

**STATE OF CALIFORNIA**  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 08/15)

|  |                       |                                    |              |
|--|-----------------------|------------------------------------|--------------|
| Fiscal Year<br>2016-17                         | Business Unit<br>4260 | Department<br>Health Care Services | Priority No. |
| Budget Request Name<br>4260-006-BCP-DP-2016-GB |                       | Program<br>3960010                 | Subprogram   |

Budget Request Description  
 Statewide Transitions Plan – Long Term Care Waivers

**Budget Request Summary**

The DHCS, Long Term Care Division (LTCD) and Managed Care Quality Monitoring Division (MCQMD), request limited-term resources of \$1,112,000 (\$491,000 General Fund and \$621,000 Federal Trust Fund).

- 3-year limited-term resources to comply with the Centers for Medicare and Medicaid Services (CMS) Federal Regulations (2249-F and 2296-F) on Home and Community-Based Settings Final Rule for existing Home and Community-Based Services (HCBS) providers and beneficiaries promulgated on March 17, 2014.
- 4-year limited-term resources to work on the CMS approved Assisted Living Waiver (ALW) program, coordinate activities with the Statewide Transition Plan (STP) and ensure ongoing compliance of ALW providers with the HCB Final Rule.
- Resources will also address continued work to meet existing Community-Based Adult Services (CBAS) workload, coordinate activities with the Statewide Transition Plan (STP) and ensure ongoing compliance of CBAS providers with the HCB Final Rule. The resources will address work done currently by limited-term positions that are set to expire 6/30/16.

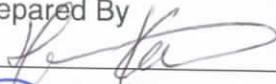
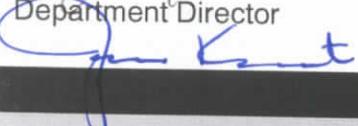
|   |  |
|---|--|
| Requires Legislation<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Code Section(s) to be Added/Amended/Repealed |
|---|--|

|   |                |      |
|---|----------------|------|
| Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><i>If yes, departmental Chief Information Officer must sign.</i> | Department CIO | Date |
|---|----------------|------|

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR       SPR      Project No.      Date:

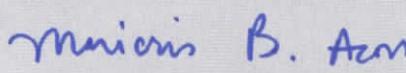
If proposal affects another department, does other department concur with proposal?     Yes       No  
*Attach comments of affected department, signed and dated by the department director or designee.*

|   |                   |  |                |
|---|-------------------|--|----------------|
| Prepared By<br>         | Date<br>12/5/2015 | Reviewed By<br>      | Date<br>1/6/16 |
| Department Director<br> | Date<br>1/6/16    | Agency Secretary<br> | Date<br>1/7/16 |

**Department of Finance Use Only**

Additional Review:     Capital Outlay     ITCU     FSCU     OSAE     CALSTARS     Dept. of Technology

BCP Type:       Policy       Workload Budget per Government Code 13308.05

|   |   |
|---|---|
| PPBA<br> | Date submitted to the Legislature<br>1/8/16 |
|---|---|

# BCP Fiscal Detail Sheet

BCP Title: Statewide Transition Plan - Long Term Care Waivers

DP Name: 4260-006-BCP-DP-2016-GB

## Budget Request Summary

|   | FY16       |                |                |                |              |            |
|---|------------|----------------|----------------|----------------|--------------|------------|
|   | CY         | BY             | BY+1           | BY+2           | BY+3         | BY+4       |
| Salaries and Wages                            |            |                |                |                |              |            |
| Earnings - Temporary Help                     | 0          | 533            | 640            | 640            | 127          | 0          |
| <b>Total Salaries and Wages</b>               | <b>\$0</b> | <b>\$533</b>   | <b>\$640</b>   | <b>\$640</b>   | <b>\$127</b> | <b>\$0</b> |
| Total Staff Benefits                          | 0          | 258            | 309            | 309            | 62           | 0          |
| <b>Total Personal Services</b>                | <b>\$0</b> | <b>\$791</b>   | <b>\$949</b>   | <b>\$949</b>   | <b>\$189</b> | <b>\$0</b> |
| Operating Expenses and Equipment              |            |                |                |                |              |            |
| 5301 - General Expense                        | 0          | 58             | 40             | 40             | 8            | 0          |
| 5302 - Printing                               | 0          | 20             | 20             | 20             | 4            | 0          |
| 5304 - Communications                         | 0          | 20             | 24             | 24             | 4            | 0          |
| 5320 - Travel: In-State                       | 0          | 57             | 57             | 57             | 6            | 0          |
| 5322 - Training                               | 0          | 10             | 10             | 10             | 2            | 0          |
| 5324 - Facilities Operation                   | 0          | 90             | 90             | 90             | 18           | 0          |
| 5344 - Consolidated Data Centers              | 0          | 10             | 10             | 10             | 2            | 0          |
| 539X - Other                                  | 0          | 56             | 0              | 0              | 0            | 0          |
| <b>Total Operating Expenses and Equipment</b> | <b>\$0</b> | <b>\$321</b>   | <b>\$251</b>   | <b>\$251</b>   | <b>\$44</b>  | <b>\$0</b> |
| <b>Total Budget Request</b>                   | <b>\$0</b> | <b>\$1,112</b> | <b>\$1,200</b> | <b>\$1,200</b> | <b>\$233</b> | <b>\$0</b> |

## Fund Summary

|  |            |                |                |                |              |            |
|--|------------|----------------|----------------|----------------|--------------|------------|
| Fund Source - State Operations             |            |                |                |                |              |            |
| 0001 - General Fund                        | 0          | 491            | 499            | 499            | 117          | 0          |
| 0890 - Federal Trust Fund                  | 0          | 621            | 701            | 701            | 116          | 0          |
| <b>Total State Operations Expenditures</b> | <b>\$0</b> | <b>\$1,112</b> | <b>\$1,200</b> | <b>\$1,200</b> | <b>\$233</b> | <b>\$0</b> |
| <b>Total All Funds</b>                     | <b>\$0</b> | <b>\$1,112</b> | <b>\$1,200</b> | <b>\$1,200</b> | <b>\$233</b> | <b>\$0</b> |

## Program Summary

|  |            |                |                |                |              |            |
|--|------------|----------------|----------------|----------------|--------------|------------|
| Program Funding                            |            |                |                |                |              |            |
| 3960010 - Medical Care Services (Medi-Cal) | 0          | 1,112          | 1,200          | 1,200          | 233          | 0          |
| <b>Total All Programs</b>                  | <b>\$0</b> | <b>\$1,112</b> | <b>\$1,200</b> | <b>\$1,200</b> | <b>\$233</b> | <b>\$0</b> |

**Personal Services Details**

|   | <b>CY</b>  | <b>BY</b>    | <b>BY+1</b>  | <b>BY+2</b>  | <b>BY+3</b>  | <b>BY+4</b> |
|---|------------|--------------|--------------|--------------|--------------|-------------|
| Salaries and Wages                              |            |              |              |              |              |             |
| VR00 - Various (Eff. 01-01-2017)(LT 06-30-2019) | 0          | 107          | 214          | 214          | 0            | 0           |
| VR00 - Various (Eff. 07-01-2016)(LT 06-30-2019) | 0          | 299          | 299          | 299          | 0            | 0           |
| VR00 - Various (Eff. 07-01-2016)(LT 06-30-2020) | 0          | 127          | 127          | 127          | 127          | 0           |
| <b>Total Salaries and Wages</b>                 | <b>\$0</b> | <b>\$533</b> | <b>\$640</b> | <b>\$640</b> | <b>\$127</b> | <b>\$0</b>  |
| Staff Benefits                                  |            |              |              |              |              |             |
| 5150350 - Health Insurance                      | 0          | 129          | 154          | 154          | 30           | 0           |
| 5150600 - Retirement - General                  | 0          | 129          | 155          | 155          | 32           | 0           |
| <b>Total Staff Benefits</b>                     | <b>\$0</b> | <b>\$258</b> | <b>\$309</b> | <b>\$309</b> | <b>\$62</b>  | <b>\$0</b>  |
| <b>Total Personal Services</b>                  | <b>\$0</b> | <b>\$791</b> | <b>\$949</b> | <b>\$949</b> | <b>\$189</b> | <b>\$0</b>  |

## Analysis of Problem

### A. Proposal Summary

The Department of Health Care Services (DHCS), Long Term Care Division (LTCD) and Managed Care Quality Monitoring Division (MCQMD), request limited-term resources of \$1,112,000 (\$491,000 General Fund and \$621,000 Federal Trust Fund).

