



MENTAL RETARDATION BULLETIN

COMMONWEALTH OF PENNSYLVANIA · DEPARTMENT OF PUBLIC WELFARE

DATE OF ISSUE

June 8, 2001

EFFECTIVE DATE

July 1, 2001

NUMBER

00-01-02

SUBJECT:

Approved Consolidated Waiver

BY:

Nancy R. Thaler
Deputy Secretary for Mental Retardation

SCOPE:

County Mental Health/Mental Retardation Administrators

PURPOSE:

The purpose of this bulletin is to transmit the Department's approved Consolidated Waiver application, effective July 1, 2000.

BACKGROUND:

After the first three years of service operation, home and community based waiver services provided under Section 1915 © of the Social Security Act are approved by the Health Care Financing Administration (HCFA) for five-year renewal periods. Waiver renewals are based on satisfactory provision of waiver services, meeting state assurances, and a written application, which describes how services will be provided during the renewal period.

INFORMATION:

HCFA approved the Pennsylvania Department of Public Welfare's application for a five-year renewal of its 2176 Consolidated Waiver for individuals with mental retardation. The renewal period, based on HCFA's attached letter to Secretary Feather O. Houston, is from July 1, 2000 to June 30, 2005. The attached waiver application establishes the framework for the provision of waiver services during the renewal period.

The following modifications are incorporated within this waiver renewal.

- The name of the service formally known as "physical adaptations" is now called "environmental accessibility adaptations". The maximum state and federal participation limit for environmental accessibility adaptations is \$20,000 per recipient household. Stair gliders and elevator systems are eligible services under this service area.

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

Appropriate Regional Program Manager

- Service management will be removed from the waiver as a service effective July 1, 2001. Service management will be provided under Targeted Service Management (TSM) as of July 1, 2001.
- Service liability, known as post-eligibility treatment of income, was removed from the Consolidated Waiver, effective July 1, 2000. This step makes all 1915 (c) waivers administered by the Office of Mental retardation free from liability charges to individuals determined financially eligible by the County Assistance Office.

County MH/MR Programs can purchase certain administrative services in accordance with the MH/MR Act of 1966 and applicable provisions of the Pennsylvania County Code. Page 10A of the waiver application specifies those administrative functions that shall be retained by the County. When administrative services are purchased by the County, the County MH/MR Program shall continue to retain ultimate responsibility for compliance with its agreement with the Department for the administration of waiver funded services.

The Department has been notified that the use of co-signed checks is not an approved payment method under the waiver. County MH/MR Programs are authorized to follow supplemental grant agreement provisions related to self-determination funding options until this area is incorporated into a new supplemental grant agreement which is expected by July 1, 2001.

Specific County MH/MR Program responsibilities are stipulated in the supplemental grant agreement between County MH/MR Programs and the Department. The County's current supplemental grant agreement (MR Bulletin, 00-96-08, issued July 1, 1996) will continue to be in effect until superceded by a new grant agreement.

Any future amendments to this waiver application will be distributed under the Mental Retardation Bulletin format, once the amendment receives HCFA approval. County Mental Health/Mental Retardation Programs will be responsible for instituting changes necessitated by such amendments based on instructions provided by the Department.

All County Mental Health/Mental Retardation Programs participating in the waiver are expected to retain a copy of the approved waiver application, and any future amendments for the duration of the five-year renewal period.

JAN 29 2001

Suite 216, The Public Ledger Bldg
150 S. Independence Mall West
Philadelphia, PA 19106-3413

Feather O. Houstoun
Secretary
Department of Public Welfare
Room 333, Health & Welfare Building
7th & Forster Streets
P.O. Box 2675
Harrisburg, Pa 17120-2675

Re: Pennsylvania's Home and Community-Based Services Waiver for Individuals with
Mental Retardation (HCFA Control # 0147.90.W)

Dear Ms. Houstoun:

I am pleased to inform you that your request dated May 12, 2000, as supplemented by the additional information dated December 20, 2000, to renew your Home and Community-Based Services Waiver for Individuals with Mental Retardation has been approved. The waiver, authorized under the provisions of § 1915(c) of the Social Security Act, will enable the Commonwealth to provide home and community-based services to individuals aged 3 and over who are mentally retarded. Specifically, the Waiver for Individuals with Mental Retardation will enable you to provide case management; respite care; habilitation, including residential habilitation, day habilitation, prevocational services, educational services, and supported employment services; environmental accessibility adaptations; transportation; chore services; private duty nursing; specialized therapies; and permanency planning for children and youth. Individuals served in the waiver would otherwise require institutional care in an intermediate care facility for the mentally retarded or persons with related conditions. This waiver now will carry HCFA control number 0147.90.R2. Please refer to this number in all future correspondence regarding this waiver renewal.

