



Iowa Home and Community-Based Services Settings Statewide Transition Plan

1.0: Introduction

Federal regulations that became effective on March 17, 2014 define the settings in which it is permissible for states to pay for Medicaid Home and Community-Based Services (HCBS). The purpose of these regulations is to ensure that individuals receive Medicaid HCBS in settings that are integrated in and support full access to the greater community. This 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. The regulations also aim to ensure that individuals have a free choice of where they live and who provides services to them, as well as ensuring that individual rights are not restricted. While Medicaid HCBS has never been allowed in institutional settings, these new regulations clarify that HCBS will not be allowed in settings that have the qualities of an institution.

Since the inception of the Medicaid program in 1965, care provided in Skilled Nursing Facilities has been a covered service. With the addition of certain optional services in 1972, many states have covered services in other institutional settings such as Intermediate Care Facilities for Persons with Intellectual Disabilities (ICF/ID). During this time, institutional care was often the only choice for persons with disabilities. In 1981, Section 1915(c) of the Social Security Act was established, which allowed states the opportunity to provide optional Medicaid services to individuals with disabilities in their own homes and communities as an alternative to institutional care.

Since that time, HCBS has been provided in a wide variety of settings, many of which are truly integrated in the community. However, some of these settings may still retain, or appear to retain, the qualities of institutional care. In order to ensure that HCBS programs offer a true alternative to institutions, CMS has issued regulations to better define settings in which states can provide Medicaid HCBS.

The rule sets the expectations for settings in which HCBS can be provided. The overarching theme is stated in the rule:

“The setting is integrated in and supports full access of individuals receiving Medicaid HCBS 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.”

The rule also requires that the setting:

- Is selected by the individual from options that include non-disability specific settings and options for private units. Individuals must also have choice regarding the services they receive and by whom the services are provided.
- Ensures the individual right of privacy, dignity and respect, and freedom from coercion and restraint.
- Optimizes independence and autonomy in making life choices without regimenting such things as daily activities, physical environment, and with whom they interact.

When a residential setting is owned or controlled by a service provider, additional requirements must be met:

- At a minimum, the individual has the same responsibilities and protections from eviction that tenants have under state or local landlord/tenant laws; or when such laws do not apply, a lease, or other written residency agreement must be in place for each HCBS participant to provide protections that address eviction processes and appeals comparable to the applicable landlord/tenant laws.
- Each individual has privacy in their sleeping or living unit. This includes having entrance doors to the member's living and sleeping unit which can be locked by the individual with only appropriate staff having keys; individuals having a choice of roommates in shared living arrangements; and having the freedom to furnish and decorate their own sleeping or living areas.
- Individuals have the freedom and support to control their own schedules and activities, including having access to food at any time, and having visitors of their choosing at any time.

These requirements may only be modified when an individual has a specific assessed need that justifies deviation from a requirement. In such cases, the need must be supported in the person-centered service plan.

In addition to setting out the above qualities of HCBS settings, the rule also specifies certain settings in which HCBS cannot be provided. This includes settings that have always been statutorily excluded such as hospitals, nursing facilities, ICF/IDs, or institutions for mental disease (IMDs). However, the rule also goes a step further and describes settings that are presumed to have the qualities of an institution:

“Any setting that is located in a building that is also a publicly or privately operated facility that provides inpatient institutional treatment, or in a building on the grounds of, or immediately adjacent to, a public institution, or any other setting that has the effect of isolating individuals receiving Medicaid HCBS from the broader community of individuals not receiving Medicaid HCBS”.

Any settings that fit this description are presumed to be institutional in nature and HCBS services cannot be allowed in the setting unless the state can demonstrate to CMS through a “heightened scrutiny” process, that the setting does not have the qualities of an institution. Based on information submitted by the state and input from the public, CMS will determine whether or not a setting meets the qualities for being HCBS.

2.0: Iowa's Statewide Transition Plan

2.1: Public Notice and Public Comment Period

A public notice was published electronically January 22, 2016, on the Iowa Medicaid Enterprise (IME) website at: <http://dhs.iowa.gov/ime/about/initiatives/HCBS>. Public notice in a non-electronic format was done by publishing a notice in major newspapers throughout the state; this notice was sent to the newspapers on January 16, 2016. Notice was also sent to the federally-recognized tribes on January 16, 2016.

The transition plan was posted on the (IME) website at: <https://dhs.iowa.gov/ime/about/initiatives/HCBS/TransitionPlans>. The transition plan has been available at that location since February 1, 2016. Public comment was taken from February 1, 2016 through March 2, 2016. The transition plan was available for non-electronic viewing in any of the 99 DHS offices across the state for persons who may not have internet access.

Comments were accepted electronically through a dedicated email address (HCBSsettings@dhs.state.ia.us). The public notice provided the address for written comments to be submitted to the IME by mail or by delivering them directly to the IME office.

2.1.1: Summary of Comments Received

The IME received comments from 11 individuals or entities during the open comment period including family members, advocacy organizations, provider associations, case managers and providers.

The majority of questions and comments received focused on:

- The assessment, review and compliance process that will be used by the department to identify and evaluate residential and non-residential settings for compliance with the HCBS setting rule
- Clarification on the criteria to be used in the assessment of settings process
- Request for additional guidance from the department on rules for HCBS setting implementation
- Increased opportunity for stakeholder input in the setting assessment process
- The need for a six month delay in the rules making process to allow for a more fulsome review of current rules regarding compliance with settings

Below is the department response to the general summary of comments followed by six specific changes made to the STP based on the comments received.

General response:

The department is taking a multifaceted approach to assessment of HCBS settings. This includes a systemic review of the State's rules and policies and a high-level settings analysis. Other avenues for assessment will include evaluating settings through the existing HCBS quality assurance provider self-assessment process and onsite review process; onsite assessments by community-based case managers; and

monitoring of Iowa Participant Experience Survey (IPES) results for member experiences.

The assessment process is the starting point for further evaluation of residential and non-residential HCBS settings for compliance with the HCBS setting final rule. Once the assessment process is complete, each setting type will be identified as a setting that is either compliant with the HCBS characteristics, will be or is expected to comply with the submission of additional information, or a setting that will require a heightened scrutiny review.

The department contracts for the HCBS Quality Oversight Unit (QOU) function through a request for proposal process. The HCBS QOU is the single entity that is responsible for quality oversight of the HCBS setting implementation. While there may be multiple entities that will be responsible for gathering data, such as community based case managers, the HCBS QOU is responsible for quality assurance activities for the department. Currently the department contracts with Telligen, Inc. to conduct the quality oversight of the HCBS and Habilitation programs.

The HCBS QOU uses a quality oversight process of discovery, remediation and improvement to assure compliance with all rules of the HCBS and Habilitation programs. When a compliance issue is identified, the provider is required to develop a corrective action plan (CAP) to address the issue. The CAP is submitted to the HCBS QOU for review and acceptance. Once a plan is accepted, a compliance review is scheduled and conducted within 60 days to assure that the activities identified in the CAP are being implemented. Providers that demonstrate compliance will be identified as such and ongoing quality monitoring activities are implemented for continued compliance. Providers unable to develop and implement an acceptable CAP to address the specific issues may have sanctions imposed up to and including termination from the Medicaid program. Any adverse action taken by the HCBS QOU may be appealed by a provider.

For HCBS settings, the various assessment processes identified in the STP are methods of discovery. The final outcome of the assessment and review process of HCBS settings is to determine whether a specific setting meets the HCBS settings rule. During the HCBS settings review process, if a provider is found to be out of compliance with the rules, the HCBS Quality Oversight Unit will work with the provider to develop a CAP to come into compliance. Once a plan is accepted, a compliance review is scheduled and conducted to assure that the activities identified in the CAP are being implemented. Providers that demonstrate compliance with the settings rules will be identified and ongoing quality monitoring activities are implemented for continued compliance. If the plan is either not accepted or a compliance review finds that a provider has not implemented the approved plan, the provider will be notified that HCBS funding is not available to waiver recipients receiving services in that location. This does not mean that services cannot be provided in that location, but rather that HCBS funding is not available to members to fund services at that locations.

When service locations are found to be out of compliance with the rules and are unable to become compliant through a CAP, the department believes that most members will secure a new provider in a location that meets the settings standards or will find

alternative HCBS services in integrated settings to meet their needs. But as noted in some of the comments received on the STP, there may be some members that like the services they are receiving and will want to continue to receive services in the non-compliant location. One of the foundations of person centered planning is member choice of providers and services received. A member may choose to receive services in non-compliant settings, but HCBS funding will not be available.

Unless the site specific setting is a hospital or medical institution that does not meet setting criteria, the experience of the member receiving services in that location is the primary defining element of the HCBS final rule.

A few comments received requested a delay in the rule making process to allow a more fulsome review of the current administrative rule. The department believes the subject matter experts that reviewed and analyzed the rules for compliance were accurate in the findings and as such, will not delay the rule process. In addition, the formal rule making process allows for public comment to rules prior to promulgation.

Additional comments were received asking for clarification of the some STP content, correction of errors and the need for increased stakeholder input. Based on these comments, the following changes were made to the STP. When reviewing the changes a word ~~strikethrough~~ (e.g., ~~strikethrough~~) identifies language that is removed and an underlined word is the added language:

1. Lockable units (page 2 of the STP):

When a residential setting is owned or controlled by a service provider, additional requirements must be met:

- At a minimum, the individual has the same responsibilities and protections from eviction that tenants have under state or local landlord/tenant laws; or when such laws do not apply, a lease, or other written residency agreement must be in place for each HCBS participant to provide protections that address eviction processes and appeals comparable to the applicable landlord/tenant laws.
- Each individual has privacy in their sleeping or living unit. This includes having entrance doors to the member's living and sleeping unit which can be locked by the individual with only appropriate staff having keys; individuals having a choice of roommates in shared living arrangements; and having the freedom to furnish and decorate their own sleeping or living areas.
- Individuals have the freedom and support to control their own schedules and activities, including having access to food at any time, and having visitors of their choosing at any time.

2. STP updates, information, and announcements.

The following info was added to page 31 of the STP.

<u>14</u>	<u>Ongoing information, updates and announcements</u>	<u>Ongoing updates and information about the implementation of the Iowa statewide transition plan will be available on the department website at:</u> http://dhs.iowa.gov/ime/about/initiatives/HCBS	<u>4/1/16</u>	<u>3/17/19</u>
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3. Stakeholder input.

The following info was added to page 31 & 32 of the STP.