The requested resources would be utilized as follows:

- 3-year limited-term resources to comply with the Centers for Medicare and Medicaid Services (CMS) Federal Regulations (2249-F and 2296-F) on Home and Community-Based Settings Final Rule for existing Home and Community-Based Services (HCBS) providers and beneficiaries promulgated on March 17, 2014.
- 4-year limited-term resources to work on the CMS approved Assisted Living Waiver (ALW) program, coordinate activities with the Statewide Transition Plan (STP) and ensure ongoing compliance of ALW providers with the HCB Final Rule. Resources will also address continued work to meet existing Community-Based Adult Services (CBAS) workload, coordinate activities with the Statewide Transition Plan (STP) and ensure ongoing compliance of CBAS providers with the HCB Final Rule. The resources will address work done currently by limited-term positions that are set to expire 6/30/16.

### B. Background/History

#### STP/ALW

These resources are requested to meet new workload demands to develop, implement, and monitor characteristics of Home and Community-Based (HCB) settings as required by CMS Federal Regulations (2249-F and 2296-F) that became effective March 17, 2014. The federal regulations enacted new HCB setting requirements, which affect all of California's 1915(c) HCBS waivers, 1915(i), 1915(k) State Plan programs and 1115 Demonstration waiver which include CBAS. The federal regulations specify that all 1915(c) waivers, 1915(i) and 1915(k) State Plan programs and other HCB settings as determined by the Secretary must be in full compliance with the Final Rule by March 16, 2019. The Home and Community-Based Settings Rule may require revisions to statutes and regulations, administering and evaluating provider self-surveys for hundreds of thousands of providers, extensive validation of provider self-surveys through on-site assessments and beneficiary-self surveys, and a robust heightened scrutiny process. In addition, the State must take remedial action for all settings that are out of compliance. As the Single State Medicaid Agency, DHCS is responsible for collaborating with a number of other departments, disseminating and sending information to beneficiaries, providers, family members, stakeholders, advocates, persons potentially eligible for HCBS and other affected parties as required by CMS' public notice process. DHCS must provide to CMS the results of assessment data, statewide compliance data and remedial strategies as a part of the final STP, which identifies California's activities and timeline for coming into compliance with the Final Rule by March of 2019.

DHCS, in collaboration with sister departments, led the development of California's STP for all of Medi-Cal's HCBS 1915(c), (i), (k) and 1115 waivers, programs and benefits. CMS requires states to complete a robust, comprehensive and detailed specific public notice process and attempt to reach as many persons affected and stakeholders as possible throughout the entire STP compliance process. DHCS facilitated stakeholder and sister

**Analysis of Problem**

departmental meetings prior to the completion of California's STP and committed to continuous and ongoing stakeholder engagements and outreach to be conducted over the next four to five years. DHCS originally submitted California's STP to CMS on December 19, 2014 proposing how the State will comply with the new Final Rule. DHCS re-submitted the final California STP to CMS on August 14, 2015 after the public had a chance to provide feedback, and for DHCS to incorporate public comments into the STP. The STP report, dated August 14, 2015, can be viewed on the DHCS's internet site. DHCS received feedback from CMS which includes requests for extensive additions to the STP and transition plan process.

**CBAS**

The CBAS program developed from the elimination of Adult Day Health Care (ADHC) as a Medi-Cal benefit in 2011. CMS approved the State Plan Amendment (SPA) to eliminate the ADHC benefit effective September 1, 2011. However, in June of 2011, ADHC participants filed a motion in federal court to stop the elimination of ADHC "unless and until adequate replacement services were in place," asserting that eliminating the benefit would place beneficiaries at risk of unnecessary institutionalization. The parties reached a settlement agreement that allowed the elimination of the ADHC program on February 29, 2012, and required establishment of the CBAS program on April 1, 2012 to provide similar services in outpatient facilities (CBAS Centers) to seniors and adults with disabilities who meet the eligibility criteria defined in the settlement agreement and the Bridge-To-Reform (BTR) 1115 Waiver.

**Resource History**

*(Dollars in thousands)*

**Long-Term Care Division**

| <b>Program Budget</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> |
|-------------------------|----------------|----------------|----------------|----------------|----------------|
| Authorized Expenditures | 10,478         | 13,312         | 12,627         | 13,021         | 14,370         |
| Actual Expenditures     | 9,905          | 12,594         | 12,627         | 12,074         | 13,332         |
| Revenues                | N/A            | N/A            | N/A            | N/A            | N/A            |
| Authorized Positions    | 101.0          | 120.0          | 118.5          | 124.0          | 122.0          |
| Filled Positions        | 95.8           | 103.6          | 104.0          | 102.5          | 106.0          |
| Vacancies               | 5.2            | 16.4           | 14.5           | 21.5           | 16.0           |

**Resource History**

*(Dollars in thousands)*

**Medi-Cal Managed Care Division (MCQMD was previously part of MMCD)**

| <b>Program Budget</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> |
|-------------------------|----------------|----------------|----------------|----------------|----------------|
| Authorized Expenditures | 21,376         | 21,376         | 16,932         | 20,278         | 22,336         |
| Actual Expenditures     | 15139          | 15,622         | 14,647         | 20,278         | 22,336         |
| Revenues                | N/A            | N/A            | N/A            | N/A            | N/A            |
| Authorized Positions    | 166.9          | 186.5          | 156.5          | 163.0          | 177.0          |
| Filled Positions        | 127.6          | 153.8          | 135.4          | 142.4          | 177.0          |
| Vacancies               | 39.3           | 32.7           | 21.1           | 20.6           | 0.0            |

**Statewide Transition Plan- Long Term Care Waivers  
4260-006-BCP-DP-2016-GB**

**Analysis of Problem**

**Workload History**

**STP**

| <b>Workload Measure</b>   | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> | <b>2015-16</b> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Preparation and facilitation of CA's STP development  | N/A            | N/A            | N/A            | 1              | 1              | 2              |
| Performing CMS required public notice process   | N/A            | N/A            | N/A            | 1              | 4              | 8              |
| Design and development of CA's STP  | N/A            | N/A            | N/A            | 1              | 1              | 2              |
| Preparation and facilitation of all State Departments meetings related to progress on STP and activities related to the STP | N/A            | N/A            | N/A            | 4              | 24             | 24             |
| Design and development of individual HCBS programs transition plans   | N/A            | N/A            | N/A            | 1              | 2              | 3              |

**ALW**

| <b>Workload Measure</b>  | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> | <b>2015-16</b> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| On-site facility reviews   | 45             | 60             | 75             | 90             | 105            | N/A            |
| Technical assistance, quality assurance / improvement activities                         | 30             | 40             | 50             | 50             | 50             | N/A            |
| Correspondence / Communications  | 900            | 1,200          | 1,500          | 1,800          | 2,100          | N/A            |
| Review / Analyze / Update policies and procedures  | 8              | 10             | 12             | 12             | 12             | N/A            |
| Trainings / meetings   | 16             | 18             | 20             | 20             | 20             | N/A            |
| Waiver reporting   | 10             | 10             | 10             | 10             | 10             | N/A            |
| Develop, implement and continuously update fiscal, participant, and performance database | 1 database     | 1 database     | 1 database     | 1 database     | 1 database     | N/A            |