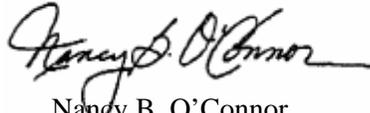
Nancy R. Thaler, Deputy Secretary for the Office of Mental Retardation, has assured HCFA that on or before June 30, 2001, Pennsylvania will provide case management services to waiver consumers under the Targeted Case Management option of the State plan. This option was chosen by the Commonwealth to meet the *Free choice of providers* requirement applicable to case management service now provided as a waiver service. In a related matter, Mel Knowlton, Chief, Division of Policy Development and Program Support of the Office of Mental Retardation has agreed to make changes to the contracts between the counties and waiver providers so that they are consistent with HCFA policy. We are currently developing policies on a number of issues that have surfaced as a result of our review of the contracts. We expect to advise the Office of Mental Retardation of the applicable policies in the near future.

Based on the assurances and information you provided, I approve the waiver renewal request cited above for a 5-year period, effective July 1, 2000, the date you requested. This approval is subject to your agreement to provide home and community-based services, on an annual basis, to no more individuals than those indicated as the value of "C" in your approved cost and utilization estimates (shown below). In these estimates, "C" represents the unduplicated number of individuals served under the waiver during each waiver year. "D" represents the estimated average per capita costs of waiver services during each waiver year.

	Waiver Year	"C" Value	"D" Value
Year 1	July 1, 2000 – June 30, 2001	14,587	\$48,931
Year 2	July 1, 2001 – June 30, 2002	15,493	\$52,419
Year 3	July 1, 2002 – June 30, 2003	16,491	\$52,143
Year 4	July 1, 2003 – June 30, 2004	17,387	\$52,368
Year 5	July 1, 2004 – June 30, 2005	18,279	\$52,397

Please contact Bill Davis of the Philadelphia Regional Office at (215) 861-4204 if you have any questions.

Sincerely,



Nancy B. O'Connor
Acting Regional Administrator

SECTION 1915 (c) WAIVER FORMAT

1. The State of Pennsylvania requests a Medicaid home and community-based services waiver under the authority of section 1915(c) of the Social Security Act. The administrative authority under which this waiver will be operated is contained in Appendix A.

This is a request for a model waiver.

- a. Yes b. No

If yes, the State assures that no more than 200 individuals will be served on this waiver at any one time.

This waiver is requested for a period of (check one):

- a. 3 years (Initial waiver)
b. 5 years (Renewal waiver)

2. This waiver is requested in order to provide home and community-based services to individuals who, but for the provision of such services, would require the following level(s) of care, the cost of which could be reimbursed under the approved Medicaid State plan:

- a. Nursing facility (NF)
b. ICF/MR
c. Hospital
d. NF (served in hospital)
e. ICF/MR (served in hospital)

3. A waiver of section 1902(a)(10)(B) of the Act is requested to target waiver services to one of the select group(s) if individuals who would be otherwise eligible for waiver services:

- a. aged (age 65 and older)
b. disabled
c. aged and disabled

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6. A waiver of the amount, duration and scope of services requirements contained in section 1902(a)(10)(B) of the Act is requested, in order that services not otherwise available under the approved Medicaid State plan may be provided to waiver recipients.
7. The State requests that the following home and community-based services, as described and defined in appendix B.1 of this request, be included under this waiver:
 - a. _____ Case management
 - b. _____ Homemaker
 - c. _____ Home health aide services
 - d. _____ Personal care services
 - e. X Respite care
 - f. _____ Adult day health
 - g. X Habilitation
 - X Residential habilitation
 - X Day habilitation
 - X Prevocational services
 - X Supported employment services
 - X Educational services
 - h. X Environmental accessibility adaptations
 - i. _____ Skilled nursing
 - j. X Transportation
 - k. _____ Specialized medical equipment and supplies
 - l. X Chore services
 - m. _____ Personal Emergency Response Systems
 - n. _____ Companion Services
 - o. X Private Duty Nursing

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- p. Family Training
- q. Attendant Care
- r. Adult Residential Care
- Adult Foster Care
- Assisted Living
- s. Extended State plan services:
Check all that apply:
 - Physician Services
 - Home health care services
 - Physical therapy services
 - Occupational therapy services
 - Speech, hearing and language services
 - Prescribed drugs
 - Other (specify):
- t. Other services (specify): specialized therapies;
permanency planning for children and youth

- 8. The State assures that adequate standards exist for each provider of services under the waiver. The State further assures that all provider standards will be met.
- 9. Eligibility groups included under the waiver are reflected in Appendix C-1.

Waiver recipients meet the appropriate State plan requirements for the eligibility groups included under the waiver unless §1902(a)(10)(C)(i)(III) has been waived in order to use income and resource rules for the medically needy.