<u>15</u>	<u>Ongoing stakeholder input from members, families, advocates, providers and other interested parties.</u>	<u>The department shall seek stakeholder input and feedback on the implementation of the statewide transition plan. At a minimum, the department shall provide opportunity for stakeholder input every six months through statewide webinars, focus groups or other means of input</u>	<u>4/1/16</u>	<u>12/31/18</u>
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As follow up to the HCBS Settings survey (ID # 3 above) sent to providers, a focus group of providers and HCBS Quality Assurance staff was gathered for three meetings and one conference call (ID #4). The intent of the focus group was to gather input from HCBS providers and HCBS Quality Oversight staff and to develop a set of indicators that identify what services would look like in HCBS settings. The outcome of this focus group was the creation of four indicators for use by providers and quality oversight staff for development, provision, and oversight of HCBS services to assist providers to meet HCBS Settings requirements. Examples of evidence to support the implementation of the indicators were also developed. These draft indicators will receive additional stakeholder input from members and advocates prior to implementation.

4. Technical Errors

The following changes are made to reflect errors in the STP:

p. 30. Community-based case managers from Iowa's ~~four~~ three MCOs will perform onsite reviews of residential HCBS providers. Providers will be randomly selected based on a statistically valid sample of members taken at the 95% confidence level.

p.3-4. Brain Injury Waiver (CMS Waiver # IA.0299) – offers services for those who have been diagnosed with a brain injury due to an accident or illness and who meet the nursing facility, skilled nursing facility, or ICF/ID level of care. Members must be at least one month of age ~~but less than 65 years of age for this waiver.~~

5. Provider owned and controlled settings.

The language for provider owned and controlled settings listed on page 23 was used in the 2014 self-assessment in which providers responded and baseline data was gathered. As such, the language will not be changed on the STP. However, the definition of provider owned and controlled settings will be updated on the 2016 self-assessment to reflect the CMS guidance (below) and will be used in the assessment and review process moving forward:

“If the individual leases directly from the third party that has no direct or indirect financial relationship with the provider, the property is not considered provider-owned or controlled. If the HCBS provider leases from a third party or owns the property, this would be considered provider owned or controlled. If the provider does not lease or own the property, but has a direct or indirect financial relationship with the property owner, we would presume that the setting was provider controlled unless the property owner or provider establishes that the nature of the relationship did not affect either the care provided or the financial conditions applicable to tenants”.

6. Summary of comments received.

Per CMS, the STP to be submitted on April 1, 2016, will only include a summary of the comments received, and not the full list of comments received or the department’s response in full. To facilitate transparency and goodwill, the department will post all comments received and responses to comments that have been developed by the department. The DHS website: <http://dhs.iowa.gov/ime/about/initiatives/HCBS> will be updated under “News and Announcements”

2.2: HCBS Programs Included in the Transition Plan

This statewide transition plan applies to all HCBS programs within the state, including Iowa’s 1915(i) State Plan HCBS program known as HCBS Habilitation Services and the seven 1915(c) HCBS Waiver programs, whether provided through the Fee-For-Service (FFS) delivery system or through a Managed Care Organization (MCO). This includes any additional home and community-based services such as “value-added” or 1915(b)(3) services provided through an MCO.

HCBS Habilitation Services – offers services and supports for Iowans with the functional impairments typically associated with severe and persistent mental illnesses. There are no age limitations for this program.

AIDS/HIV Waiver (CMS Waiver # IA.0213) – offers services for persons who have been diagnosed with AIDS or HIV and who meet the hospital or nursing facility level of care. There are no age limitations for this program.

Brain Injury Waiver (CMS Waiver # IA.0299) – offers services for those who have been diagnosed with a brain injury due to an accident or illness and who meet the nursing facility, skilled nursing facility, or ICF/ID level of care. Members must be at least one month of age.

Children’s Mental Health Waiver (CMS Waiver # IA.0819) – offers services for children who have been diagnosed with serious emotional disturbances who meet the hospital level of care. Members must be under 18 years of age for this waiver.

Elderly Waiver (CMS Waiver # IA.4155) – offers services for older adults. Members must be at least 65 years of age and who meet the nursing facility or skilled nursing facility level of care.

Health and Disability Waiver (CMS Waiver # IA.4111) – offers services for persons who are blind or disabled and who meet the nursing facility, skilled nursing facility, or ICF/ID level of care. Members must be less than 65 years of age for this waiver.

Intellectual Disability Waiver (CMS Waiver # IA.0242) – offers services for persons who have been diagnosed with an intellectual disability and who meet the ICF/ID level of care. There are no age limitations for this program.

Physical Disability Waiver (CMS Waiver # IA.0345) – offers services for persons who are physically disabled who meet the nursing facility or skilled nursing facility level of care. Members must be at least 18 years of age, but less than 65 years of age.

2.3: Assessment and Remediation Strategies

Iowa is taking a multifaceted approach to assessment. This includes a systemic review of the State’s rules and policies and a high-level settings analysis. Other avenues for assessment will include evaluating settings through the existing HCBS quality assurance provider self-assessment process and onsite review process; onsite assessments by community-based case managers; and monitoring of Iowa Participant Experience Survey (IPES) results for member experiences. These activities are described in more detail in the “Site-Specific Assessment Process” section below.

Iowa’s remediation process will capitalize on existing HCBS quality assurance oversight processes including a requirement for submission of a corrective action plan that will detail remediation strategies for each identified issue, and ongoing review of remediation status and compliance. The state may also prescribe certain remediation requirements for providers to become compliant. Iowa will provide guidance and technical assistance to providers to assist in the assessment and remediation process. Providers that fail to remediate noncompliant settings in a timely manner may be subject to sanctions. These activities are described in more detail in the “Site-Specific Assessment Process” section below.

Iowa is moving to a managed care service delivery system that will begin on April 1, 2016. The managed care contracts between the state and the selected MCOs include provisions that require the MCOs to ensure HCBS services are provided in settings that comport with the federal settings regulations.

2.3.1: Systemic Assessment: Review of Standards

A comprehensive review of state administrative rules, Medicaid policy manuals, and other state standards such as provider agreements has been conducted.

2.3.1.1 Administrative Rules

The following Medicaid rules were reviewed. The results shown here indicate whether the rule supported the federal regulations, conflicted with the federal regulations, or was silent in respect to the regulations. A more detailed crosswalk follows this summary.

Medicaid Administrative Rules Summary of Results	
Rule	Result
441—IAC—54 : Facility Participation	Possible conflict
441—IAC—77.25 : HCBS Habilitation Services Conditions of Participation for Providers	Supports
441—IAC—77.30 : Health and Disability Waiver Conditions of Participation for Providers	Supports
441—IAC—77.33 : Elderly Waiver Conditions of Participation for Providers	Supports
441—IAC—77.34 : AIDS/HIV Waiver Conditions of Participation for Providers	Supports
441—IAC—77.37 : Intellectual Disability Waiver Conditions of Participation for Providers	Supports
441—IAC—77.39 : Brain Injury Waiver Conditions of Participation for Providers	Supports
441—IAC—77.41 : Physical Disability Waiver Conditions of Participation for Providers	Silent
441—IAC—77.46 : Children’s Mental Health Waiver Conditions of Participation for Providers	Supports
441—IAC—78.27 : HCBS Habilitation Services Amount, Duration and Scope of Services	Supports
441—IAC—78.34 : Health and Disability Waiver Amount, Duration and Scope of Services	Supports
441—IAC—78.37 : Elderly Waiver Amount, Duration and Scope of Services	Supports
441—IAC—78.38 : AIDS/HIV Waiver Amount, Duration and Scope of Services	Supports
441—IAC—78.41 : Intellectual Disability Waiver Amount, Duration and Scope of Services	Majority supports; One possible conflict
441—IAC—78.43 : Brain Injury Waiver Amount, Duration and Scope of Services	Majority supports; One possible conflict
441—IAC—78.46 : Physical Disability Waiver Amount, Duration and Scope of Services	Supports
441—IAC—78.52 : Children’s Mental Health Waiver Amount, Duration and Scope of Services	Supports
441—IAC—79 : Other Policies Relating To Providers of Medical and Remedial Care	Silent
441—IAC—83 : Medicaid Waiver Services	Supports
441—IAC—90 : Targeted Case Management	Supports

The matrix below provides a crosswalk from the federal regulations to the state administrative rules, and provides the status of actions needed for any gaps that were identified. Please note that the links to rules in this matrix open only to the relevant rule; it is not possible to link directly to the specific subrule or paragraph.

Federal Requirement: Settings are integrated in and support full access of individuals receiving Medicaid HCBS 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.			
State Rule	Determination	Action Needed	Timeline
For 1915(i) Habilitation Services, home-based habilitation services, community inclusion is addressed in 441—78.27(7)"a" ; and for day habilitation services in 441—78.27(8)"a" .	Supports	None	N/A
For Intellectual Disability (ID) Waiver supported employment, respite, and supported community living (SCL) services, standards supporting these requirements are addressed in 441—IAC—77.37(2) .	Supports	None	N/A
For ID Waiver SCL services, community inclusion is addressed in 441—IAC—78.41(1)"a" and for day habilitation services in 441—IAC—78.41(14)"a" .	Supports	None	N/A
For ID Waiver residential-based SCL for children, these are addressed in 441—IAC—77.37(23)"b" .	Supports	None	N/A
For the ID Waiver supported employment service, opportunities to pursue competitive work in integrated settings is addressed in 441—IAC—78.41(7) .	Supports	None	N/A
For Brain Injury (BI) Waiver supported employment, behavioral programming, and supported community living (SCL) services, standards supporting these requirements are addressed in 441—IAC—77.39(2) .	Supports	None	N/A
For BI Waiver case management services, choice and community inclusion are addressed in 441—IAC—78.43(1)"b" .	Supports	None	N/A
For BI Waiver SCL services, community inclusion is addressed in 441—IAC—78.43(2)"a" .	Supports	None	N/A
For the BI Waiver supported employment service, opportunities to pursue competitive work in integrated settings is addressed in 441—IAC—78.43(4) .	Supports	None	N/A
For the Children's Mental Health Waiver, inclusion in community life is addressed in 441—IAC—77.46(1)"c" .	Supports	None	N/A

For HCBS Habilitation Services supported employment services, opportunities to pursue competitive work in integrated settings is addressed in 441—IAC—78.27(10)"b" .	Supports	None	N/A
Federal Requirement: Settings are selected by the individual from among setting options including non-disability specific settings and an option for a private unit in a residential setting. The setting options are identified and documented in the person-centered service plan and are based on the individual's needs, preferences, and, for residential settings, resources available for room and board.			
State Rule	Determination	Action Needed	Timeline
For 1915(i) Habilitation Services, service plan requirements related to needs, choice, and desired individual outcomes are addressed in 441—IAC—78.27(4)"a" .	Supports	None	N/A
For the Health and Disability Waiver, service planning based on individual needs and desires is addressed in 441—IAC—83.2(2)"a" .	Supports	None	N/A
For the Elderly Waiver, service planning based on individual needs and desires is addressed in 441—IAC—83.22(2)"b" .	Supports	None	N/A
For the Intellectual Disability Waiver, service planning based on individual needs and desires is addressed in 441—IAC—83.61(2)"g" and 441—IAC—83.67(1) .	Supports	None	N/A
For the Brain Injury Waiver, service planning based on individual needs and desires is addressed in 441—IAC—83.82(2)"a" and 441—IAC—83.87 .	Supports	None	N/A
For Health and Disability Waiver interim medical monitoring and treatment (IMMT) services, 441—IAC—78.34(8)"d"(4) limits the settings in which the service may be provided.	Possible conflict	Rule will be amended to remove settings restrictions.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.
For Intellectual Disability Waiver interim medical monitoring and treatment (IMMT) services, 441—IAC—78.41(9)"d"(4) limits the settings in which the service may be provided.	Possible conflict	Rule will be amended to remove settings restrictions.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.