**Statewide Transition Plan- Long Term Care Waivers  
4260-006-BCP-DP-2016-GB**

**Analysis of Problem**

| <b>Workload Measure</b>                               | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> | <b>2015-16</b> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Reconcile SNF placements against adjudicated SNF TARS | 186            | 217            | 284            | 374            | 306            | N/A            |

**CBAS**

| <b>Workload Measure</b>  | <b>2010-11</b> | <b>2011-12</b> | <b>2012-13</b> | <b>2013-14</b> | <b>2014-15</b> | <b>2015-16</b> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| LTCD – Facilitate Settlement Agreement and Waiver Requirements.  |                | 200            | 125            | 100            | 50             | 25             |
| MCQMD – All Plan meetings for reporting, updates, policies, procedures, and ensuring continued compliance. |                | 80             | 100            | 100            | 100            | 100            |
| LTCD – Facilitate Stakeholder meetings for developing new Waiver Amendments.                               |                | 25             | 75             | 75             | 75             | 75             |
| MCQMD – Facilitate Plan Stakeholder meetings for ongoing CBAS benefits.                                    |                | 25             | 85             | 75             | 50             | 25             |
| LTCD – Finalize data report requirements.  |                | 25             | 100            | 100            | 100            | 100            |
| MCQMD – Network for ongoing CBAS expansion activities.   |                | 0              | 100            | 100            | 100            | 100            |
| LTCD – Redesign program oversight and monitoring; revise tolls for program benefit changes.                |                | 75             | 100            | 125            | 150            | 200            |
| MCQMD & LTCD – liaisons with CDA and CDPH for ongoing CBAS delivery.                                       |                | 100            | 100            | 100            | 100            | 100            |

## Analysis of Problem

### C. State Level Considerations

California's Medi-Cal HCBS programs are designed to offer safe and appropriate home and community-based care to individuals in lieu of long-term institutional placement. California provides these long-term services and supports in the community providing the state's most frail, elderly and vulnerable populations access to high quality care, affordable health care and efficient delivery systems as designated in the DHCS Strategic Plan.

DHCS acts as the Single State Medicaid Agency for the 1915(c) HCBS and 1115 waivers and 1915(i) and 1915(k) State Plan programs. DHCS as the Single State Medicaid Agency is responsible for the funding and administration, monitoring and oversight for all of the HCBS programs. DHCS has taken the lead role to ensure all affected departments, programs, and their providers are aware of and collaborate with DHCS to come into compliance with the new HCB setting Final Rule.

LTCD is the liaison between sister departments and CMS. LTCD provides monitoring, oversight and technical assistance to all sister departments and HCBS program providers. LTCD complies with the department's mission by operating and administering several HCBS Medi-Cal programs. These programs further California's Olmstead Plan because they provide services to Medi-Cal's frail seniors and persons with disabilities that help them to live in their own homes or community-based settings instead of being cared for in facilities.

MCQMD is responsible for monitoring, oversight and quality assurance review of Medi-Cal managed care plans (MCPs) contracted with DHCS. Through careful and continuous monitoring and analyzing of data collected from MCPs regarding beneficiaries receiving CBAS services, MCQMD will be able to effectively assess access to and the quality of the CBAS services. This information will allow MCQMD to strive to improve service quality and the delivery of CBAS services to all eligible beneficiaries. This proposal is ultimately consistent with DHCS' Mission, Vision, Core Values, and Strategic Plan. It will benefit beneficiaries by enhancing the overall quality of CBAS services and, in turn, improve the long-term health of CBAS beneficiaries. Additionally, this proposal furthers DHCS' Quality Strategy, which seeks to improve the patient experience of care, improve the health of populations, and to reduce the per capita cost of health care.

This proposal will increase oversight and monitoring of the benefits provided by MCPs and CBAS providers. DHCS will define and use performance measures to assess whether CBAS providers and plans are meeting the core requirements for CBAS services. These uniform performance measures will give CBAS providers and MCPs a baseline from which to improve their services and performance. Oversight activities will align with the HCB Final Rule.

### D. Justification

In early 2014, CMS published final regulations affecting 1915(c) waivers, 1915(i) and 1915(k) Community First Choice State Plan HCBS benefits provided through Medicaid. The purpose of the Final Rule is to ensure that individuals receive HCBS in settings that are integrated in and support full access to the greater community. The Final Rule also aim to ensure that individuals have a free choice of where they live and who provides services to them, and that individual rights and freedoms are not restricted, among other provisions.

## Analysis of Problem

Prior to the Final Rule, HCB settings were based on location, geography, service specialty or physical nature displaying home-like features. The Final Rule now identifies HCB settings with specific setting characteristics and requires compliance measures to address any non-compliant settings which are guided by the consumer's individual care plan and access to the greater community.

Essentially, the Final Rule sets higher standards for HCBS settings and providers in which it is permissible for states to pay for services using federal financial participation (FFP) under Medicaid. The Final Rule became effective March 17, 2014, and allows states up to five years to implement and ensure compliance with home and community-based settings requirements.

There are eight HCBS 1915(c) waivers; one 1915(i); one 1915(k) State Plan program; and one 1115 Demonstration waiver benefit, Community-Based Adult Services (CBAS) in California; serving, in total, close to 500,000 beneficiaries. Each of these programs is required to come into compliance with the Federal HCB Settings Final Rule, and each of these HCBS programs differ significantly in the population they serve, provider types and network, their size and complexities, their delivery system operations and structure, and their statutory and regulatory authorities. (Attachment B provides a list and additional information of the HCBS waivers and programs impacted by the Final Rule).

Under the new regulations, the aforementioned waivers and programs must now comply over the next five years with the new Home and Community Based Setting requirement criteria which include:

1. Being integrated in and supporting full access to the greater community, including opportunities to seek employment and work in competitive integrated settings, engage in community life, control personal resources, and receive services in the community, to the same degree of access as individuals not receiving Medicaid HCBS.
2. Giving individuals the right to select from among various setting options, including non-disability specific settings and an option for a private unit in a residential setting.
3. Ensuring individuals' rights of privacy, dignity and respect, and freedom from coercion and restraint.
4. Optimizing autonomy and independence in making life choices, including daily activities, physical environment and with whom to interact.
5. Facilitating choice regarding services and supports, and who may provide these services and supports.
6. Providing a legally enforceable agreement between the provider and the consumer that allows the consumer to own, rent, or occupy the residence and provides protection against eviction.
7. Providing privacy in units including lockable doors, choice of roommates and freedom to furnish and decorate units.

### Analysis of Problem

8. Giving options for individuals to control their own schedules including access to food at any time.
9. Allowing individuals the freedom to have visitors at any time.
10. Providing a physically accessible setting.

So that waiver beneficiaries are given the opportunity to manage all aspects of their services and service delivery in a person-centered planning process, DHCS will continue surveying beneficiaries and providers beyond March 2019. DHCS staff will take an active role in complying with these requirements by reviewing, assessing, and analyzing data from waiver participant and provider self-surveys for ALW. Data results will be included in CMS Federal reporting (annually and after each waiver term) to determine and monitor compliance or non-compliance with HCB settings and remedial action which may be necessary if there is non-compliance with any HCB setting requirement.

