



MENTAL RETARDATION BULLETIN

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF PUBLIC WELFARE

DATE OF ISSUE

December 28, 2006

EFFECTIVE DATE

December 23, 2006

NUMBER

00-06-16

SUBJECT:

Approved Consolidated Waiver

BY:

A handwritten signature in black ink, appearing to read "Kevin T. Casey".

Kevin T. Casey

Deputy Secretary for Mental Retardation

SCOPE:

Administrative Entity Administrators/Directors
Supports Coordination Entities
Waiver Providers

PURPOSE:

The purpose of this bulletin is to transmit the Office of Mental Retardation's (OMR's) approved Consolidated Waiver, effective December 23, 2006, to which all administrative entities, supports coordination entities, and waiver providers must comply.

BACKGROUND:

Home and community based waiver services provided under Section 1915 (c) of the Social Security Act, with the exception of new waivers, are approved by the Centers for Medicare and Medicaid Services (CMS) for five-year renewal periods. New waivers are approved for an initial three-year period. The CMS approval of waiver renewals is based on satisfactory provision of waiver services, meeting all of the state assurances, and a written application that describes how waiver services will be provided during the renewal period.

The Consolidated Waiver was previously renewed by CMS for a five-year period that ended on June 30, 2005. CMS extended the Consolidated Waiver effective July 1, 2005, rather than approving its renewal, due to some concerns regarding the operation of the Waiver. The concerns primarily related to inconsistent waiver operations across the Commonwealth, insufficient oversight of the Waiver by OMR, and failure to meet all of the state assurances. Over the past few months, OMR and CMS have been working closely to negotiate the approval of the renewal of the Consolidated Waiver. The results of the negotiations have been included in the attached approved Consolidated Waiver renewal application.

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

THE APPROPRIATE OMR REGIONAL OFFICE

DISCUSSION:

CMS approved OMR's application for a five-year renewal of the Consolidated Waiver for people with mental retardation. The renewal is effective December 23, 2006, based on the attached letter from CMS to Estelle B. Richman, Secretary for Public Welfare. The attached Consolidated Waiver renewal application establishes the framework, policies, and requirements for the provision of waiver services during the renewal period.

The approved Consolidated Waiver renewal application, effective December 23, 2006, includes several modifications, most notably:

- Increased central control and oversight over waiver operations, including the development of waiver policies and requirements and a new process to monitor Administrative Entity compliance with policies and requirements.
- Incorporation of OMR's Quality Management strategy (see Appendix H).
- Addition of a new waiver service, Personal Support Services, available to participants who self-direct some or all of their waiver services.
- Reorganization of the waiver service definitions to separate services that were previously included in habilitation. The services that have been pulled out of habilitation and included in the application as separate services are: Home Finding, Education Support Services, Homemaker/Chore, and Adaptive Appliances/Equipment.
- Exclusion of individuals residing in licensed Personal Care Homes.
- Inclusion of OMR's detailed work plan to address CMS concerns regarding waiver operations (see Appendix H). The work plan includes commitments to:
 - Develop and implement a statewide methodology for waiver enrollment, effective for fiscal year 2009/2010.
 - Implement a statewide rate setting methodology by July 1, 2009, with interim rate setting during fiscal years 2006/2007, 2007/2008, and 2008/2009.
 - Contract with a statewide Vendor/Fiscal Intermediary Service Organization (ISO), effective July 1, 2007 for participants not currently utilizing the services of a county-contracted Vendor/Fiscal ISO and January 1, 2008 for participants currently utilizing a county-contracted Vendor/Fiscal ISO.
 - Expand participant direction opportunities by January 1, 2008.
 - Implement a statewide, standardized needs assessment to begin by September 2007.
 - Pay waiver providers from the Pennsylvania State Treasury by July 1, 2009.
 - Develop and implement a statewide process to qualify waiver providers to begin in January 2008.

The Consolidated Waiver renewal application includes the role of County Mental Retardation (MR) Programs and non-governmental entities as Administrative Entities responsible for many of the day-to-day waiver operations. Please refer to Appendix A of the application for details on these responsibilities. Additional details are incorporated into the Administrative Entity Operating Agreement, which has been executed between OMR and Administrative Entities for waiver operations.