For Brain Injury Waiver interim medical monitoring and treatment (IMMT) services, 441—IAC—78.43(14)“d”(4) limits the settings in which the service may be provided.	Possible conflict	Rule will be amended to remove settings restrictions.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.
Federal Requirement: Settings ensure an individual’s rights of privacy, dignity, respect, and freedom from coercion and restraint.			
State Rule	Determination	Action Needed	Timeline
For 1915(i) Habilitation Services, restraints and restrictions are addressed in 441—IAC—77.25(4) and 441—IAC—78.27(4)“c” .	Supports	None	N/A
For all HCBS members receiving Targeted Case management or Community-Based Case Management through an MCO, freedom from restrictions is addressed in 441—IAC—90.5(4) .	Supports	None	N/A
For Health and Disability Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.34(14)“b” .	Supports	None	N/A
For Elderly Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.37(19)“b” .	Supports	None	N/A
For AIDS/HIV Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.38(10)“b” .	Supports	None	N/A
For Intellectual Disability Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.41(16)“b” .	Supports	None	N/A
For the Brain Injury Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.43(16)“b” .	Supports	None	N/A
For the Physical Disability Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.46(7)“b” .	Supports	None	N/A
For the Children’s Mental Health Waiver, requirements for services to be provided in the least restrictive environment are addressed in 441—IAC—78.52(1)“b” .	Supports	None	N/A

For the Elderly Waiver, restrictions of rights are addressed in 441—IAC—83.22(2)“d” .	Supports	None	N/A
For the Intellectual Disability Waiver, restrictions of rights are addressed in 441—IAC—83.67(4)“c” .	Supports	None	N/A
For the Brain Injury Waiver, restrictions of rights are addressed in 441—IAC—83.87(1)“c” .			
Federal Requirement: Settings optimize, but do not regiment, individual initiative, autonomy, and independence in making life choices including but not limited to, daily activities, physical environment, and with whom to interact.			
State Rule	Determination	Action Needed	Timeline
For Health and Disability Waiver respite services, individual preferences are addressed in 441—IAC—77.30(5)“b” , and use of settings used by the general public is addressed in 441—IAC—77.30(5)“d” .	Supports	None	N/A
For Elderly Waiver respite services, individual preferences are addressed in 441—IAC—77.33(6)“b” , and use of settings used by the general public is addressed in 441—IAC—77.33(6)“d” .	Supports	None	N/A
For AIDS/HIV Waiver respite services, individual preferences are addressed in 441—IAC—77.34(5)“b” , and use of settings used by the general public is addressed in 441—IAC—77.34(5)“d” .	Supports	None	N/A
For Intellectual Disability Waiver respite services, individual preferences are addressed in 441—IAC—77.37(15)“b” , and use of settings used by the general public is addressed in 441—IAC—77.37(15)“d” .	Supports	None	N/A
For Brain Injury Waiver respite services, individual preferences are addressed in 441—IAC—77.39(14)“b” , and use of settings used by the general public is addressed in 441—IAC—77.39(14)“d” .	Supports	None	N/A
For Children’s Mental Health Waiver respite services, individual preferences are addressed in 441—IAC—77.46(5)“c” , and use of settings used by the general public is addressed in 441—IAC—77.46(5)“i” .	Supports	None	N/A
For Health and Disability Waiver consumer choices option services, individual choice, autonomy, and opportunities for community living and inclusion are addressed in 441—IAC—78.34(13) .	Supports	None	N/A
For Elderly Waiver consumer choices option services, individual choice, autonomy, and opportunities for community living and inclusion are addressed in 441—IAC—78.37(16) .	Supports	None	N/A

For AIDS/HIV Waiver consumer choices option services, individual choice, autonomy, and opportunities for community living and inclusion are addressed in 441—IAC—78.38(9) .	Supports	None	N/A
For Intellectual Disability Waiver consumer choices option services, individual choice, autonomy, and opportunities for community living and inclusion are addressed in 441—IAC—78.41(15) .	Supports	None	N/A
For Brain Injury Waiver consumer choices option services, individual choice, autonomy, and opportunities for community living and inclusion are addressed in 441—IAC—78.43(15) .	Supports	None	N/A
For Physical Disability Waiver consumer choices option services, individual choice, autonomy, and opportunities for community living and inclusion are addressed in 441—IAC—78.46(6) .	Supports	None	N/A
Federal Requirement: Settings facilitate individual choice regarding services and supports, and who provides them.			
State Rule	Determination	Action Needed	Timeline
For 1915(i) Habilitation Services, individual choice in services and providers is addressed in 441—IAC—78.27(4)"a" .	Supports	None	N/A
For Health and Disability Waiver consumer directed attendant care (CDAC) services, individual choice in services and providers is addressed in 441—IAC—78.34(7)"a" .	Supports	None	N/A
For Elderly Waiver consumer directed attendant care (CDAC) services, individual choice in services and providers is addressed in 441—IAC—78.37(15)"a" .	Supports	None	N/A
For AIDS/HIV Waiver consumer directed attendant care (CDAC) services, individual choice in services and providers is addressed in 441—IAC—78.38(8)"a" .	Supports	None	N/A
For Intellectual Disability Waiver consumer directed attendant care (CDAC) services, individual choice in services and providers is addressed in 441—IAC—78.41(8)"a" .	Supports	None	N/A
For Brain Injury Waiver consumer directed attendant care (CDAC) services, individual choice in services and providers is addressed in 441—IAC—78.43(13)"a" .	Supports	None	N/A

For Physical Disability Waiver consumer directed attendant care (CDAC) services, individual choice in services and providers is addressed in 441—IAC—78.46(1)"a" .	Supports	None	N/A
For Intellectual Disability Waiver supported employment, respite, and supported community living services, choice in services and providers is addressed in 441—IAC—77.37(2)"h" and "s" . For ID Waiver residential-based SCL for children, these are addressed in 441—IAC—77.37(23)"d" .	Supports	None	N/A
For Brain Injury Waiver supported employment, behavioral programming, and supported community living services, choice in services and providers is addressed in 441—IAC—77.39(2)"h" and "s" .	Supports	None	N/A
For the Children's Mental Health Waiver, this is addressed in 441—IAC—77.46(1)"c" .	Supports	None	N/A
For the Elderly Waiver, choice and participation in service planning are addressed in 441—IAC—83.22(2)"d" .	Supports	None	N/A
For all HCBS members receiving Targeted Case management or Community-Based Case Management through an MCO, active participation of the member in service planning including choice of providers, is addressed in 441—IAC—90.5(1)"b" .	Supports	None	N/A
Federal Requirement: In provider-owned or controlled residential settings, the setting is a specific physical place that is owned, rented, or occupied under a legally enforceable agreement by the individual receiving services, and the individual has the same responsibilities and protections from eviction as all tenants under landlord tenant law of state, county, city or other designated entity. In settings where tenant laws do not apply, a lease, residency agreement or other written agreement is in place providing protections to address eviction processes and appeals comparable to those provided under the jurisdiction's landlord tenant law.			
State Rule	Determination	Action Needed	Timeline
For the Intellectual Disability Waiver, 441—IAC—77.37(3) requires a contract for residential services, but does not specify that it must have protections equal to landlord tenant laws. Residential services are also provided through the Brain Injury Waiver and the Habilitation Services program, which do not have a requirement of this type.	Possible conflict	Rules will be amended to clarify.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.
Federal Requirement: In provider-owned or controlled residential settings, each individual has privacy in their sleeping or living unit.			
State Rule	Determination	Action Needed	Timeline

For Intellectual Disability Waiver supported employment, respite, and supported community living services, this is addressed in 441—IAC—77.37(2)“e” and “r” .	Supports	None	N/A
For Brain Injury Waiver supported employment, behavioral programming, and supported community living services, this is addressed in 441—IAC—77.39(2)“e” and “r” .	Supports	None	N/A
Federal Requirement: In provider-owned or controlled residential settings, units have entrance doors lockable by the individual, with only appropriate staff having keys to doors.			
State Rule	Determination	Action Needed	Timeline
No applicable rule found.	Silent	Rules will be amended to add this requirement.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.
Federal Requirement: In provider-owned or controlled residential settings individuals sharing units have a choice of roommates.			
State Rule	Determination	Action Needed	Timeline
For Intellectual Disability Waiver supported employment, respite, and supported community living services, this is addressed in 441—IAC—77.37(2)“f” .	Supports	None	N/A
For Brain Injury Waiver supported employment, behavioral programming, and supported community living services, this is addressed in 441—IAC—77.39(2)“f” .	Supports	None	N/A
Federal Requirement: In provider-owned or controlled residential settings, individuals have the freedom to furnish and decorate their sleeping or living units within the lease or other agreement.			
State Rule	Determination	Action Needed	Timeline
For any HCBS service provided in a residential care facility, 441—IAC—54.4(4) states that a facility “may” allow residents to provide their own furnishings.	Possibly Conflicts	Rule will be amended to explicitly allow residents to furnish and decorate their units.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.