#### LTCD resources for Federal Regulation Development, Implementation, Assessment & Monitoring will:

- Oversee the job functions of staff who are responsible for all development, implementation, assessment and monitoring of the HCBS providers and their settings as they come into compliance with the HCB Settings Final Rule.
- Disseminate, collect, sort, store and track the entire provider and beneficiary self-surveys that are mailed to over 500,000 beneficiaries and providers. Enter all self-survey and assessment data information into the Final Rule database. Respond to all non-technical inquiries, comments, and questions posed by the beneficiaries and providers to the appropriate staff or other department staff. Arranges and schedules appointments and meetings, and processes correspondence.
- Develop fact sheets, communication strategies, webpages, and American Disabilities Act (ADA) compliant documents for posting on the DHCS website. Compile and aggregate self-survey and assessment data entered into the Final Rule database to measure compliance by provider types, programs, and settings. Additionally, they will develop and incorporate on-site compliance reviews, revise provider bulletins, develop legislation and regulations, prepare Operating Instructions Letters and bill analyses, facilitate meetings amongst multi-disciplinary groups including management and staff, develop or edit procedures and manuals to bring all existing programs documents and materials into compliance with the HCB Settings Final Rule.
- Respond to technical research and data gathering, provide comprehensive briefing summaries to management, provide application methodology of statewide compliance, develop queries and ad hoc reports to measure compliance, prepare issue memos, draft policy and procedure strategies and best practices, develop quality assurance protocols, provide presentations and training on data related matters, provide in depth data analysis and trend analysis of current and future outcomes, create data rating scale and benchmarks to determine provider type, setting and program compliance, manipulate data from various categories to provide all-inclusive and viable results as they pertain to provider types, settings, and programs compliance or non-compliance with the HCB Settings Final Rule. Draft corrective action plans for management review to share with

### Analysis of Problem

providers and coordinating entities. The RA II will also research other states Transition Plans, activities, compliance and remedial strategies to provide management with best practices and lessons learned from all states across the nation coming into compliance with the HCB Settings Final Rule.

- Evaluate and assesses beneficiary medical needs, quality, activities, home environment, medical records, clinical assessments, and conduct on-site evaluations to determine if individual meets new home and community-based setting requirements. Perform care development and determinations, and case management on beneficiaries. Prepare position statements if fair hearings are held; conduct compliance reviews and ongoing monitoring and oversight to ensure compliance requirements with new HCBS rules.

LTCD resources to operate the ALW program, coordinate with implementation activities of the STP and ensure ongoing compliance of ALW providers with the HCB Final Rule will:

Conduct technical research and data gathering, provide comprehensive briefing summaries to management, compile and analyze data and results collected from annual provider and beneficiary assessment surveys, create and develop databases, queries, and ad hoc reports to measure ongoing compliance, identify ALW providers that will require on-site assessments and evaluations, develop remedial strategies and provide technical assistance for bringing ALW providers into compliance, prepare issue memos, draft policy and procedure strategies and best practices, develop quality assurance protocols, provide presentations and training on data related matters, provide in-depth data and trend analysis of current and future outcomes, and draft corrective action plans for management review to share with providers and care coordination entities.

The existing limited term ALW RA II position is currently responsible for completing and submitting federally-mandated quarterly and annual (372 and evidentiary) reports to CMS as required for claiming federal financial participation. The ALW has been renewed by CMS and is now operational through February 28, 2019 extending these reporting duties through June 30, 2020. In addition to existing workload, the requested resources will be responsible for compiling ALW provider data to be included in the final quality assurance / cost neutrality report for the HCB Settings Final Rule to CMS identifying providers and settings compliance, non-compliance requiring modification, and unable to comply outcomes.

MCQMD resources to maintain ongoing CBAS workload will:

MCQMD previously requested and received one full-time, limited term AGPA position in MCQMD to establish, structure, and assist in adding CBAS benefits into MCPs, as well as the rollout into rural counties. The limited term is currently set to expire on June 30, 2016.

The requested resources will be essential to continue the monitoring and oversight activities associated with CBAS, including researching and analyzing all regulatory and statutory requirements; ensuring that beneficiaries have access to and receive all medically necessary CBAS services; and, as necessary, coordinating with health plans, stakeholders, and the CBAS Centers for the delivery of services. In addition, it is necessary to ensure compliance with the BTR and Medi-Cal 2020 1115 Waivers, as well as the Coordinated Care Initiative (CCI). The CCI aims to improve service delivery for all beneficiaries, but particularly those who need coordination the most: the 1.1 million people eligible for both Medicare and Medi-Cal coverage (dual eligible) and the 160,000 Medi-Cal-only beneficiaries

**Analysis of Problem**

who rely on long-term services and support. CBAS is an integral part of the CCI, with CBAS benefits being offered through MCPs, allowing participants with various medical level-of-care needs to avoid being institutionalized at greater cost. Lastly, it is essential for overall operational integration, including monitoring appropriate utilization of CBAS services through regular and up-to-date monitoring of CBAS services, timely encounter data collection, and accurate compliance with mandatory legislative and federal reporting requirements.

Continuing the limited-term expenditure authority for the AGPA will enable the Department to continue meeting its current CBAS workload. One of the primary concerns of the Department is providing Medi-Cal beneficiaries, particularly vulnerable populations such as the elderly, with access to quality care.

**E. Outcomes and Accountability**

**LTCD-STP:** The approval of limited-term resources will allow the Department to do the following:

- Be in compliance with the federal HCBS regulation that allows DHCS to continue to draw down FFP for these programs and services.
- Effectively and efficiently promote access to a higher standard of health care services for the greater community.
- Allow for effective, clear, and concise communication across HCBS programs to alleviate concerns and misunderstandings among the HCBS community settings
- Provide HCBS Waivers and Programs participants the ability to seek employment, engage in community life, control personal finances, and receive a wider range of services in the community.
- Enable the HCBS participants to optimize independence and autonomy in making life choices including the choice of visitors, choice of providers and service supports, privacy in unit, choice of roommates, and furnishings.
- Monitor that HCBS participants receive services in the settings of their choice.
- Provide participants freedom to control their schedules, access to food and a physical accessible setting.

**Projected Outcomes – STP**

| <b>Workload Measure</b>  | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> |
|--|----------------|----------------|----------------|----------------|
| Disseminate provider self-assessment for residential setting survey        | 50,000         | 100,000        | 50,000         | 25,000         |
| Disseminate provider self-assessment for non-residential setting survey    | 1,000          | 1,000          | 500            | 250            |
| Disseminate beneficiary self-assessment survey                             | 100,000        | 100,000        | 50,000         | 25,000         |
| Conduct on-site evaluations  | 20             | 40             | 40             | 40             |
| Hold stakeholder meetings for input over the various implementation phases | 12             | 12             | 6              | 6              |
| Collect, compile, track and store surveys                                  | 15,000         | 20,000         | 10,000         | 5,000          |

**Statewide Transition Plan- Long Term Care Waivers  
4260-006-BCP-DP-2016-GB**

**Analysis of Problem**

| <b>Workload Measure</b>  | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> |
|--|----------------|----------------|----------------|----------------|
| Collect, compile, track and store on-site assessments  | 20             | 40             | 40             | 40             |
| Enter survey data and analyze data   | 15,000         | 20,000         | 10,000         | 5,000          |
| Prepare positions statements and conduct fair hearings based on hearing request  | 1,000          | 1,000          | 1,000          | 500            |
| Develop statutory, regulatory, and policy changes if needed to comply with federal regulations   | 10             | 5              | 5              | 0              |
| Conduct and incorporate compliance reviews for provider enrollment to ensure compliance prior to enrollment into HCBS provider network | N/A            | 2,500          | 5,000          | 7,500          |
| Conduct compliance reviews for all existing providers in an HCBS program   | N/A            | 100            | 300            | 200            |
| Identify providers requiring removal for not meeting program requirements with relocation of individuals to compliant settings         | N/A            | 100            | 200            | 200            |
| Finalize STP compliance report   | 2              | 2              | 1              | 1              |
| Submit to CMS STP compliance report  | N/A            | N/A            | N/A            | 1              |
| Monitoring and Oversight   | N/A            | N/A            | N/A            | N/A            |

**Analysis of Problem**

**LTCD-ALW:** The approval of limited-term resources will allow the Department to do the following:

- Comply with the federal HCB Settings Final Rule that allows DHCS to continue to draw down FFP for these programs and services.
- Promote access to a higher standard of health care services for the greater community.
- Monitor that HCBS participants receive services in the settings of their choice.
- Ensure ongoing compliance of ALW providers to HCB Settings Final Rule.
- Enable DHCS to comply with final quality assurance / cost neutrality reports.