All administrative entities, supports coordination entities, and waiver providers must comply with the approved Consolidated Waiver, effective December 23, 2006.

Any future amendments to the Consolidated Waiver application, which are approved by CMS, will be distributed under the MR Bulletin format. Administrative Entities and waiver providers will be responsible for instituting changes necessitated by such amendments, based on instructions issued by OMR.

All Administrative Entities participating in the Consolidated Waiver must retain a copy of the approved Consolidated Waiver renewal application, and any future amendments, for the duration of the five-year renewal period.

OBSOLETE BULLETIN:

Mental Retardation Bulletin #00-01-02, *Approved Consolidated Waiver*.

Attachments:

Approval letter to Secretary Richman

Approved Consolidated Waiver Renewal Application

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health

DEC 21 2006

Estelle B. Richman, Secretary
Department of Public Welfare
P.O. Box 2675
Harrisburg, PA 17105-2675

Re: Renewal of Pennsylvania's Consolidated Home and Community-Based Services Waiver
(CMS Control # 0147.91.R3)

Dear Ms. Richman:

I am pleased to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved Pennsylvania's request, dated December 1, 2006, with subsequent revisions, to renew the Consolidated Home and Community-Based Services Waiver. As requested, this action is effective December 23, 2006. This renewed waiver carries CMS Control # 014791.R3, Please refer to this number in all future correspondence regarding this waiver.

The waiver, authorized under the provisions of § 19 of the Social Security Act, will enable the Commonwealth to provide the following services: Home and Community Services, Day and Residential Habilitation Expanded 1 consisting of Pie-Vocational, Supported Employment, and Educational Services, Environmental Adaptations, Transportation, Transitional Work Services, Home Finding Services, Personal Support Services, Homemaker/ Chore Services, Adaptive Appliances, Respite Care, Visiting Nurse and Therapies. The waiver is limited to individuals with mental retardation aged 3 and over who would otherwise require the care of an intermediate care facility for the mentally retarded.

This approval is based on- the assurances and information you provided including the Department of Public Welfare's assurance that Federal financial participation will not be claimed for room and board in accordance with § 4442.3.3.1.2 of the State Medicaid Manual, which defines "room" as "hotel or shelter type expenses including all property related costs such as rental or purchase of real estate and furnishings, maintenance, utilities, and related administrative services. The approval is based on the Department of Public Welfare's agreement not to claim the costs of room and board except as explicitly allowed under Federal regulations at 42 CFR §44.310(a)(2). The approval is also subject to the Department's agreement to furnish CMS with quarterly reports on the completion of the agreed-upon work plan activities and timelines.

The Medicare Modernization Act provides several new and important enhancements including a prescription drug benefit and preventive services. For more information, please call the national Medicare information line at 1-800-MEDICARE toll-free or the Philadelphia Regional Office beneficiary hot line at 215-861-4226.

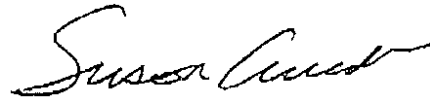
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This approval is subject to your a to provide home and community-based services, on an annual basis, to no more individuals than those indicated as the value of "C" in your approved. Per capita expenditure estimates (shown below). In these estimates, 'C' represents the unduplicated number of individuals served under the waiver during each waiver year. "D" and 60 represent the estimated average annual per capita costs of waiver and institutional services, respectively.

<u>Waiver Year</u>	<u>"C" Factor</u>	<u>"D" Factor Estimates</u>	<u>"G" Factor Estimates</u>
1	15,000	\$ 73,550	\$ 131,219
2	15,000	\$ 76,073	\$ 133,843
3	15,000	\$ 77,593	\$ 136,520
4	15,000	\$ 79,148	\$ 139,250
5	15,000	\$ 80,732	\$ 142,035

Please contact Harry Mirach of the Philadelphia Regional Office at (215)861-4284 if you have any questions.

Sincerely,



Susan Cuerdon
Associate Regional Administrator

cc: Kevin T Casey