Federal Requirement: In provider-owned or controlled residential settings individuals have the freedom and support to control their schedules and activities and have access to food any time.			
State Rule	Determination	Action Needed	Timeline
For Intellectual Disability Waiver supported employment, respite, and supported community living services, this is addressed in 441—IAC—77.37(2)“i” and “k” . For ID Waiver residential-based SCL for children, these are addressed in 441—IAC—77.37(23)“b” .	Supports	None	N/A
For Brain Injury Waiver supported employment, behavioral programming, and supported community living services, this is addressed in 441—IAC—77.39(2)“i” and “k” .	Supports	None	N/A
Federal Requirement: In provider-owned or controlled residential settings individuals may have visitors of their choosing at any time.			
State Rule	Determination	Action Needed	Timeline
No applicable rule found.	Silent	Rules will be amended to add this requirement.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.
Federal Requirement: In provider-owned or controlled residential settings the setting is physically accessible to the individual.			
State Rule	Determination	Action Needed	Timeline
No applicable rule found.	Silent	Rules will be amended to add this requirement.	Rulemaking process will be initiated by April 1, 2016 with projected effective date of January 1, 2017.

Overall conclusions: While many of the rules outlined above support the federal requirements, some of them are limited only to certain HCBS programs or certain HCBS services. In order to more fully support the intent of the settings regulation, Iowa has drafted changes to 441—IAC—77 to provide comprehensive direction applicable to all HCBS within the state. The draft rules are currently in review with the Iowa Attorney General’s office. When this review is complete, they will begin the formal rulemaking process, which includes a public comment period. The intent is to begin this process by April 1, 2016 with projected effective date of January 1, 2017.

For licensed facilities in which HCBS may be provided, the following survey and certification agency rules were reviewed. These rules are not under the purview of the Iowa Medicaid program and as such IME cannot directly make changes to these rules, but will make recommendations for changes to the survey and certification agency. The results shown here indicate whether the rule supported the federal regulations, conflicted with the federal regulations, or was silent in respect to the regulations.

Survey and Certification Administrative Rules Summary of Results	
Rule	Result
481—IAC—57 : Residential Care Facilities	Supports: rights to privacy, resident choice in service planning, choice in daily activities. Possible conflicts: discharge process may not offer protections equivalent to landlord tenant law, choice of roommate may be limited in certain situations, access to food at any time may be limited, access to visitors may be limited, daily schedules may be routinized.
481—IAC—62 : Residential Care Facilities for Persons with Mental Illness	Supports: service plan based on individual needs and preferences, services in least restrictive environment. Possible conflicts: discharge process may not offer protections equivalent to landlord tenant law, choice of roommate may be limited in certain situations, access to food at any time may be limited, access to visitors may be limited, daily schedules may be routinized.
481—IAC—63 : Residential Care Facilities for the Intellectually Disabled	Supports: service plan based on individual needs and preferences, services in least restrictive environment. Possible conflicts: discharge process may not offer protections equivalent to landlord tenant law, choice of roommate may be limited in certain situations, access to food at any time may be limited, access to visitors may be limited, daily schedules may be routinized.
481—IAC—69 : Assisted Living Programs	Supports: Occupancy agreement must conform to landlord tenant law, service plan based on individual needs and preferences, managed risk policies uphold autonomy, lockable doors on each unit.
481—IAC—70 : Adult Day Services	Possible conflicts

2.3.1.2 Policy Manuals

The HCBS provider manuals are maintained and updated by the Iowa Medicaid Enterprise. Updates occur when a change in the Iowa Administrative rules have been promulgated. The rules identified in section 2.3.1.1 Administrative Rules (above) have been reviewed to determine if the rules support or conflict with implementation of the HCBS setting requirements. When any rule change to the Iowa Administrative Code has been identified as needed to support the HCBS settings, the Provider Manual will be updated upon final promulgation of the rule. The HCBS provider manual is available on the IME website at: <https://dhs.iowa.gov/sites/default/files/HCBS.pdf>.

2.3.1.3 Other Standards

The only other identified standard is the Provider Agreement which is signed by every provider upon enrollment with the Iowa Medicaid program. The provider agreement does not directly support or conflict with the settings regulations; however, it does indirectly support the regulation in that it requires providers to comply with all applicable state and federal laws and regulations. The provider agreement is available on the IME website at:

https://dhs.iowa.gov/sites/default/files/470-2965%20Iowa%20Medicaid%20Provider%20Agreement%20General%20Terms_1.pdf

2.3.2: Systemic Assessment: Settings Analysis

As an initial step in assessing compliance, Iowa examined the settings associated with the services available in each of the state's HCBS programs in order to guide the state's approach to further assessment activities.

Rationale for determinations:

✓	Settings where these services provided fully comply with the regulation because the services by their nature are individualized, provided in the community or the member's private home, and allow full access to the broader community according to individual needs and preferences. Individuals choose which services and supports they receive and who provides them. Providers of these services will not undergo the site-specific assessment process.
?	Certain settings where these services are provided may require changes to fully comply with the regulation. Providers of these services will undergo the assessment process, and when necessary the remediation or heightened scrutiny processes.
	Service is not applicable for the HCBS program.

Results are indicated in the following chart:

Services by Program	AIDS/HIV	Brain Injury	Children's Mental Health	Elderly	Health & Disability	Intellectual Disability	Physical Disability	1915(i) Habilitation
Adaptive Devices			✓					
Adult Day Care	?	?		?	?	?	?	
Assistive Devices				✓				
Assisted Living				✓				
Behavioral Programming		?						
Case Management		✓		✓				✓
Chore				✓				
Financial Management Services (for Consumer Choices Option)	✓	✓		✓	✓	✓	✓	
Consumer Directed Attendant Care (Individual Provider)	✓	✓		✓	✓	✓	✓	
Consumer Directed Attendant Care (Agency or Assisted Living Provider)	?	?		?	?	?	?	
Counseling	?				?			
Day Habilitation						?		?
Emergency Response		✓		✓	✓	✓	✓	
Environmental Modifications			✓					
Family and Community Support			?					
Family Counseling & Training		?						
Home-Based Habilitation								?
Home Delivered Meals	✓			✓	✓			
Home Health Aide	✓			✓	✓	✓		

Homemaker	✓			✓	✓			
Home and Vehicle Modifications		✓		✓	✓	✓	✓	
In-home Family Therapy			✓					
Interim Medical Monitoring & Treatment		✓			✓	✓		
Mental Health Outreach				?				
Nursing	✓			✓	✓	✓		
Nutritional Counseling				✓	✓			
Prevocational Services		?				?		?
Respite	?	?	?	?	?	?		
Respite (provided in an institution per 42 CFR 441.301(c)(4)-(5))	✓	✓	✓	✓	✓	✓		
Senior Companion				✓				
Supported Community Living		?				?		
Specialized Medical Equipment		✓					✓	
Residential-Based Supported Community Living (for children)						?		
Supported Employment		✓				✓		✓
Therapeutic Resources			✓					
Transportation		✓		✓		✓	✓	

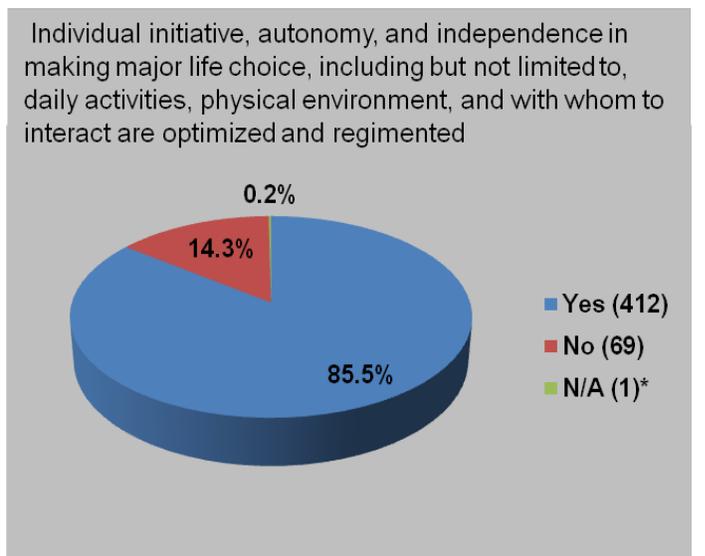
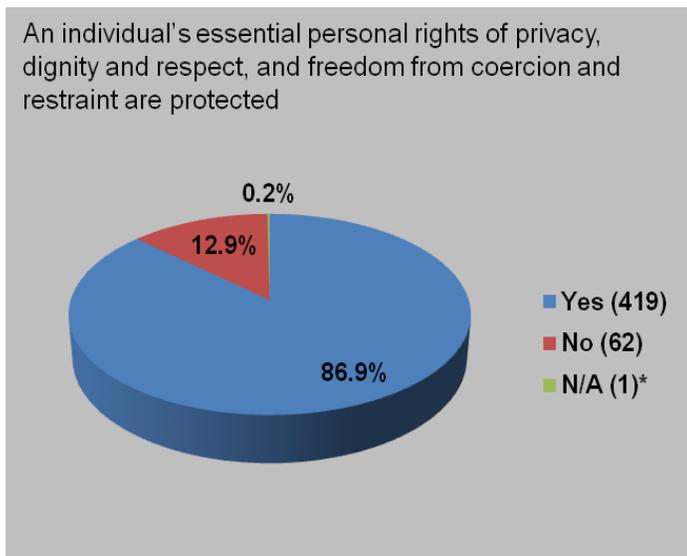
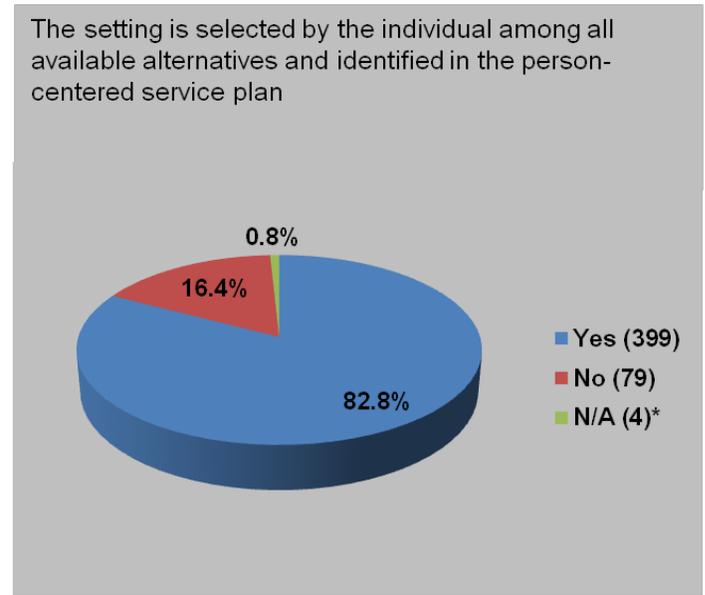
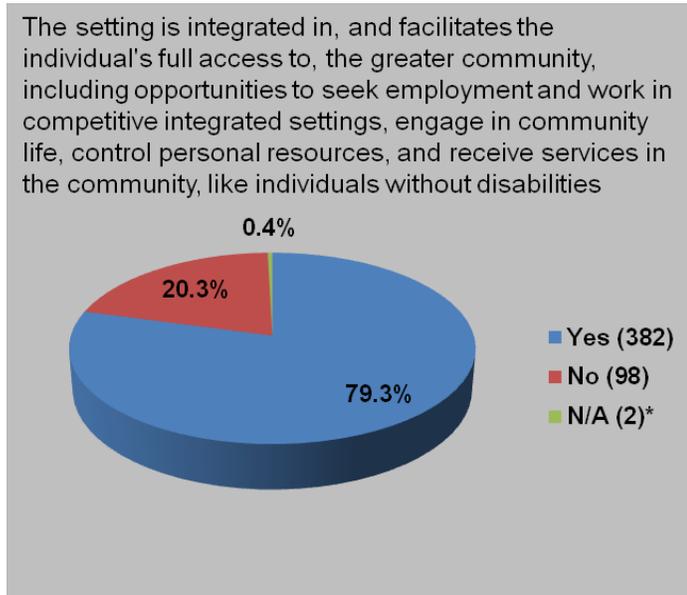
Regardless of classification in the above chart, any licensed facility in which an HCBS service is provided, will be evaluated using the method described in section 2.3.4.1 of this transition plan to determine whether the setting should be subject to the heightened scrutiny process.

2.3.3: Systemic Assessment: Preliminary Assessment Data

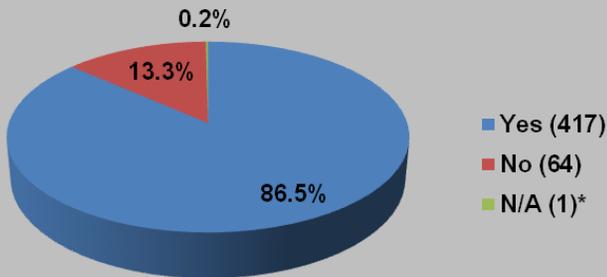
Iowa's initial version of the statewide transition plan included a provider self-assessment process and an onsite review process. These activities have been refined as described below in section 2.3.4 "Site-Specific Assessment Process"; however Iowa has been able to use information gathered through these preliminary processes to help describe the baseline level of compliance at a systemic level.

2.3.3.1: Preliminary Provider Self-Assessment Results

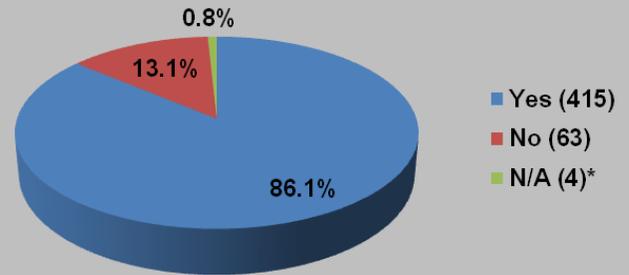
The following graphs present the results of the 2014 Provider Self-Assessment:



Individual choice regarding services and supports, and who provides them, is facilitated

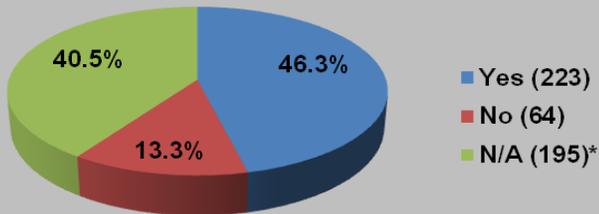


Any rights restriction (for example to address the safety needs of an individual with dementia) must be time limited, contain member's informed consent, supported by a specific assessed need and documented in the person-centered service plan

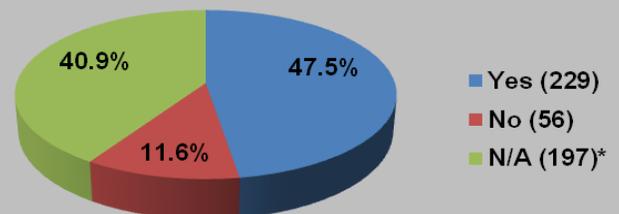


The following charts represent responses to questions that pertain only to provider owned or controlled settings. "Provider owned or controlled" was defined as: *a specific physical place that is owned, co-owned, and/or operated by a provider of HCBS. This includes residential settings in which a provider of HCBS is present on a 24 hour per day basis, and includes settings where a separate legal entity has been established by a provider for ownership, leasing, or management of the property.* Providers of services that occur in settings that are not provider owned or controlled answered these questions as "not applicable" (N/A).

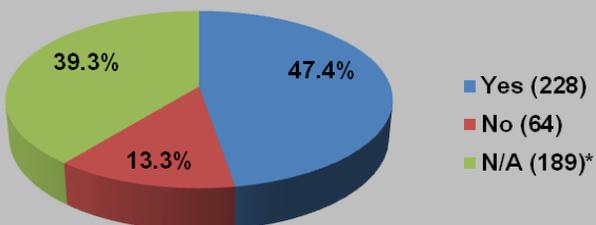
In a provider owned or provider controlled setting, each individual has privacy in their sleeping or living unit



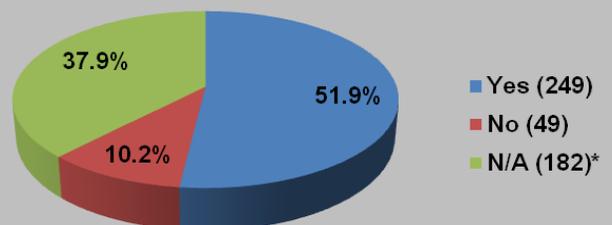
In a provider owned or provider controlled setting, individuals have the freedom and support to control their own schedules and activities, and have access to food at any time



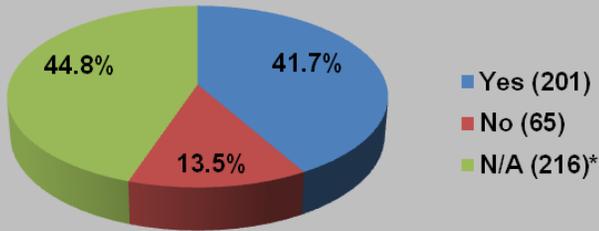
In a provider owned or provider controlled setting, individuals are able to have visitors of their choosing at any time



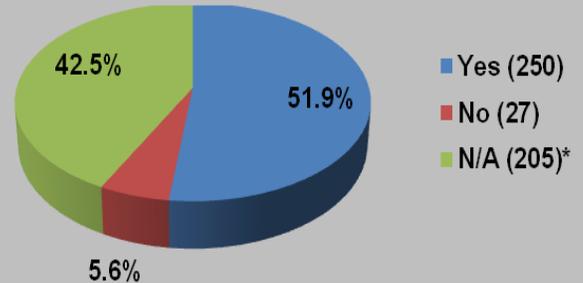
In a provider owned or provider controlled setting, the setting is physically accessible to the individual



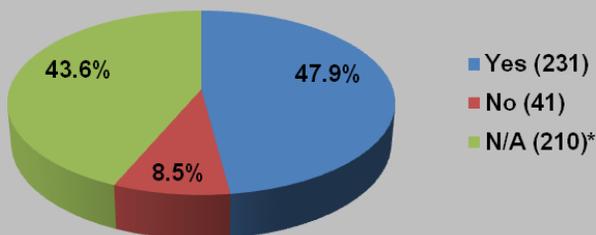
In a provider owned or provider controlled setting, individuals sharing units have a choice of roommates in that setting



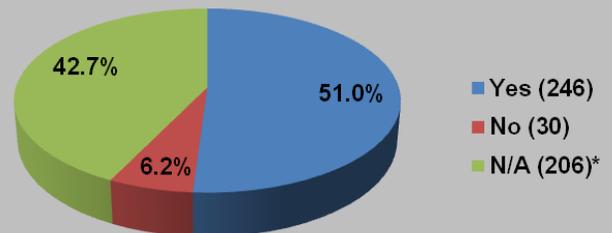
In a provider owned or provider controlled home individuals have the freedom to furnish and decorate their sleeping or living units within the lease or other agreement



Provider owned or provider controlled home is a specific physical place that can be owned, rented, or occupied under a legally enforceable agreement by the individual receiving services, and the individual has, at a minimum, the same responsibilities and protections from eviction that the tenants have under the landlord/tenant laws of the state, county, city, or other designated entity



Provider owned or provider controlled home has entrance doors lockable by the individual, with only appropriate staff having keys to doors

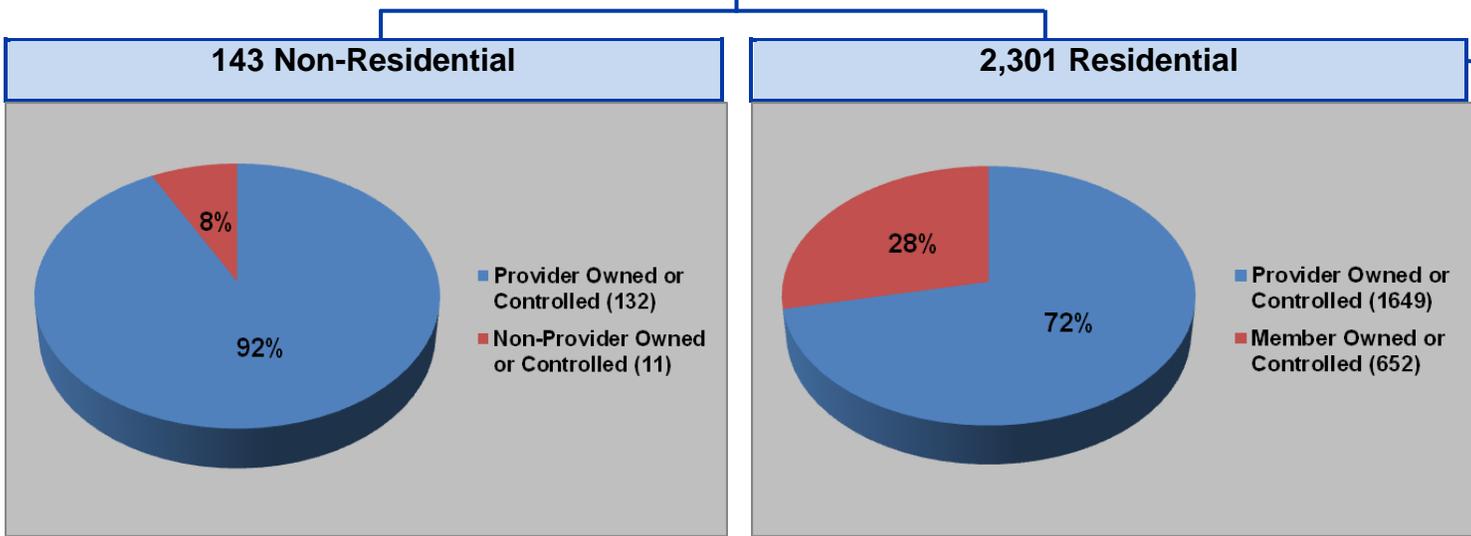


These preliminary provider self-assessment results indicate that the number of settings that are noncompliant with the regulation ranges from approximately 5% to 20% depending on the specific requirement. Results for the majority of questions (9 out of 14) indicate a noncompliance level of 10% to 15% of settings.

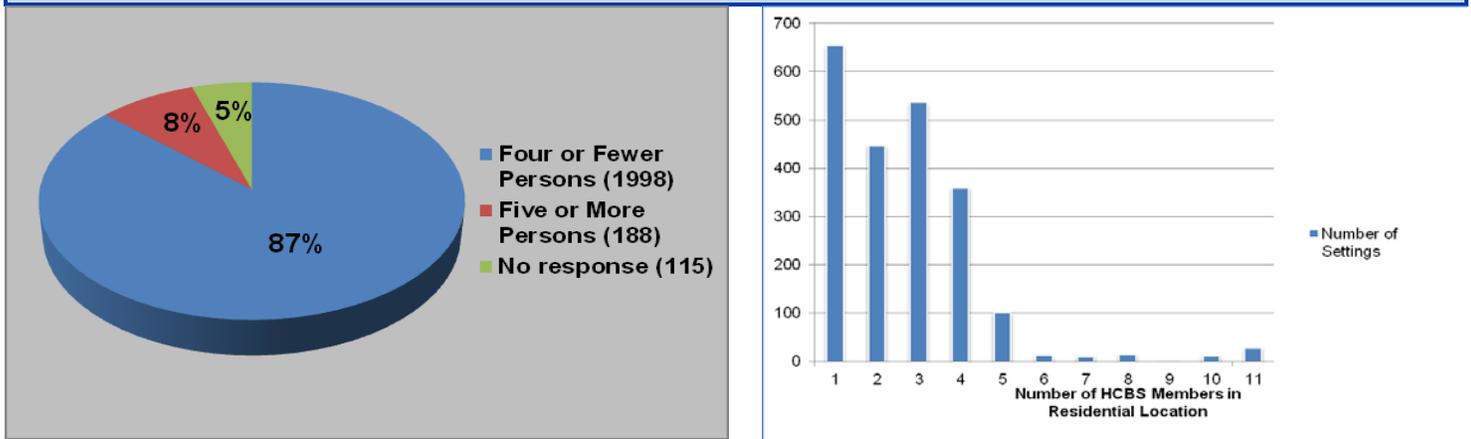
Any providers with a response of “no” on any of the above questions were instructed to submit a corrective action plan (CAP) to address the issue. Because CAPs submitted by providers often combined issues related to the settings regulation with other issues requiring a CAP, the state was unable to obtain data on the number of CAPs received specifically related to HCBS settings noncompliance. Iowa is revising its data tracking procedures in order to explicitly identify CAPs related to settings issues, and will collect this data as described in the remediation activities in Section 2.3.5 of this transition plan.

The 2014 Provider Self-Assessment asked providers to identify all specific settings in which HCBS was being provided. These locations were compiled and yielded the following information.

2,444 HCBS Sites Reported



Number of HCBS Members per Residential Location



Types of housing reported for members in settings that were member owned or controlled included houses, townhouses, condominiums, duplexes, and apartments.

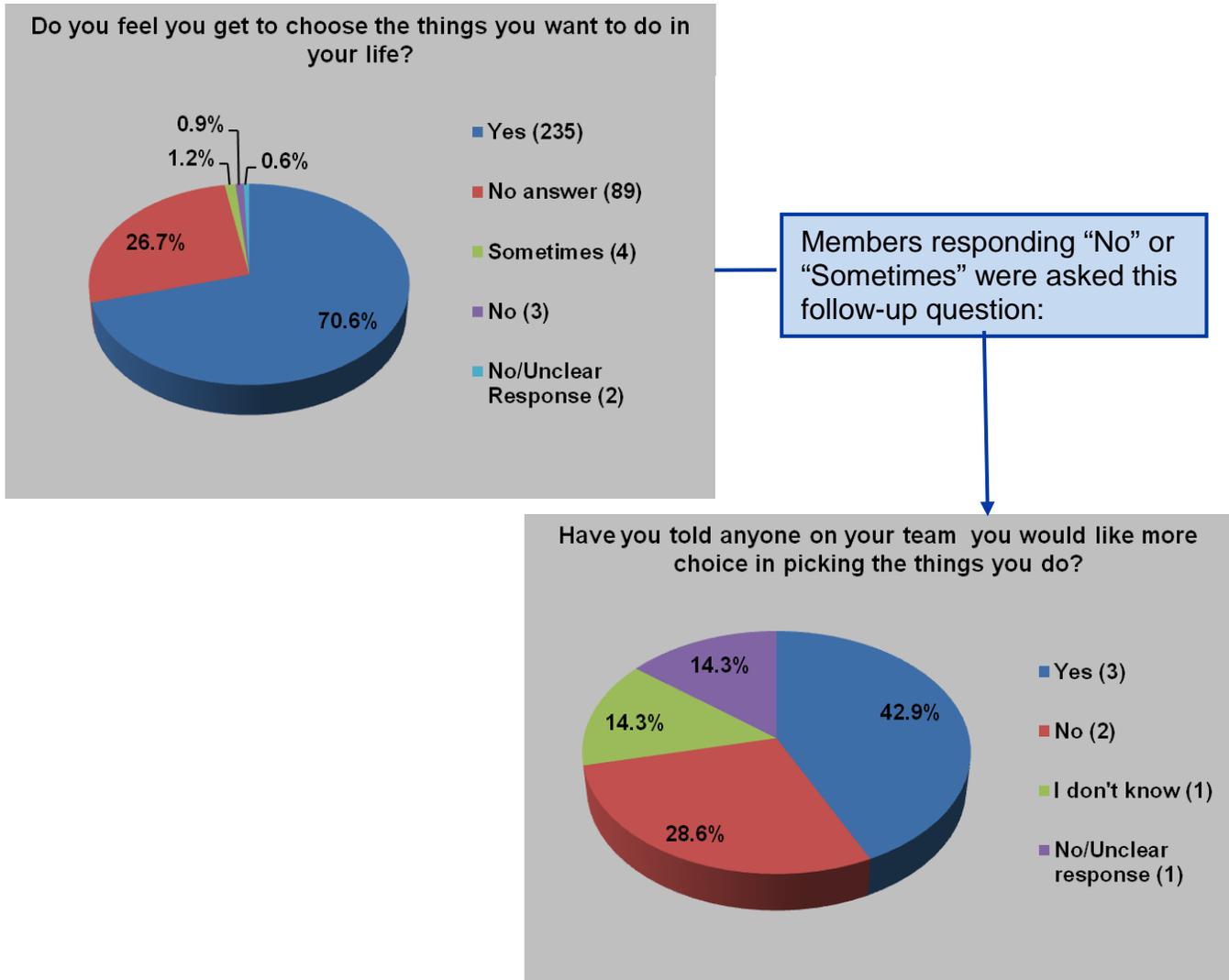
Types of housing reported for members in provider owned or controlled settings included houses, townhouses, condominiums, duplexes, triplexes, apartments, senior housing, and RCF or assisted living.

The complete listing of settings is provided in Appendix A of this transition plan. Street addresses and contact information has been removed to assure privacy of individuals receiving HCBS.

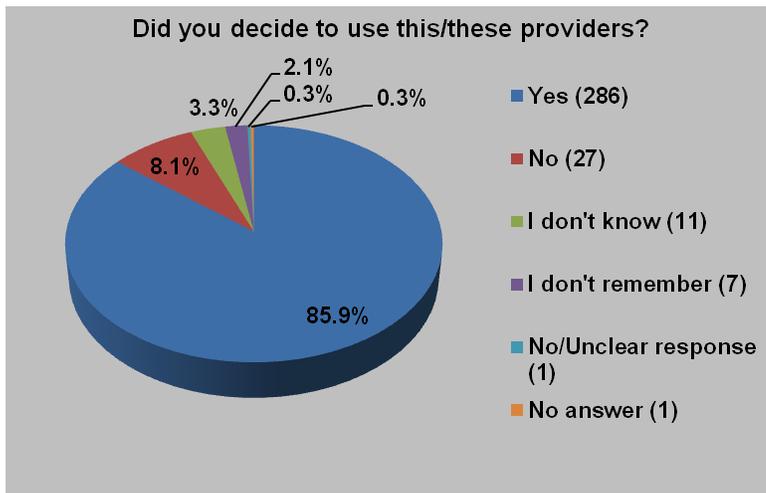
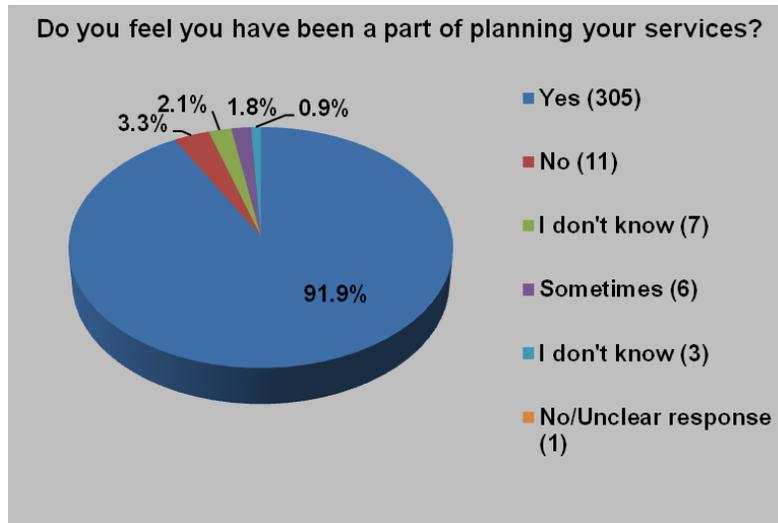
2.3.3.2 Preliminary Iowa Participant Experience Survey (IPES) results

Iowa's initial version of the statewide transition plan included monitoring of the IPES survey results to flag any member experience that is not consistent with the HCBS settings regulations. This activity has been refined as described below in section 2.3.4 "Site-Specific Assessment Process"; however Iowa has been able to use information gathered through this preliminary process to help describe the baseline level of compliance at a systemic level. The following data is from IPES surveys conducted between July 1, 2014 and June 30, 2015.