**Projected Outcomes – ALW**

| <b>Workload Measure</b>   | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> |
|---|----------------|----------------|----------------|----------------|----------------|
| Compile and input data from provider and beneficiary surveys                        | 1,000          | 1,700          | 1,800          | 2,000          | 2,500          |
| Analyze survey data   | 1,000          | 1,700          | 1,800          | 2,000          | 2,500          |
| Develop/manage database   | 1              | 1              | 1              | 1              | 1              |
| Run queries and ad hoc reports for ongoing compliance measurement                   | 60             | 60             | 60             | 60             | 60             |
| Conduct on-site facility review evaluations   | 36             | 36             | 48             | 48             | 60             |
| Training / Technical Assistance   | 12             | 12             | 18             | 20             | 20             |
| Develop Quality Assurance protocols / track QA performance                          | 13             | 12             | 12             | 12             | 12             |
| Prepare data analysis and trend analysis for current and future compliance outcomes | 12             | 12             | 12             | 12             | 12             |
| Prepare and submit quality assurance / cost neutrality reports                      | 1              | 1              | 1              | 1              | 2              |
| Prepare and submit CMS 64 and 372 reports   | 5              | 5              | 5              | 5              | 5              |
| Reconcile SNF placements against adjudicated SNF TARS                               | 318            | 336            | 354            | 362            | 380            |

**Analysis of Problem**

**MCQMD-CBAS:** The approval of limited-term resources will allow the Department to continue to perform a wide variety of functions related to the administration, monitoring, and oversight of CBAS. Without a resources to oversee the CBAS responsibilities, including – assisting CBAS beneficiaries with continuity of care issues; consulting with medical staff and health plans on coordination of care issues; assisting in the development of documentation and procedures for existing processes; performing basic data collection and analysis relating to the number of CBAS beneficiaries, types of services being received, recurring plan issues, etc. in order to identify emerging issues and trends; and researching and developing regulations, proposed legislation, SPAs, federal waiver requirements, and other program-enabling activities – MCQMD will be unable to continue to meet its existing CBAS workload and obligations. The limited-term resources are essential to continue the monitoring and oversight activities associated with CBAS.

**Projected Outcomes – CBAS**

| <b>Workload Measure</b>  | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> |
|--|----------------|----------------|----------------|----------------|----------------|
| Research state and federal laws and regulations; review all related resources; and coordinate with all other internal/external entities.                     |                | 300            | 300            | 300            | 300            |
| Provide technical assistance on CBAS issues related to MCPs to staff, other contractors, various departmental programs and other State and federal agencies. |                | 1500           | 1500           | 1500           | 1500           |
| Assist CBAS beneficiaries with continuity of care issues, including consulting with medical staff and MCPs on coordination of care.                          |                | 130            | 130            | 130            | 130            |
| Assist in the development of documentation and procedures for existing processes.  |                | 12             | 12             | 12             | 12             |
| Perform basic data collection and analysis relating to CBAS services.  |                | 100            | 100            | 100            | 100            |

**F. Analysis of All Feasible Alternatives**

**Alternative 1:** Approve the limited-term resources of \$1,112,000 (\$491,000 General Fund and \$621,000 Federal Trust Fund) to develop, implement assess and monitor the requirements of CMS HCB Settings Final Rules, 2249-F and 2296-F.

Pros:

- Allows DHCS and other departments to comply with CMS 2249-F and 2296-F rules which will allow CA to continue to draw down FFP for these programs.
- Enables the participant to better direct their care needs and the freedom to do so.
- Provide for 50% FFP from the Federal government.
- Provides resources to implement the requirements of the federal regulations in a timely manner and within the 5 year allotted time period.

### Analysis of Problem

- Ensures over \$3 billion in annual FFP reimbursement.
- Alignment with the Supreme Court's Olmstead decision.
- Allows Federal funding for ALW through mandated reporting and oversight requirements.
- Allows Federal funding for CBAS services through mandated reporting requirements, usually on an annual basis. DHCS monitors the data and audits those providers and/or plans who are in non-compliance.
- Allows DHCS to continue to meet its existing obligations and workload for CBAS.

#### Cons:

- Requires additional resources to fund salaries, benefits, and other operational costs.
- Increase state expenditures to the General Fund.

**Alternative 2:** Approve limited-term resources of \$911,000 (\$411,000 General Fund and \$ 500,000 Federal Trust Fund).

#### Pros:

- Allows DHCS to implement the federal requirements of CMS 2249-F and 2296-F.
- Allows compliancy with the community based requirements and enables the participant to better direct their care needs and the freedom to do so.
- Reduces the liability to the GF.
- Provides resources to implement the requirements in a timely manner.
- Provides continued 50% FFP from the Federal government.
- Ensures over \$3 billion in annual FFP reimbursement.
- Alignment with the Supreme Court's Olmstead decision.
- Allows Federal funding for ALW through mandated reporting and oversight requirements.
- Allows Federal funding for CBAS services through mandated reporting requirements, usually on an annual basis. DHCS monitors the data and audits those providers and/or plans who are in non-compliance.
- Allows DHCS to continue to meet its existing obligations and workload for CBAS.

#### Cons:

- Will not be able to adequately respond to STP related questions from providers and participants.
- DHCS will not have sufficient resources for the workload associated with the provisions of the regulations and increases likelihood of non-compliance with the Federal HCB Settings Final Rule.

**Alternative 3:** Take no action. Allow existing limited-term positions to expire.

#### Pros:

- No additional State funds expended.

#### Cons:

- DHCS will not have sufficient resources for the workload associated with the provisions of the regulations and will increase the likelihood of non-compliance with the Federal HCB Settings Final Rule.

**Analysis of Problem**

- Ongoing compliance requirements jeopardizing waiver and state plan renewal approval and federal financial participation from the federal government.
- Potential loss of over \$3 billion annual FFP reimbursement.
- Potential increase to GF if some beneficiaries are placed in institutional settings.
- Inability of the HCBS participants to be aware of and take advantage of greater access in the outlying community and the freedom to make more personal choices.
- HCBS participants living in and receiving services in settings not of their choice.
- Inconsistent with the Supreme Court's Olmstead decision.
- If current positions were redirected to work on the STP Federal Rule, the current programs would not be able to meet their statutory or regulatory requirements due to the redirection.
- DHCS staff will be unable to adequately oversee and monitor ongoing benefits (ALW and CBAS) for vulnerable populations.
- Adds new and additional workload to existing workload, which may require payment of overtime and/or result in current staff being unable meet all workload obligations. In turn, this may negatively impact and/or interrupt services provided to beneficiaries.

**G. Implementation Plan**

| <b>2014 through 2019</b>  | <b>Start</b> | <b>Finish</b> |
|---|--------------|---------------|
| CMS Rules Implemented   | -----        | 03/17/2014    |
| STP Drafted and Reviewed by CMS   | 09/2014      | 03/2015       |
| STP Revised with CMS Approval   | 03/2015      | 08/2015       |
| Stakeholder & Public Meeting Input  | 09/2014      | 12/31/2018    |
| Develop Review, Approval & Publication of On-Site Assessment                          | 05/2014      | 08/2015       |
| Develop Review, Approval & Publication of Provider self-Assessment Survey             | 07/2014      | 12/2016       |
| Develop Review, Approval & Publication of Beneficiary Assessment Survey               | 09/2015      | 12/2015       |
| Develop Review, Approval & Publication of Setting Analysis & Remedial Action Timeline | 05/2015      | 12/2016       |
| On-site Evaluations and Assessments   | 07/2015      | 12/2018       |
| Assessment of Statutes, Regulations, Policies   | 07/2014      | 08/2015       |
| Survey Team Training  | 06/2015      | 12/2015       |
| Collect Assessment Data   | 01/2016      | 03/2018       |
| Develop & Implement Tracking Database System  | 07/2015      | 02/2019       |
| Enter data into tracking system   | 07/2015      | 12/2018       |
| Provide Data Reports of Outcome   | 07/2017      | 12/2018       |
| Develop, Review, Approve and Implement a Complaint and Appeals Process                | 06/2015      | 02/2019       |
| Conduct Remedial & Action Strategies  | 01/2018      | 12/2018       |
| Provide Final Report to CMS   | 09/2018      | 02/2019       |
| Monitoring and Oversight of Compliance  | 03/2019      | 6/30/2019     |

## Analysis of Problem

### H. Supplemental Information

Other: DHCS is currently at capacity and will need cubicle buildouts including cabling at one-time cost of \$56,000. DHCS requests \$57,000 limited-term expenditure authority for in-state travel costs.

### I. Recommendation: Alternative 1

Approve the limited-term resources of \$1,112,000 (\$491,000 General Fund and \$621,000 Federal Trust Fund) to develop, implement assess and monitor the requirements of CMS HCB Settings Final Rules, 2249-F and 2296-F.

This will help DHCS meet the requirements established under CMS 2249-F and 2296 federal regulations, maintain ongoing and continued monitoring and oversight functions of the HCB Settings Final Rule through the ALW and CBAS programs federal reporting requirements as mandated by federal regulations, and continue meeting the existing workload.

If DHCS does not receive approval for the proposal, it will compromise the workload associated with implementing the provisions of CMS 2249-F and 2296, such as meeting federal benchmarks and reporting. This would compromise the continued performance of ongoing ALW and CBAS waiver operations/requirements as LTCD and MCQMD cannot absorb current and additional duties under existing staffing allocations. Failure to approve the proposal will result in inability to meet federal regulatory requirements and would put over \$3 billion of FFP at risk.

**WORKLOAD STANDARDS**  
**Long-Term Care Division**

**3-Year Limited-Term Resources to Address the Following:**

| <b>Activities</b>   | <b>Number of Items Monthly</b> | <b>Hours per Item</b> | <b>Total Annual Hours</b> |
|---|--------------------------------|-----------------------|---------------------------|
| Plans, organizes prioritizes and directs the daily and ongoing activities of unit staff; establishes unit goals, objectives and performance standards; recruits, trains, and evaluates employee performance; and resolves employees issues. | 22                             | 2                     | 528                       |
| Develop statutory, regulatory, and policy changes if needed to comply with federal regulations as needed.   | 6                              | 2                     | 144                       |
| Oversee implementation of taskforces, workgroups, and conferences, as required.   | 8                              | 2                     | 192                       |
| Perform continued outreach to State Departments, consumers and families, regional centers, providers, advocacy groups to keep them informed of Federal Requirements and implementation phases.  | 1                              | 8                     | 96                        |
| Ensure public posting and comment period is adequate and all known beneficiaries, providers, stakeholders, and advocacy groups are notified appropriately; respond to all comments and address responses in the HCBS Final Rule.            | 4                              | 2                     | 96                        |
| Serves as liaison between CMS for Sister Departments.   | 3                              | 1                     | 36                        |
| Developments and oversees stakeholder process for HCBS Final Rule.  | 1                              | 13                    | 156                       |
| Incorporate HCB Final Rule monitoring and oversight into existing HCBS Quality Assurance / Quality Improvement Plans.   | 22                             | 2                     | 528                       |
| <b>Total projected workload</b>   |                                |                       | 1,776                     |

**WORKLOAD STANDARDS**  
**Long-Term Care Division**

**3-Year Limited-Term Resources to Address the Following:**

| <b>Activities</b>  | <b>Number of<br/>Items<br/>Monthly</b> | <b>Hours<br/>per Item</b> | <b>Total<br/>Annual<br/>Hours</b> |
|--|--|---------------------------|-----------------------------------|
| Provide administrative support   | 22                                     | 1                         | 264                               |
| Respond to telephone, electronic mail, and written inquiries from the community, other agencies, and internal staff statewide.       | 22                                     | 3                         | 792                               |
| Composition of correspondence; Document preparation and review.  | 6                                      | 2                         | 144                               |
| Arranges meetings, schedules appointments, and sends meeting notices. Gathers and arranges materials pertaining to meeting subjects  | 12                                     | 1.5                       | 216                               |
| Data entry and maintenance of tracking systems and databases, and responds to public inquires.                                       | 22                                     | .5                        | 132                               |
| Filing and record management.  | 8                                      | 1                         | 96                                |
| Works with existing call center staff to understand infrastructure and reporting systems.  | 1                                      | 3                         | 36                                |
| Update program manuals including training manuals, policy manuals, procedural manuals, etc. to assure alignment with the Final Rule. | 1                                      | 1                         | 12                                |
| Order mailing supplies for self-surveys.   | 1                                      | 2                         | 24                                |
| Make necessary travel arrangements, itineraries, and reservations.   | 1                                      | 4                         | 48                                |
| Assisting with tracking and monitoring proposed legislation.   | 4                                      | 1                         | 48                                |
| <b>Total projected workload</b>  |  |                           | <b>1,812</b>                      |

**WORKLOAD STANDARDS**  
**Long-Term Care Division**

**3-Year Limited-Term Resources to Address the Following:**

| <b>Activities</b>   | <b>Number of<br/>Items<br/>Monthly</b> | <b>Hours<br/>per Item</b> | <b>Total<br/>Annual<br/>Hours</b> |
|---|--|---------------------------|-----------------------------------|
| Develop and incorporate compliance reviews for provider enrollment to ensure compliance prior to enrollment into HCBS provider network.                               | 66                                     | 1.5                       | 1,188                             |
| Conduct compliance reviews for all new providers enrolling into an HCBS program.  | 46                                     | 1.5                       | 828                               |
| Write, review and revise bulletins, manuals, legislation, Operating Instruction Letters (OILS), System Development Notices, and regulations regarding the new system. | 2                                      | 4                         | 96                                |
| Determine provider type compliance and handle in-depth on-site assessment depending on provider-type non-compliance.  | 44                                     | 1.5                       | 792                               |
| Research and development of regulations, proposed legislation, State Plan Amendments, federal requirements, and other program enabling activities.                    | 22                                     | 1.5                       | 396                               |
| Facilitation of meetings with multi-disciplinary groups of management and staff.  | 4                                      | 2                         | 96                                |
| Participate in development of training; mentor new staff.   | 2                                      | 3                         | 72                                |
| Edit and maintain Statewide Transition Plan website with continuous and ongoing, up-to-date information.  | 2                                      | 6                         | 144                               |
| <b>Total projected workload</b>   |  |                           | <b>3,612</b>                      |

