outline of the specific tasks to be executed by the sub-contractor or partner and the reporting mechanisms that the State will require of each sub-contractor or partner.

- ❖ Brief biographical sketches of the project director and key project personnel indicating their qualifications, and prior experience for the project. Resumes for the key project personnel should be provided as an attachment.

Review Criteria:

To what extent does the application include:

- ❖ A qualified and sufficient staffing pattern to accomplish the goals for the demonstration including techniques to ensure that well-qualified staff are enlisted in a timely manner?
- ❖ Any significant circumstances that would affect the ability of the applicant to recruit and hire staff for the project are addressed. The application identifies whether there are any current hiring freezes or other obstacles that would affect staffing and, if so, identifies methods by which such obstacles will be overcome (e.g., by making exceptions to general freezes, by contracting out, etc.)?
- ❖ To what extent is there evidence that key project staff, by virtue of their personal and/or first-hand professional experiences with disability, have the requisite knowledge to design and implement infrastructure for a customer-responsive health coverage system and/or a comprehensive approach to removing barriers to employment?

V. CEO Technical Assistance and Research Facilitator (only)

For States that are applying to be the Comprehensive Employment Opportunities (CEO) Infrastructure Research and Technical Assistance Provider the following elements should be reflected in the **Project Narrative**.

a. Background and Prior Experience (15 points)

- ❖ Describe past experiences in working with public and private organizations in developing or improving systems to promote the employment of individuals with a disability.
- ❖ Describe past experiences in providing technical assistance and training to various national, State and/or local organizations.
- ❖ Assess the challenges that States must address as they seek to build comprehensive employment initiatives for individuals with a disability.

Review Standard:

- ❖ The extent to which the application demonstrates the Applicant's significant practical experience in working with States and public and private organizations in developing or improving systems to promote the employment of individuals with a disability.

- ❖ The extent to which the application evidences an understanding of the methods and strategies for providing technical assistance and training to various organizations.
- ❖ The extent to which prior experience inspires confidence in the ability of the Applicant to provide immediately useful, practical assistance to the target audiences of this solicitation.
- ❖ The extent to which the application evidences a cogent analysis of the primary barriers for States in developing a comprehensive initiative on the employment of individuals with a disability.

b. Project Description and Methodology (35 points)

1. Goals and Objectives:

- ❖ Describe the primary goals and objectives of the proposed project.

Review Standard:

- ❖ The extent to which the application evidences goals and objectives that are both significant and reasonable, goals will be effective in accomplishing the purpose of the grant to maximize employment opportunities for individuals with a disability.

2. Methods of Assistance to CEO demonstration States:

- ❖ Describe how the funds will be used to provide training, direct technical assistance.
- ❖ Describe how CMS and SSA will be kept informed of progress, issues and barriers of CEO demonstration States

Review Standard:

- ❖ The extent to which the Application evidences provision of practical training, technical assistance, resource development and policy feedback in the technical areas of the CEO demonstration including the WORK PATH.
- ❖ The extent to which the Application clearly describes logically coherent methods that would be used to provide technical assistance and training to demonstration States.
- ❖ The extent to which the Application evidences methods that inspires confidence that the goals of the proposal will be met through a description of planned activities, timeframes and projected results.
- ❖ The extent to which the Application demonstrates a method of applying appropriate staff or contract expertise to ensure that effective technical assistance can be made available in each of the CEO demonstration States.

3. *Work plan:*

- ❖ Include a work plan documenting benchmarks, milestones, timeframes, and responsible parties of the project.
- ❖ Include a description of how the Applicant will allocate finite resources from the number and priority of technical assistance and training requests made by States.

Review Standard:

- ❖ The extent to which the Application includes a work plan that documents reasonable and significant benchmarks, milestones, timeframes, and identifies the responsible parties to accomplish the goals of the project.

4. *Organization, Management and Qualifications:*

Describe the project organization and staffing. Each application should include:

- ❖ A chart of the proposed management structure and description of how key project staff will report to the proposed project director, and any interagency or community working groups.
- ❖ A description of the sub-contractors or partners to be involved in the demonstration and receiving funds, their management structure and organization, an outline of the specific tasks to be executed by the sub-contractor or partner and the reporting mechanisms required of each sub-contractor or partner.
- ❖ Brief biographical sketches of the project director and key project personnel indicating their qualifications, and prior experience related to the project. Resumes or curriculum vitae for the key project personnel should be provided as an attachment.
- ❖ A listing of the percentage of time each project staff member will devote to TA activities. CMS requests that at least 50 percent of the staff participating in the TA project devote at least 80 percent of their time to CEO TA activities.
- ❖ The mechanism for CEO project States to provide input and feedback into the direction and activities of the project.
- ❖ Discussion of the organization and partners' expertise and familiarity in comprehensive approaches to employment including:

WORK PAYS

- ❖ Supplemental Security Income and Social Security programs and work incentives

OPPORTUNITY DEVELOPMENT THROUGH EMPLOYERS AND JOB CONNECTIONS:

- ❖ Employer involvement in developing opportunities for workers with disabilities;
- ❖ Entrepreneurship and self-employment options

RESEARCH: (CRITICAL FOR THE CEO RESEARCH FACILITATOR)

- ❖ Research methods
- ❖ State data sources

KEY SERVICES AND SUPPORTS

- ❖ Employment service delivery systems including services for individuals with co-occurring disabilities
- ❖ One-stop workforce centers
- ❖ Service coordination
- ❖ Housing
- ❖ Transportation
- ❖ Workforce development and training
- ❖ Vocational rehabilitation services

PEER WORKER CONNECTIONS AND PERSONAL COMMITMENTS

- ❖ Peer Counseling

ACCESS TO INFORMATION AND BENEFITS COUNSELING

- ❖ Methods of benefits counseling

TOTAL PROGRAM DESIGN

- ❖ Barriers to employment for individuals with a disability
- ❖ Consumer and stakeholder involvement

HEALTH CARE AND LONG-TERM SUPPORTS AND SERVICES

- ❖ Medicaid and Medicare guidelines, practices and system improvements
- ❖ Personal assistance services

Review Standard:

- ❖ The extent to which the Application addresses any significant circumstance(s) that would effect the ability of the Applicant to recruit and hire staff for the project and/or subcontract with other entities as deemed necessary.
- ❖ The extent to which the Application evidences that key staff, stakeholders and partners (direct and in-direct subcontractors) are qualified and possess the experience and skills to design, implement and evaluate the proposed project within the available time frames.

- ❖ The extent to which the Application evidences that key project staff have professional experiences with people of any age with a disability or long-term illness.
- ❖ The extent to which the Application evidences that project staff have experience in providing technical assistance, training, and information collection, analysis, and dissemination.
- ❖ The extent to which the Application addresses the ability of the Applicant to utilize and interact with various forms of information technology to offer a variety of presentation formats and vehicles for providing technical assistance.

5. COLLABORATION, AGREEMENTS AND CAPACITY:

- ❖ Describe the extent to which adults with a disability or long term illness or their representative organizations will be involved as a volunteer, staff members or subcontractor(s), in the planning, implementation and analysis of technical assistance activities.
- ❖ Describe the extent to which the Applicant has secured agreements with highly skilled individuals to provide expertise and assistance with technical assistance activities either on staff or through subcontracting.

Review Standard:

- ❖ The extent to which the Application has developed the collaborative efforts and the capacity to provide technical assistance by qualified individuals including individuals who have a disability or long-term illness.

c. Significance and Sustainability (20 points)

- ❖ Describe how the project activities will aid States in creating comprehensive coordinated employment opportunities for individuals with a disability and fulfill the obligations of the CEO project.
- ❖ Explain how the particular strengths of the Applicant will promote the sharing and use of practical information on CEO project efforts.

Review Standard

- ❖ The extent to which the goals and objectives specified in the application will assist States and Federal partners in the goal of maximizing employment opportunities for individuals with a disability or long term illness.
- ❖ The extent to which the Application describes a project that will provide considerable assistance to States and others through the scope and breadth of

proposed activities as measured by the extent or range of project activities, the numbers served, the types of services available, and the comprehensiveness of the proposed project.

d. Formative Learning (10 points)

- ❖ Describe any methods of collecting feedback or project evaluation and how that feedback will be incorporated into ongoing operations that are feasible and relevant to the goals, objectives and outcomes of the proposed project.

Review Standard

- ❖ The extent to which the Application has methods gathering information and others and conducting an analysis and evaluation that are feasible and relevant to the goals, objectives and outcomes of the proposed project, in order to gain timely insight into technical assistance strategies that work and the types of technical assistance that have the most impact.

e. Partnerships, Endorsements and Support: (10 points)

- ❖ Describe any partnership with other organizations that will provide expertise, with the disability community, employers, service providers, other State or local agencies, and other private entities.
- ❖ Applicants may furnish a set of endorsements of the support and commitments that have been pledged for the proposed project (e.g. disability community, employers, States, private organizations, and advocacy groups). Individual letters of support should be included as attachments.

Review Standard:

- ❖ The extent to which the Application promotes valued social and economic roles for people of any age with a disability or long term illness by including their talents and expertise in the project (e.g., governing board members, consultants, staff, mentors, peer counselors, trainers, etc.).
- ❖ The extent to which the Application describes partnerships with public and private organizations that possess expertise in working with people with a disability or long-term illness and developing employment opportunities.

Sixth: Budget Narrative/Justification (5 points)

For the budget recorded on form SF 424 A, provide a breakdown of the aggregate numbers detailing their allocation to each major set of activities. If your State will participate in a State-to-State Medicaid Infrastructure Partnership, the budget narrative must separate that activity. The proposed budget for the program should distinguish the proportion of grant funding designated for each grant activity. The budget must separate out funding that is administered

directly by the lead agency from funding that will be subcontracted to other partners. If you have budgeted for Infrastructure Grant money to use toward the realization of a Demonstration to Maintain Independence project, you may submit a separate budget section reflecting how that money will be spent if the Demonstration project is not approved.

If your State has an approved State Plan amendment establishing a Medicaid buy-in program for working individuals with disabilities and is applying for funds in excess of \$500,000 per fiscal year, please provide documentation of State and Federal spending for services for this optional categorically needy eligibility group.

Finally, if the State intends to provide benefits counseling to individuals with the grant funds, the budget narrative must include a description of how these funds will be allocated.

Review Criteria Standard:

- ❖ To what extent does the application evidence a reasonable and detailed budget and follows the requirements stated in the solicitation?
- ❖ Finally, to what extent does the budget include a description of how funds for direct services and/or benefits counseling will be allocated to demonstration participants and the specific services to be provided?

CEO TA and Research Facilitator (only) 10 points

- ❖ For the budget recorded on Standard Form 424, provide a detailed breakdown of the aggregate numbers including allocations to each major set of activities or proposed tasks. The proposed budget for the program should distinguish the proportion of funding designated for each activity. All funds are administered by the designated lead agency and the lead agency is solely responsible for the fiscal management of the funds.

Review Standard:

- ❖ The extent to which the proposed budget is reasonable in relation to the objectives, design, and significance of the achievements that are proposed.

Seventh: Letters of Agreement, Endorsements and Support:

Provide a set of endorsements of the support and commitments that have been pledged for the proposed project (e.g. cooperation from the disability community, other State agencies, the executive branch, the legislative branch, employers, business groups, etc.). Include individual letters of support as appropriate.

Eighth: Required Appendices

- (a) **Organizational Charts:** Append one or more charts depicting the organizational relationship amongst the lead agency for this grant, the Single State Medicaid Agency (if different), the agency administering Home and Community-Based Services waivers (if different), and the State Vocational Rehabilitation Agency.

- (b) **Memoranda of Understanding:** Append any relevant memoranda of understanding which might illustrate the breadth of the State's employment efforts and the extent of collaboration between relevant agencies.
- (c) **Key Staff Qualifications:** Include a biographical sketch or resume of key staff describing their qualifications.
- (d) **Short History of State Participation:** If the State has received grant funding under this program in the past, please provide a concise history of the year the State received funding, the eligibility level the State qualified for, the benchmarks that were proposed and an indication of whether the benchmarks were met. This history will be used to assure correct eligibility.

CEO TA and Research Facilitator (only)

Organizational Charts: The Applicant is required to append one or more charts depicting the organizational relationship between the lead agency for this grant and any contractors or subcontractors.

Ninth: PAS Attestation letter (fully eligible States only)

All fully eligible States must submit a letter signed by the State's Medicaid Director attesting that the State's PAS system can do the following:

- ❖ A State must have criteria for reviewing and responding to requests from qualified employed individuals with disabilities who believe they require more services than determined at their individual assessment, or a different type of physical or cognitive assistance than that which has been made available. Such criteria should be developed in consultation with individuals with disabilities who use personal assistance services and are competitively employed; and
- ❖ Workers receiving personal assistance services must be able to receive personal assistance services at times during both the day and night seven days a week, subject to a finding of individual need; and
- ❖ Unless an individual needs only assistance with activities of daily living, medical necessity definitions used by a State must not preclude the availability of personal assistance services for instrumental activities of daily living such as cooking, cleaning or shopping if such assistance is required for an individual to remain competitively employed.

In General

Panels of experts will conduct an independent review of all applications. The panelists will assess each application based on the areas specified previously to determine the merits of the

proposal and the extent to which it furthers the purposes of the grant program. CMS will review the recommendations of the panel. CMS reserves the right to request that States revise or otherwise modify certain sections of their proposals based on the recommendations of the panel. CMS reserves the right to assure reasonable geographic and other representation among States receiving grant awards, as well as assure the presence of at least one State-to-State Medicaid Infrastructure Partnership.

Final award decisions will be made by CMS after consideration of the comments and recommendations of the review panelists, and the availability of funds. CMS anticipates that up to ten new awards will be made in 2004. It is anticipated that applicants will be notified of grant award on or before January 1, 2004.

Appendix Four
NOTICE OF INTENT TO APPLY

Please return this form by **May 5, 2003** to:

Medicaid Infrastructure Grants Program
Mailstop S2-14-26
Center for Medicaid and State Operations/DEHPG
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850

1. State Name: _____

2. State Agency likely to serve as lead: _____

3. Contact Name and Title: _____

4. Address: _____

5. Phone: _____

6. Fax: _____

7. E-mail: _____

8. Eligibility Category: Full _____ Conditional _____ Reserved _____

9. Uses of Funds for Medicaid Infrastructure Grant (*Check all that apply.*):

- Medicaid Infrastructure Development
- Demonstration to Maintain Independence and Employment
- Comprehensive Employment Opportunities Infrastructure Development (CEO)
- CEO Research and Technical Assistance Facilitator

10. Expected Duration of Grant Request: From _____ to _____

11. If applying for a Medicaid Infrastructure Grant, will you participate in a State-to-State Technical Assistance Partnership?

- Yes
- No

12. Questions: Please attach any questions you would like to have answered before you submit your application.

Although this document is not required to apply for a Medicaid Infrastructure Grant, States are encouraged to submit a Notice of Intent to Apply to assist CMS in its grants planning. Submission of a letter of intent does not bind the State, nor will it cause a proposal to be reviewed more favorably.