

# **Update on the CMS Home and Community-Based Services (HCBS) Final Rule**

OLTL Bureau of Policy and Regulatory  
Management

- The Home and Community-Based Services (HCBS) Final Rule was published in the Federal Register on January 16, 2014; and was effective March 17, 2014.
- The purpose of the rule is to ensure that individuals receiving long-term services and supports (LTSS) through home and community-based service (HCBS) programs under the 1915(c), 1915(i), and 1915(k) Medicaid authorities have full access to benefits of community living and the opportunity to receive services in the most integrated setting appropriate.

## The Final Rule establishes:

- Mandatory requirements for the qualities of home and community-based settings including discretion for the Secretary of U.S. Department of Health and Human Services (HHS) to determine other appropriate qualities;
- Settings that are not home and community-based;
- Settings presumed not to be home and community-based; and
- State compliance and transition requirements.

- Pennsylvania received initial approval on the Statewide Transition Plan on August 30<sup>th</sup>, 2016.
- There are still steps to take in order to receive final approval.

- OLTL drafted a policy bulletin explaining the rule:
  - Reviewed by the MLTSS Sub-MAAC August, 2016; and
  - Targeted to be released December, 2016.
- OLTL has developed an onsite assessment tool which was submitted to the MLTSS Sub-MAAC for review. Feedback is due December 20<sup>th</sup>.
- OLTL intends to start monitoring individual sites for compliance with the HCBS Final Rule beginning early 2017.

- OLTL Quality Management Efficiency Teams (QMETs) will administer the assessment tool at each site where HCBS is provided and submit to OLTL.
- OLTL will review assessment tool along with provider policies and procedures to determine compliance.
- Settings may be issued corrective actions to identified areas in order to comply with the rule.
- Settings determined to be out of compliance may be submitted to CMS for consideration of Heightened Scrutiny.

- OLTL will draft and submit a bulletin outlining Heightened Scrutiny mid-late 2017.
- Sites identified for Heightened Scrutiny will be submitted for review to CMS beginning 2018.