**WORKLOAD STANDARDS**  
**Long-Term Care Division**

**3-Year Limited-Term Resources to Address the Following:**

| <b>Activities</b>  | <b>Number of<br/>Items<br/>Monthly</b> | <b>Hours<br/>per Item</b> | <b>Total<br/>Annual<br/>Hours</b> |
|--|--|---------------------------|-----------------------------------|
| Performs complex technical research and data gathering.  | 22                                     | 1.5                       | 396                               |
| Compile data and results from assessment surveys and provide comprehensive briefing summaries to management.   | 22                                     | 2                         | 528                               |
| Lead for analyzing and presenting data in a comprehensive format for review, reporting and benefit improvements; Application and research of benchmark methodology to trigger in-depth analyses.   | 22                                     | 1.5                       | 396                               |
| Development of data and ad hoc reports regarding the various aspects of the programs for annual compliance and non-compliance by provider types, settings and programs.  | 1                                      | 8                         | 96                                |
| Prepares issue memos and report memos for management and directorate approval.   | 1                                      | 1                         | 12                                |
| Research policy and procedure implementation strategies in other states for management adopting best practices and lessons learned.  | 1                                      | 8                         | 96                                |
| Drafting policies and procedures to implement new quality assurance protocols.   | 8                                      | 2                         | 192                               |
| Assist in monitoring and oversight compliance federal Final Rule.  | 4                                      | 1                         | 48                                |
| Attend a variety of statewide departmental meetings, stakeholder meetings and training. Serves as program liaison with other departmental programs and state agencies, representing directives in meetings, and conveying official program policy. | 1                                      | 1                         | 12                                |
| Provides briefing summaries on program progress and results of monitoring.   | 1                                      | 1                         | 12                                |
| Makes presentations and provides training on data related matters.   | 1                                      | 1                         | 12                                |
| Create rating scale for assessments.   | 1                                      | 4                         | 48                                |
| <b>Total projected workload</b>  |  |                           | <b>1,848</b>                      |

**WORKLOAD STANDARDS**  
**Long-Term Care Division**

**3-Year Limited-Term Resources to Address the Following:**

| <b>Activities</b>  | <b>Number of Items Monthly</b> | <b>Hours per Item</b> | <b>Total Hours</b> |
|--|--------------------------------|-----------------------|--------------------|
| Evaluate and ensure that services being rendered to beneficiaries are appropriate, meet the beneficiary's choices and preferences, and are of a quality nature allowing independence and autonomy. Activities will include assessment of the beneficiary, the home environment, and a review of appropriate case notes and plan of care. | 66                             | 2                     | 1,584              |
| Perform on-site evaluations and clinical assessments; Perform case reviews to ensure services are delivered in an integrated setting; prepare determinations based on individual care planning and case management.  | 36                             | 5.5                   | 2,376              |
| Perform review activities for beneficiaries including review of care plans, identification of change in case status, problem resolution, coordination of case conferences, HCBS provider meetings, and maintenance of appropriate documentation ensuring access to the greater community.  | 6                              | 2                     | 144                |
| Assess and develop remedial strategies and action plans for persons who may not meet the HCB setting requirements and may need other community placement alternatives.   | 12                             | 1                     | 144                |
| Incorporate HCB Final Rule monitoring and oversight into existing HCBS Quality Assurance / Quality Improvement Plans.  | 12                             | 1                     | 144                |
| Conduct compliance reviews for all new providers enrolling into an HCBS program; conduct ongoing monitoring and oversight to ensure that HCB settings remain in compliance with the new requirements, and licensing and certification process identifies compliance for residential and non-residential settings.                        | 36                             | .5                    | 216                |
| Prepare Position Statements and conduct Fair Hearings based on hearing requests.   | 15                             | 4                     | 720                |
| Technically assist providers to become compliant to HCBS Final Rule.   | 12                             | .5                    | 72                 |
| <b>Total projected workload</b>  |                                |                       | <b>5,400</b>       |

**WORKLOAD STANDARDS**  
**Long-Term Care Division – ALW**

**4-Year Limited-Term Resources to Address the Following:**

| Activities  | Number of<br>Items<br>Monthly | Hours<br>per Item | Total<br>Hours |
|---|-------------------------------|-------------------|----------------|
| Performs complex technical research and data gathering  | 16                            | 1.5               | 288            |
| Compile data and analyze results from assessment surveys to prepare comprehensive briefing summaries for management   | 16                            | 2                 | 384            |
| Development of data and ad hoc reports regarding the various aspects of ALW for annual compliance and non-compliance  | 2                             | 6.5               | 156            |
| Lead for analyzing and presenting data in a comprehensive format for review, reporting and benefit improvements; Application and research of benchmark methodology to trigger in-depth analyses.  | 10                            | 2                 | 240            |
| Prepares issue memos and report memos for management and directorate approval.  | 2                             | 1                 | 24             |
| Attend a variety of statewide departmental meetings, stakeholder meetings and training. Serves as program liaison with other departmental programs and state agencies, representing directives in meetings, and conveying official program policy.  | 2                             | 1                 | 24             |
| Makes presentations and provides training on data related matters.  | 2                             | 1                 | 24             |
| Develop methodology and collect data to be provided to CMS, through DHCS as required by the waiver in the form of annual reports. Perform studies on cost neutrality and cost-effectiveness of the waiver and research financial issues. Analyze, develop and submit CMS 64 and 372 reports including quality assurance / cost neutrality reports for HCB Settings Final Rule | 4                             | 5.5               | 264            |
| Develop and implement quality assurance protocols for ongoing monitoring and onsite provider evaluations  | 1                             | 1                 | 12             |
| Conduct onsite provider evaluations   | 8                             | 4                 | 384            |
| <b>Total projected workload</b>   |                               |                   | <b>1,800</b>   |

**WORKLOAD STANDARDS**  
**Managed Care Quality and Monitoring Division**

**4-Year Limited-Term Resources to Address the Following:**

| <b>Activities</b>   | <b>Number of Items</b> | <b>Hours per Item</b> | <b>Total Hours</b> |
|---|------------------------|-----------------------|--------------------|
| Conduct all research necessary to resolve basic issues surrounding an individual's managed care health plan coverage. This includes, but is not limited to, research State and federal laws and regulations; reviewing all other resources; including contract language and coordination with all other internal/external entities. | 300                    | 0.75                  | 225                |
| Provide assistance on basic managed care CBAS issues – including – related to managed care health care plans, other contractors, various departmental programs and other State and federal agencies. Resolve basic programmatic questions.  | 1500                   | 0.5                   | 750                |
| Assist MCP beneficiaries with CBAS continuity of care. Consult with medical staff and health plans on coordination of care issues. Identify and refer complex issues to the appropriate party.  | 130                    | 0.5                   | 65                 |
| Lead the development, documentation, and review of MCP CBAS deliverables and ongoing procedure reviews.   | 12                     | 40.0                  | 480                |
| Perform basic data collection and analysis relating to the number of CBAS beneficiaries; types of services being received; recurring plan issues; etc. in order to identify emerging issues and trends. Alert other team members to outstanding issues for presentation to management and other staff.                              | 100                    | 2.0                   | 200                |
| Research and develop CBAS regulations, proposed legislation, SPAs, federal waiver requirements, and other program –enabling activities.   | 2                      | 40                    | 80                 |
| <b>Total projected workload</b>   |                        |                       | 1,800              |

## Description of impacted HCBS waivers due to the Federal Final Rule:

**California's 1915(k) Community First Choice State Plan Benefit** is designed to make available home and community-based attendant services and supports to eligible individuals, as needed, to assist in accomplishing activities of daily living (ADLs), instrumental activities of daily living (IADLs), and health-related tasks through hands-on assistance, supervision, or cueing. CFC services are provided in the most integrated setting appropriate to the individual's needs, and without regard to the individual's age, type or nature of disability, severity of disability or the form of home and community-based attendant services and supports that the individual requires to lead an independent life. California's CFC consists of personal and attendant care, domestic and related and protective supervision services that assist with maintaining Medi-Cal beneficiaries in their own home or community setting. A beneficiary may be enrolled in a 1915(c) waiver and receive the above CFC State Plan Benefits. A beneficiary must be enrolled in only one 1902(a) (24), 1915(j) or 1915(k) but is allowed to enroll in the 1915(i) and any one of the other noted HCB State Plan Benefits. The beneficiary must establish Medi-Cal eligibility, either full-scope or with a share-of-cost and be nursing facility level of care to receive CFC State Plan Benefits. The CFC State Plan Benefits are 56% FFP and 44% GF, receiving a 6% increase of Federal Matching Assistance Percentage (FMAP) than California's other HCBS programs.