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12. Waiver services will not be furnished to recipients while they are inpatients of a hospital, NF, or ICF/MR.
13. Federal financial participation will not be available in expenditures for the cost of room and board, except when provided as part of respite care in a facility approved by the State that is not a private residence. Meals provided under any waiver service (or combination of services) will not constitute a "full nutritional regimen" (3 meals a day).
14. The State will refuse to offer home and community-based services to any recipient for whom it can reasonably be expected that the cost of home or community-based services furnished to that recipient would exceed the cost of a level of care referred to in item 2 of this request.
- a. X Yes ***(See Attachment, p. 6a)** b. No
15. The Medicaid agency provides the following assurances to HCFA:
- a. Necessary safeguards have been taken to protect the health and welfare of the recipients of the services. Those standards include:
1. adequate standards for all types of providers that provide services under the waiver (see Appendix B);
 2. assurance that the standards of any State licensure or certification requirements are met for services or for individuals furnishing services that are provided under the waiver (see Appendix B). The State assures that these requirements will be met on the date that the services are furnished; and
 3. assurance that all facilities covered by section 1616(e) of the Social Security Act, in which home and community-based services will be provided, are in compliance with applicable State standards that meet the requirements of 45 CFR Part 1397 for board and care facilities.

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14. (**Attachment**)

The Department will accept the option to exclude those individuals from the waiver for whom there is a reasonable expectation that home and community based services would be more expensive than the Medicaid services the individual would otherwise receive in an ICF/MR. This option shall be exercised by the County MH/MR Program based on the availability of state and federal funds. This exclusion shall not prohibit a County MH/MR Program from serving individuals under the waiver whose cost for home and community services is more than the cost of ICF/MR care as long as the average cost for all waiver recipients is maintained within the State's cost effectiveness limits. The Department will be responsible for maintaining necessary financial controls and structures in this area through its allocation and rebudget process.

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- b. The agency will provide for an evaluation (and periodic reevaluations) of the need for the level(s) of care indicated in item 2 of this request, when there is a reasonable indication that individuals might need such services in the near future, but for the availability of home and community-based services.
- c. When a recipient is determined to be likely to require a level of care indicated in item 2 of this request, the recipient or his or her legal representative will be:
 - 1. informed of any feasible alternatives under the waiver; and
 - 2. given the choice of either institutional or home and community-based services.
- d. The agency will provide an opportunity for a fair hearing, under 42 CFR Part 431, Subpart E, to beneficiaries who are not given the choice of home or community-based services as an alternative to the institutional care indicated in item 2 of this request, or who are denied the service(s) of their choice or the provider(s) of their choice.
- e. The average per capita expenditures under the waiver will not exceed 100 percent of the average per capita expenditure for the level(s) of care indicated in item 2 of this request under the State plan that would have been made in that fiscal year had the waiver not been granted.
- f. The agency's actual total expenditure for home and community-based and other Medicaid services provided to individuals under the waiver will not, in any year of the waiver period, exceed the amount that would be incurred by Medicaid for these individuals in the setting(s) indicated in item 2 of this request, in the absence of the waiver.
- g. The agency will provide HCFA annually with information on the impact of the waiver on the type, amount and cost of services provided under the State plan and on the health and welfare of the recipients. The information will be consistent with a data collection plan designed by HCFA.

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- h. The agency will assure financial accountability for funds expended for home and community-based services, and it will maintain and make available to HHS, the Comptroller General, or other designees, appropriate financial records documenting the cost of services provided under the waiver, including reports of any independent audits conducted.

The State conducts a single audit in conformance with the Single Audit Act of 1984, P.L. 98-502.

a. X Yes

b. _____ No

- 17. The State assures that it will have in place a formal system by which it ensures the health and welfare of the recipients, through monitoring of the quality control procedures described in this waiver document. Monitoring will ensure that all provider standards and health and welfare assurances are continuously met, and the plans of care are periodically reviewed to ensure that the services furnished are consistent with the identified needs of the individuals. Through these procedures the State will ensure the quality of services furnished under the waiver and the State plan to waiver recipients. The State further assures that all problems identified by this monitoring will be addressed in an appropriate and timely manner, consistent with the severity and nature of the deficiency.
- 18. An effective date of July 1, 2000 is requested.
- 19. The State contact person for this request is Dana Olsen , who can be reached by telephone at (717) 783-5772.
- 20. This document, together with Appendices A through G, and all attachments, constitutes the State of Pennsylvania's request for home and community-based services waiver under section 1915(c) of the Social Security Act. The State affirms that it will abide by all terms and conditions set forth in the waiver (including Appendices and attachments), and certifies that any modifications to the waiver request will be submitted in writing by the State Medicaid agency. Upon approval by HCFA, this waiver request will serve as the State's authority to provide home and community services to the target group under its Medicaid plan. Any proposed changes to the approved waiver will be formally requested by the State in the form of waiver amendments.

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The State assures that all material referenced in this waiver application (including standards, licensure and certification requirements) will be kept on file at the Medicaid agency.

Signature: -----

Print Name: -----

Title: -----

Date: -----

APPROVED: _____

DATE: