

# IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS    BT201665    OCTOBER 18, 2016

## HCBS Statewide Transition Plan implementation affects provider applications with the Division of Aging

The Family and Social Services Administration (FSSA) Division of Aging (DA) is in the early stages of implementing the Statewide Transition Plan (STP) for its Home and Community-Based Services (HCBS) programs. In compliance with the Centers for Medicare & Medicaid Services (CMS) regulations, this process includes a systemic review of all HCBS program settings. During these initial stages, the DA is implementing a hiatus on applications from certain HCBS provider types.



### Background

In January 2014, the CMS published regulations to better define the settings in which states can provide Medicaid HCBS program services. These federal regulations became effective March 17, 2014. The HCBS settings final rule, along with additional guidance and fact sheets, is available on the CMS [Home and Community-Based Services](#) page at [medicaid.gov](#).

The purpose of these regulations is to ensure that members receive Medicaid HCBS program services in settings that are integrated in, and support full access to, the greater community. This integration and support includes opportunities to seek employment and work in competitive and integrated settings, engage in community life, control personal resources, and receive services in the community to the same degree as individuals who do not receive HCBS program services. Specific requirements have been established for provider-owned or controlled settings to ensure that they do not demonstrate institutional characteristics. Under the federal regulations, some provider-owned or controlled settings have been specifically identified as presumed institutional and are subject to a heightened scrutiny process. The CMS requires all states to review current HCBS programs and to develop a transition plan providing an assessment, strategies, and time lines for full compliance with the new rules by March 2019.

### Provider applications affected

In accordance with federal regulations, the DA has completed a systemic review of its regulatory framework in the STP and identified a number of provider-owned or controlled settings in need of further analysis and review. The DA completed site visits for these settings in the spring of 2016. Upon completion of its analysis, the DA will notify providers whether their settings comply with the federal regulations. Providers found to be out of compliance will be required to prepare remediation plans for the DA to review and approve. DA staff will monitor and validate the full implementation of the provider remediation plans to ensure compliance with the federal regulations.

The DA is implementing a hiatus on provider applications for services provided in provider-owned or controlled settings. This hiatus means provider applications for the following services will not be accepted through February 28, 2017 (approximate date):

- Assisted Living
- Adult Day Service
- Adult Family Care
- Supported Employment
- Structured Day Program



During the hiatus, and with the assistance of providers, members, and advocates, the DA will finalize setting requirements, develop remediation plan templates, and train DA staff to complete certification reviews and remediation validation. The DA will continue to process changes in ownership throughout the hiatus.

For additional details, visit the [Home and Community-Based Services Final Rule Statewide Transition Plan](#) page at [in.gov/fssa](http://in.gov/fssa).

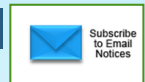
**QUESTIONS?**

If you have questions about this publication, please contact Customer Assistance at 1-800-577-1278.

**COPIES OF THIS PUBLICATION**

If you need additional copies of this publication, please [download them](#) from [indianamedicaid.com](http://indianamedicaid.com).

**SIGN UP FOR IHCP EMAIL NOTIFICATIONS**



To receive email notices of IHCP publications, subscribe by clicking the blue subscription envelope here or on the pages of [indianamedicaid.com](http://indianamedicaid.com).

**TO PRINT**

A [printer-friendly version](#) of this publication, in black and white and without graphics, is available for your convenience.