**California's 1915(i) State Plan** is a program established as part of the Deficit Reduction Act of 2005, section 1915(i) of the Social Security Act gives states the option to provide Home and Community Based Services (HCBS) without a waiver. Section 1915(i) of the Social Security Act was created to allow states to provide HCBS through a state plan amendment to Medicaid populations that are at-risk of institutionalization. Traditionally, these services were only provided through a 1915(c) HCBS waiver. One of the key provisions of Section 1915(i) is that eligibility criteria for these services must be less stringent than the institutional level of care criteria required under waivers. California's 1915 (i) allows for certain HCBS be provided to Regional Center consumers and relaxes Medi-Cal income/eligibility requirements. Caps on numbers and waiting lists are not allowed. The 1915 (i) provides federal funding for community services provided to individuals who do not meet the eligibility criteria of current HCBS waivers.

**California's 1115 Bridge to Reform Waiver** is designed to provide a cost effective delivery system both for its Medicaid and commercially insured populations. California pioneered the use of a managed care delivery system, developed cost-effective selective contracting measures as early as 1982 and has worked with its county governments to utilize county resources, both financial and infrastructure, to expand and extend health care services to Medi-Cal beneficiaries. Community-Based Adult Services (CBAS) became effective on April 1, 2012, under the California Bridge to Health Care Reform waiver. CBAS offers center-based services to eligible older adults and/or adults with disabilities to restore or maintain their optimal capacity for self-care and delay or prevent inappropriate or personally undesirable institutionalization.

All affected waivers and programs are as follows:

### 1. Multipurpose Senior Services Program (MSSP)

The MSSP provides HCBS in 39 sites statewide to 12,000 Medi-Cal beneficiaries who are age 65 or over and disabled as an alternative to nursing facility placement. The goal of the program is to arrange for and monitor the use of community services to prevent or delay premature institutional placement of frail clients. MSSP provides comprehensive care management to assist frail elderly persons to remain at home.

## **2. Acquired Immune Deficiency Syndrome (AIDS)**

The AIDS and/or symptomatic HIV waiver program is an alternative for 3,200 beneficiaries who would otherwise qualify for institutional care. The waiver provides comprehensive and cost-effective services for beneficiaries who would otherwise be served in institutional settings. Services include, but are not limited to, the following: intensive medical case management (nursing and psychosocial assessments), home delivered meals, attendant care, nutritional counseling, and Medi-Cal supplements for infants and children in foster care.

## **3. Home and Community-Based Services Waiver for the Developmentally Disabled (DD Waiver)**

Community-based services for 150,000 individuals with developmental disabilities are provided through a statewide system of 21 private, non-profit corporations known as Regional Centers. Regional Centers provide fixed points of contact in the community for persons with developmental disabilities and their families.

## **4. Assisted Living Waiver (ALW)**

The ALW offers assisted living services in three settings: Residential Care Facilities for the Elderly, Adult Residential Facilities and publically subsidized housing. There are 4,000 qualified participants who have full-scope Medi-Cal benefits with zero share of cost and are determined to meet the Skilled Nursing Facility Level of Care; A or B.

## **5. Nursing Facility / Acute Hospital (NF/AH)**

The NF/AH Waiver offers services in the home to 3,500 Medi-Cal beneficiaries with a long-term medical condition for who, in the absence of this waiver, would otherwise receive care for at least 90 days in an intermediate care facility, a skilled nursing facility, a subacute facility, or an acute care hospital. The NF/AH Waiver also offers beneficiaries Waiver Personal Care Services which are personal and attendant care services in excess of In-Home Supportive Services (IHSS).

## **6. In-Home Operations (IHO)**

The IHO Waiver serves either 1) participants previously enrolled in the Nursing Facility A/B Level of Care (LOC) Waiver who have continuously been enrolled in a DHCS administered HCBS waiver since prior to January 1, 2002, and require direct care services provided primarily by a licensed nurse; or 2) those who have been receiving continuous care in a hospital for 36 months or greater and have physician-ordered direct care services that are greater than those available in the Nursing Facility/Acute Hospital Waiver for the participant's assessed LOC. Total IHO Waiver participants are 125.

## **7. San Francisco Community Living Support Benefit (CLSB) Waiver**

The San Francisco CLSB Waiver allows eligible individuals to move into licensed Community Care Facilities (CCFs) and Direct Access Housing (DAH) sites. Services consist of care coordination, community living support benefits, and behavior assessment and planning in both CCFs and DAHs; and home delivered meals and environmental accessibility adaptations in DAH sites. Persons must be residing in the City or County of San Francisco to be eligible for the San Francisco CLSB Waiver.

## **8. Pediatric Palliative Care Waiver (PPC)**

The PPC Waiver offers 1,800 children with life limiting conditions a range of home-based hospice-like services while they maintain the option of receiving curative treatment. According to diagnosed need and an approved plan of care, services include: concurrent provision of the hospice-like services and therapeutic state plan services, care coordination, expressive therapies, family training, individual and family caregiver bereavement services, and respite care.

## **9. 1915(i) Home and Community-Based Services for Persons with Developmental Disabilities**

The purpose of this program is to serve participants of all ages in their own homes and community settings as an alternative to placement in hospitals, nursing facilities or intermediate care facilities for persons with developmental disabilities (ICF/DD). Community-based services for individuals with developmental disabilities are provided through a statewide system of 21 private non-profit corporations known as Regional Centers. Regional Centers provide fixed points of contact in the community for persons with developmental disabilities and their families. The 1915(i) assists in funding services for individuals who live in the community and who do not meet the ICF/DD level-of-care requirement in the DD Waiver. 1915(i) participants live in the setting of their choice, such as with their families, in their own homes or apartments, or in licensed settings. There is no wait list for eligible beneficiaries.

## **10. Community First Choice Option – In-Home Supportive Services**

The CFC IHSS serves approximately 220,000 IHSS recipients who meet a nursing facility level of care and was approved as a State Plan benefit in 2010. CFC IHSS is identical to the IHSS program which pays individual caregivers to provide services to qualified Medi-Cal recipients. Eligibility for program participation includes persons who are 65 years or older, blind, or disabled who would otherwise be placed in an out-of-home care facility if they were not receiving CFC IHSS. The program allows participants to receive services at their own home.

Services provided through CFC IHSS include: housecleaning, meal preparation, laundry, grocery shopping, personal care services (such as bowel and bladder care, bathing, grooming and paramedical services), accompaniment to medical appointments, and protective supervision for the mentally impaired. Services can be provided by any individual caregiver. Recipients may qualify for the option of receiving advance pay and restaurant meal allowance.

## **11. Community-Based Adult Services**

The Community-Based Adult Services (CBAS) program became effective on April 1, 2012, under the California Bridge to Health Care Reform waiver (Search for Community-Based Adult Services related sections). CBAS offers services to eligible older adults and/or adults with disabilities to restore or maintain their optimal capacity for self-care and delay or prevent inappropriate or personally undesirable institutionalization. CBAS services include: an individual assessment; professional nursing services; physical, occupational and speech therapies; mental health services; therapeutic activities; social services; personal care; a meal; nutritional counseling; and transportation to and from the participant's residence and the CBAS center. CBAS replaced Adult Day Health Care (ADHC) services which were an optional benefit under the Medi-Cal Program through February 29, 2012. The CBAS program provides the aforementioned services in partnership with the participant, the family and/or caregiver, the primary care physician, and the community to work toward maintaining personal independence. CBAS serves 32,000 beneficiaries statewide.