

FMAP Delay Update

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EVV Update: Deadline to Implement EVV for Personal Care Services Delayed until 2020

On July 30, 2018, legislation passed to amend Section 1903(1) of the Social Security Act to delay the timeline for states to implement electronic visit verification (EVV) for personal care services by one year. Under the new timeline, states are required to implement EVV for personal care services by January 1, 2020, or otherwise be subject to FMAP reductions as follows:

- 0.25 percentage points for calendar quarters in 2020
- 0.5 percentage points for calendar quarters in 2021
- 0.75 percentage points for calendar quarters in 2022
- 1 percentage point for calendar quarters in 2023 and each year thereafter

It is important to note that this legislation does not affect timelines for home health care services.

States not implementing EVV by January 1, 2020 will be subject to FMAP reductions 0.25 percentage points for calendar quarters in 2020 unless they have both made a "good faith effort" to comply and have encountered "unavoidable system delays." States with good faith effort exemptions will not be subject to FMAP reductions in 2020, however will be subject to incremental FMAP reductions beginning with 0.5 percentage points for calendar quarters in 2021 if they have not implemented an EVV system by January 1, 2021. Requests should be submitted to CMS in July, 2019.

Please be advised that the provision on good faith effort exemptions does not provide CMS with authority to delay the FMAP reductions for more than one year.