

**DEPARTMENT OF HEALTH CARE FINANCE**  
**PUBLIC NOTICE OF PROPOSED AMENDMENTS**

**Home and Community-Based Waiver for the Elderly and Persons with Physical Disabilities**

The Director of the Department of Health Care Finance (DHCF), pursuant to authority set forth in an Act to enable the District of Columbia to receive federal financial assistance under Title XIX of the Social Security Act for a medical assistance program, and for other purposes, approved December 27, 1967 (81 Stat. 774; D.C. Official Code § 1-307.02) (2012 Repl. & 2013 Supp.), and Section 6(6) of the Department of Health Care Finance Establishment Act of 2007, effective February 27, 2008 (D.C. Law 17-109; D.C. Official Code § 7-771.05(6) (2012 Repl.)), hereby gives notice of the intent to submit amendments to the District of Columbia Medicaid program's Home and Community-Based Services (HCBS) Waiver for the Elderly and Persons with Physical Disabilities (EPD) to the federal Centers for Medicare and Medicaid Services (CMS) for approval. The amendments contain proposed changes in the methods and standards for setting payment rates for some services and substantive changes to some services.

Proposed substantive changes that correlate to EPD services for Waiver Year 4, or upon approval by CMS, may include but may not be limited to:

- 1) **Adult Day Habilitation Services:** This new service will enable persons enrolled in the EPD Waiver to live in the community by offering non-residential medical supports and supervised, therapeutic activities in an integrated community setting; foster opportunities for community inclusion; and deter more costly facility-based care. Providers of adult day habilitation services must be compliant with all the new federal HCBS "setting" requirements, pursuant to 42 CFR 441.301(c)(4), to comply with the District's new Provider Readiness Review process.
- 2) **Occupational Therapy and Physical Therapy:** These two new services will be provided by licensed professionals under a Home Care Agency or by licensed individual practitioners.
- 3) **Personal Care Aide Services:** This service description will be modified to mirror the PCA Service Authorization request and submission procedures in accordance with the District's Medicaid Sate Plan PCA services rulemaking (Chapter 50 of Title 29 of the DCMR) to include the utilization of a face-to-face standardized needs-based assessment tool that determines each person's level of need for services. Changes were also made to allow the order for PCA services to be signed by an advance practice registered nurse (APRN) or a physician; conduct beneficiary re-assessments every twelve (12) months to update plans of care; and eliminate any annual caps for the receipt of services.
- 4) **Homemaker and Chore Aide Services:** A new provider category – general business providing housekeeping services in the District of Columbia- will be added to the list of allowable providers of homemaker and chore aide services. The training criteria for chore aides will also be modified.

5) Environmental Accessibility Adaptation (EAA): This service description will be modified to amend the requirement that both renters and certified home-owners need to obtain a denial letter from Handicap Accessibility Improvement Program (HAIP), administered by the District of Columbia Department of Housing and Community Development, prior to applying for EAA services under the Waiver. HAIP is only applicable to certified home-owners. Although no change to the total rate is proposed, the disaggregated cost limits associated with each type of EAA modification was removed. The limitations on amount, duration, and scope are to be modified to clarify that the total rate is inclusive of costs associated with the home inspection.

6) Case Management: This service definition will be modified to incorporate person-centered planning requirements and conform to the new HCBS standards under federal regulations. Specifically, a new entity cannot enroll as a Medicaid reimbursable provider of case management services if that entity is a Medicaid provider of personal care aide (PCA) services or any other direct care service under the EPD Waiver. Further, this entity is prohibited from having a financial interest, as defined under 42 CFR § 411.354, in a Medicaid provider of PCA or any other direct care service under the EPD Waiver.

7) Participant-Directed Community Support and Individual-Directed Goods and Services: These service definitions will be modified to clarify that EPD Waiver participants may elect to participant-direct these services under employer authority and budget authority. Under employer authority, waiver participants or their authorized representatives, as appropriate, will be the common law employer of the qualified participant-directed workers (PDWs) they hire. Financial management services (FMS) and information and assistance supports will be provided to waiver participants who choose to self-direct these services through a District-wide, IRS-approved Vendor Fiscal/Employer Agent (VF/EA FMS) FMS-Support Broker entity and will be provided as administrative activities.

The following summarizes the changes proposed regarding eligibility determinations to be effective in EPD HCBS Waiver Year 4, or upon approval by CMS:

The eligibility section is to be modified by electing to use spousal impoverishment rules to determine eligibility for the home and community-based waiver group, whereby a certain amount of the couple's combined income and assets will be protected for the spouse not receiving services under the HCBS waiver.

The following summarizes the changes proposed in rate methodologies and reimbursements to be effective in EPD HCBS Waiver Year 4, or upon approval by CMS:

The case management rate reimbursement methodology is to be modified to reflect a new all-inclusive per member per month (PMPM) capitation rate structure. The capitation rate approach will provide a better correlation between reimbursements and the number of beneficiaries receiving case management services.

The methodology for establishing the proposed capitation rate includes the following key elements: (1) a reasonable cost/average industry salary for typical case managers; and (2) a reasonable client-to-case manager ratio. The average PMPM rate is to be calculated based on these key elements and inflated by the CMS Skilled Nursing Facility (SNF) Market Basket Index, which changes annually. The Fiscal Year (FY) 2015 index of 2.20% will be applied to the proposed PMPM rate adjusted to FY 2016. An estimated index of 3.0% will be applied to the proposed PMPM rate adjusted to FY 2017.

The proposed average PMPM rates for EPD Waiver case management services will be as follows: \$238.80 in FY 2016, and \$245.96 in FY 2017.

Copies of the proposed amendments may be obtained on the DHCF website at <http://dhcf.dc.gov> or upon request from Mary Devasia, Acting Director, Long Term Care Administration, D.C. Department of Health Care Finance, 441 Fourth Street NW, 9th Floor South, Washington, DC 20001.

There are two opportunities to provide comments on the proposed HCBS waiver amendments:

Written comments on the proposed waiver amendments shall be submitted to Mary Devasia, Acting Director, Long Term Care Administration, D.C. Department of Health Care Finance, 441 Fourth Street NW, 9<sup>th</sup> Floor South, Washington, DC 20001, or via e-mail at [dhcfpubliccomments@dc.gov](mailto:dhcfpubliccomments@dc.gov), during the thirty (30) day public comment period, starting from the date this notice is published.

DHCF will hold a public forum during which written and oral comments on the proposed amendments will be accepted. The public forum will be held at the D.C. Department of Health Care Finance, 441 Fourth Street NW, Main Streets Conference Room (Room 1028), Washington, DC 20001 on Wednesday, April 29, 2015, from 10:30 am to 12:00 pm. Individuals can join by phone at 877-709-6519, code 1819767.

Copies of this notice and the proposed Waiver Amendment will be published on the DHCF website at <http://dhcf.dc.gov>. For further information, please contact Trina Dutta, Special Projects Officer, D.C. Department of Health Care Finance, (202) 719-6632 or [trina.dutta@dc.gov](mailto:trina.dutta@dc.gov).