

Home and Community Based Loan Program Update

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HCBS Loan Program

- HCBS loans will provide for projects that help the Commonwealth to meet its goal of expanding opportunities for long-term services and supports (LTSS) in the community.
- Specifically, the focus of the HCBS Loan Program is to provide support for OLTL's network of long-term care providers as they prepare to successfully transition to managed care in Community HealthChoices (CHC) with the goal of improving the quality of care for seniors and adults living with disabilities through managed LTSS (MLTSS).

History

- Initiated in 2010.
- Originally funded for \$6 million.
- One loan approved for the program in 2010.
- No activity from 2011 – 2016
- February 4, 2016, the Wolf Administration announced the re-launching of the program.

Program Update

- Memorandum of Understanding between OLTL and PEDFA is in routing for signatures.
- Notice for the PA Bulletin is in draft and under review.
 - Program start date of May 1, 2017 has been proposed for the Notice. Allows for normal review process and any unanticipated delays.

Program Update

- The HCBS Loan Program Guidelines and Application is in a final review process.
- Program Guidelines and Application document, once finalized, will be housed on the DHS website: <http://www.dhs.pa.gov/provider/longtermcareprov/>.

Program Update

- Balance of the loan program fund as of December 31, 2016 is 4.6 million dollars.
- Loan amounts between \$50,000 and \$200,000.
- PEDFA has not disclosed what the rate will be for new loans.
 - Last time loans were issued the rate was determined by the 10-year Treasury Rate +200 bps (2%), fixed at time of first draw.

Eligible Projects

- Those that support OLTL program providers transitioning to MLTSS through CHC.
- Those that support OLTL program providers offering or planning to offer LTSS in the community, rather than in facilities.
- Those that support the employment of individuals enrolled in Pennsylvania's LTSS programs.
- Those that will expand and strengthen the workforce of individuals who provide services in homes and in the community.

Eligible Projects

- Those that involve access to affordable, accessible housing to assist individuals in Pennsylvania's LTSS programs and their ability to remain or transition to the community.
- Those that involve technology-based projects that support the ability of LTSS providers to integrate with managed care organizations or systems that holistically support long-term service recipients.
- Those that involve leveraging other sources of funding for LTSS projects with matching funds.

Important Note

Projects involving creation, expansion or adaptation of settings in the community where individuals receive Medicaid HCBS must ensure the setting fully complies with federal requirements relating to allowable settings. (HCBS Final Rule)

- Reference 42 CFR § 441.301(c)(4) through (5)

Application Process

- Applications will be submitted to DHS-OLTL to be evaluated based upon the merits of their proposals.
- PEDFA will evaluate the financial qualifications of the borrowers.
- DHS-OLTL will approve issuance of all loans.
- PEDFA will disburse and administer all loans.

Questions