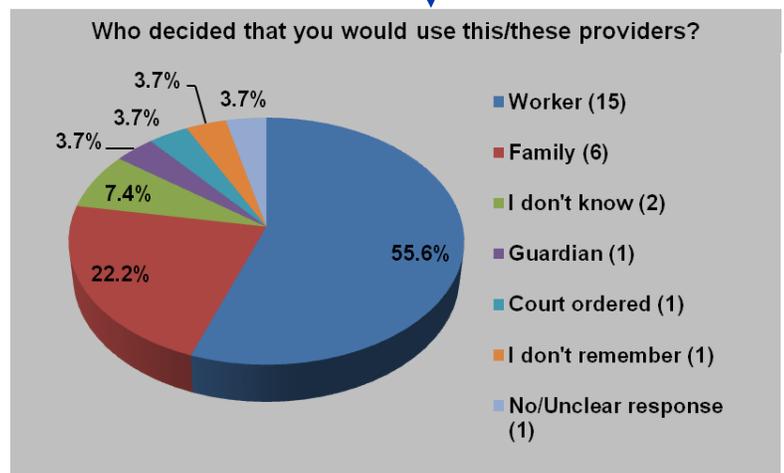
The following results pertain to questions centering on individual initiative, autonomy, and independence in making life choices.

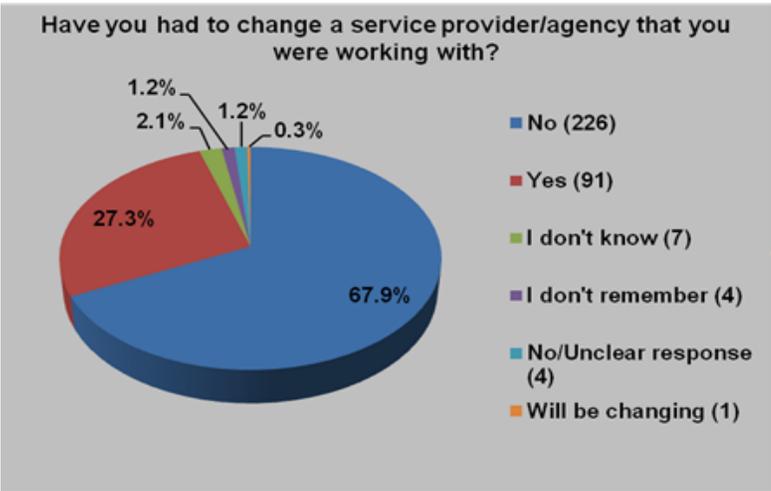
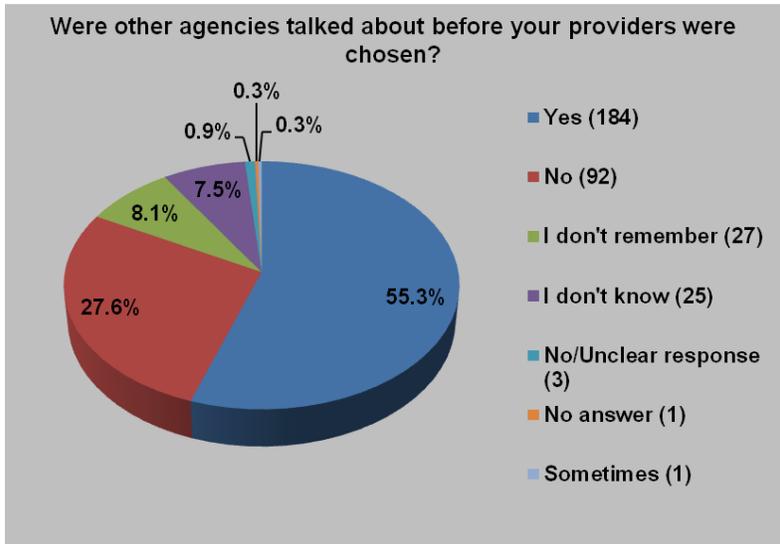


The following results pertain to questions centering on choice of services and providers.

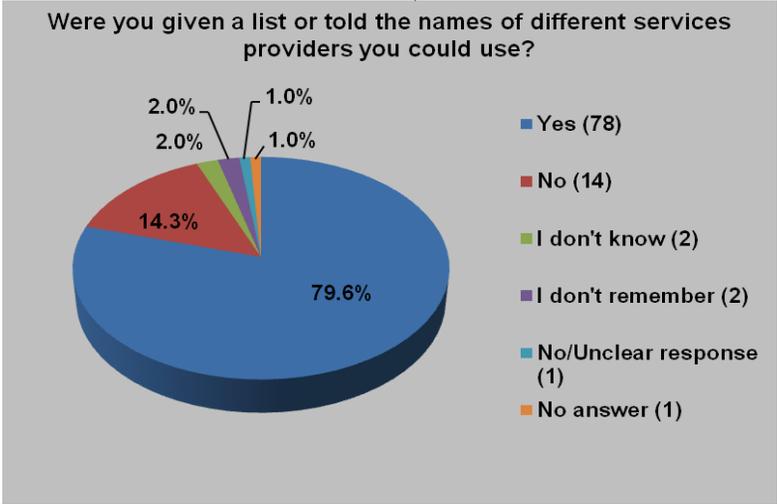


Members responding "No" were asked this follow-up question:

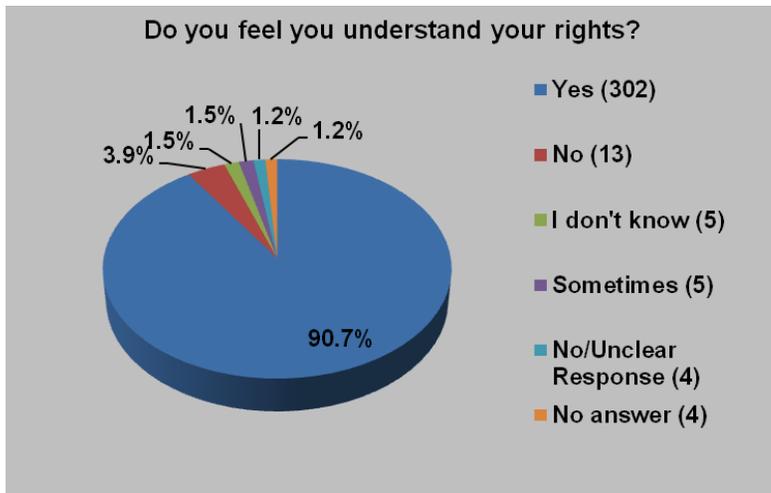




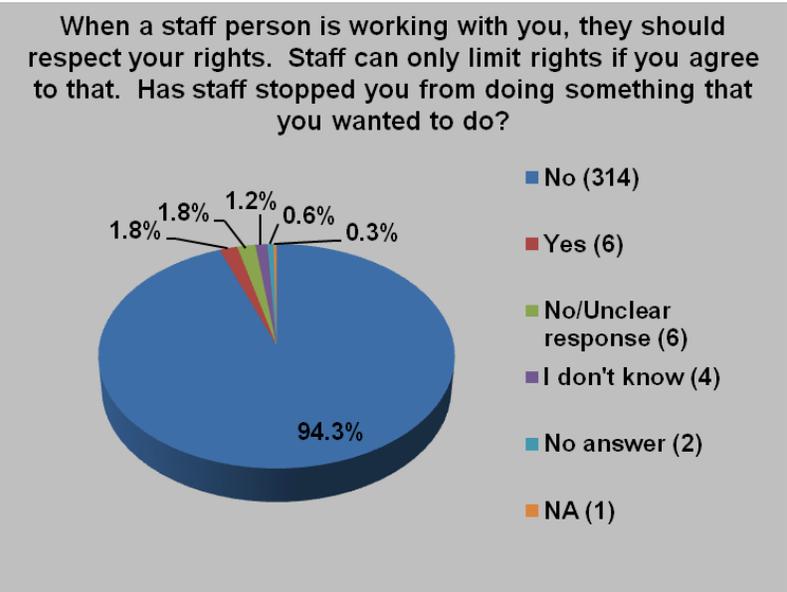
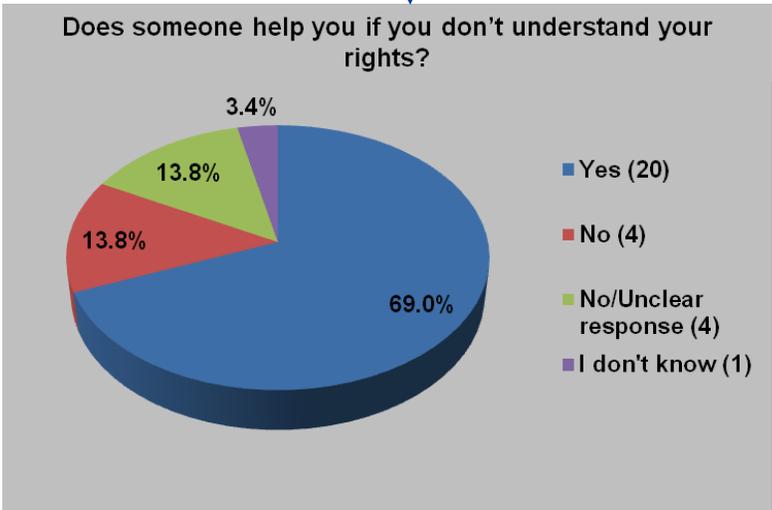
Members responding "Yes" or "I Don't Know" were asked this follow-up question:

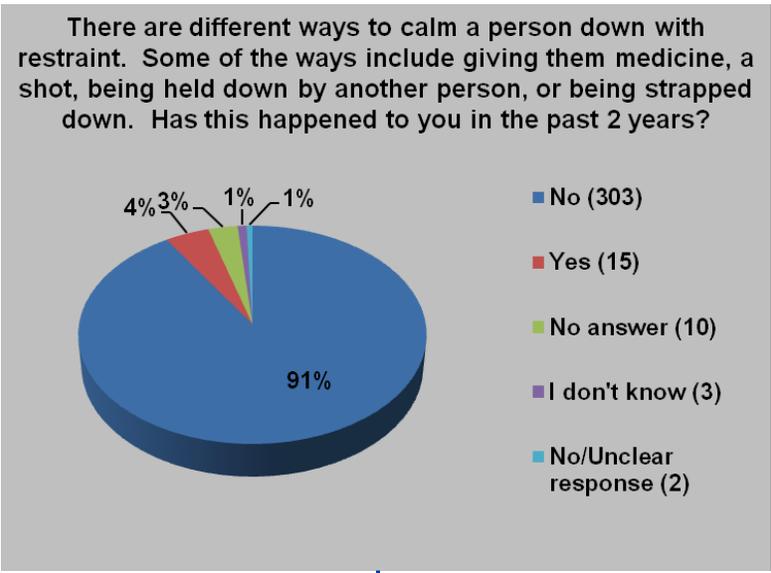


The following results pertain to questions centering on individual rights of privacy, dignity, respect, and freedom from coercion and restraint.

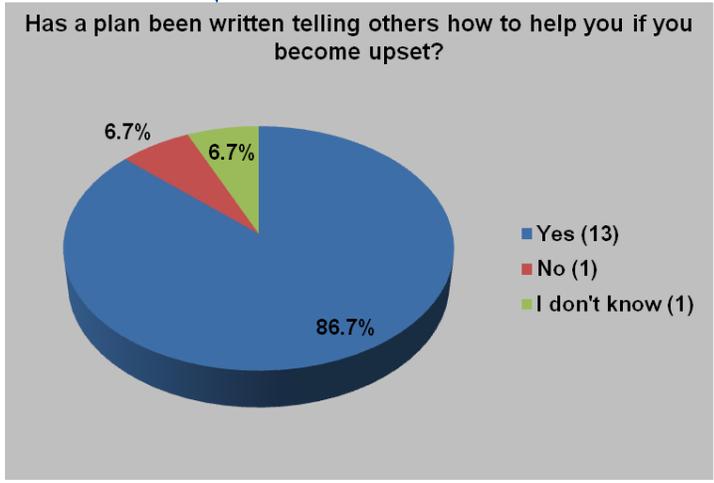
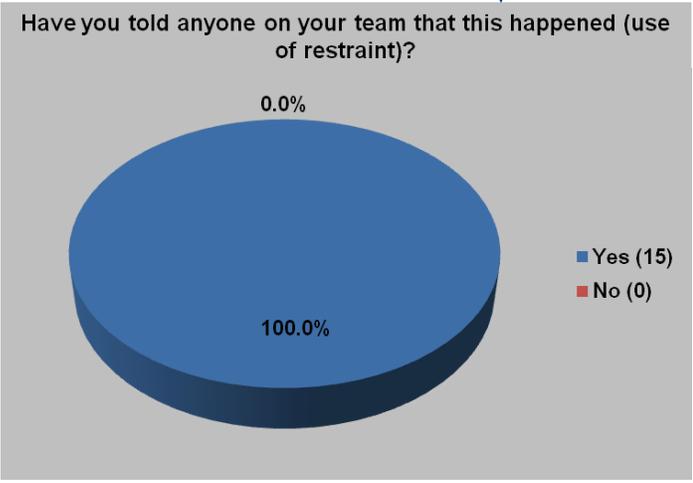


Members responding anything other than "Yes" were asked this follow-up question:





Members responding "Yes" were asked these follow-up questions:



These preliminary IPES results indicate that the majority of members receiving HCBS feel that they have choice in the direction of their lives and in the services and providers they use. Results also indicate that a large majority of members feel that they know their rights and that their rights are respected. The IPES is constructed such that for certain items where a member's response indicates a negative impact for the member, the response is flagged for follow-up by the member's case manager.

These responses represent an aggregate baseline for Iowa. The state will continue to use IPES results on an individual member basis, combined with results from other assessment activities as described in Section 2.3.4 of this transition plan, to ensure compliance with the regulations.

2.3.4: Site-Specific Assessment Process

Iowa's original statewide transition plan submission included an assessment process that leveraged the state's existing HCBS quality assurance processes which utilize an ongoing cycle of discovery, remediation, and improvement. As such, the state did not plan to perform a one-time statewide assessment which would result in a point-in-time list of settings that were compliant or non-compliant. Iowa has already begun assessment activities using this approach.

However, guidance and feedback from CMS clearly indicates that there is an expectation for a point-in-time approach that should result in a classification of all settings into the categories of settings that are compliant; settings that may be compliant and with changes will comply; settings presumed to have institutional qualities but may be submitted for heightened scrutiny; and settings that do not comply.

As such, the statewide transition plan has been modified to take a hybrid approach to assessment. The information gained from assessment activities that have already begun will be used as a preliminary step in determining the state's baseline level of compliance, and to inform planning for ongoing activities. In this new approach, the provider self-assessment will still serve as a starting point, but new assessment activities have been added to the plan, in which additional assessments will be completed by the state's HCBS Quality Assurance Unit and by community-based case managers working through the state-contracted MCOs. These new activities will be completed by December 31, 2016, and will give the state a final baseline from which to work on remediation activities. Additionally, settings compliance will remain as a part of our ongoing quality assurance processes up to and beyond the March 17, 2019 transition deadline, to assure that providers who were in compliance will continue to meet the requirements on an ongoing basis, as the state currently does for other state and federal requirements.

Assessment activities are outlined as follows:

ID	Activity	Description	Start Date	End Date
1	Issue Guidance for Providers	The State released the "Iowa Exploratory Questions for Assessment of HCBS Settings" document to assist providers in identifying the expected characteristics of HCBS.	10/1/2014	10/14/2014
2	2014 Provider Self-Assessment	<p>The state modified the existing Provider Quality Management Self-Assessment to:</p> <ol style="list-style-type: none">1) Identify HCBS sites2) Gather preliminary information from providers regarding compliance with settings regulations. <p>The 2014 self-assessment was released to providers on 10/1/2014 and was due back to the state on 12/1/2014. The state considers this a preliminary assessment activity to assist the state in determining a baseline level of compliance.</p>	10/1/2014	6/30/2015

		<p>Compilation of results was completed in June 2015, and is presented in Section 2.3.3 of this transition plan.</p> <p>Validation of results was done via a qualitative follow-up (described in activity #3) and by on-site assessments (described in activities #8, #9, and #12 below).</p>		
3	Provider Self-Assessment Qualitative Validation	A survey was sent to 96 randomly chosen HCBS providers to follow up on responses provided on the 2014 Self-Assessment. Responses were received from 57 providers. The survey asked providers to give additional qualitative information to demonstrate practices they have implemented to meet the settings regulations. Responses were analyzed to determine best practices.	5/1/2015	7/31/2015
4	Provider Stakeholder Group	<p>While the federal settings regulations are very specific about certain requirements for provider owned or controlled residential settings, the regulations are much less specific in regard to other settings. Additionally, guidance from CMS has not provided in-depth information about the outcome of integration for members.</p> <p>A representative group of providers was convened to participate in a collaborative effort to clarify expectations for community integration. Providers were chosen to include a variety of services which are provided in various settings, including licensed, non-licensed, residential, and non-residential settings. A series of three focus group meetings and one phone conference were held to provide the opportunity for providers to discuss how integration is can be achieved and documented in each of these settings. From these meetings, the group developed four indicators of integrated settings and service delivery. Each indicator identifies examples of evidence that providers could gather to support the settings used in service delivery. See summary information below.</p>	9/1/2015	12/31/2015
5	Preliminary Onsite Assessment by HCBS Quality Oversight Unit	<p>The HCBS settings standards were incorporated into the review tools used by the HCBS Quality Oversight Unit for on-site reviews. During the onsite review, the HCBS Specialist validates the provider's responses from the self-assessment. Any standards that are found to be deficient require a corrective action plan (CAP) as detailed in section 2.3.5 of this transition plan.</p> <p>Certification reviews are done at enrollment for new providers and at one-year or three-year intervals for existing providers. For periodic reviews, every provider has an onsite review once during a five-year period. For focused reviews, a random selection of providers is taken such that all providers will be reviewed during a five-year cycle. Targeted reviews are done as the result of a complaint</p>	12/1/2014	6/30/2016

		made to the IME about a provider, so any time an HCBS Specialist is onsite for a complaint investigation, there may also be findings related to the settings regulation. Additionally, any time a plan of correction is required, the IME may choose to do a follow-up onsite review. With this review cycle, approximately 40% of HCBS providers will have an onsite review in any given year.		
6	2015 HCBS Provider Self-Assessment	<p>The Provider Quality Management Self-Assessment was revised to capture new HCBS sites that became operational after the 2014 self-assessment, and to identify sites that may require heightened scrutiny because the location is:</p> <ol style="list-style-type: none"> 1) In a publicly- or privately owned facility that provides inpatient treatment; or 2) On the grounds of, or immediately adjacent to, a public institution; or 3) Has the effect of isolating individuals receiving Medicaid-funded HCBS from the broader community of individuals not receiving Medicaid-funded HCBS. <p>The self-assessment was released to providers on 10/1/2015 and was due back to the state on 12/1/2015. Compilation of results is currently underway.</p> <p>Compliance will not be determined solely by self-assessment responses. Validation of results will be done through the onsite assessment processes (described in activities #8, #9, and #12 below).</p>	9/1/2015	6/30/2016
7	Onsite Assessment Training for MCO Community-Based Case Managers	Training for Community-Based Case Managers employed by the state's contracted MCOs will be provided to educate the case managers on the federal settings regulation, Iowa's statewide transition plan, and the specific tools and processes they will use in conducting the onsite assessments (described in activity #9 below).	6/1/2016	6/30/2016
8	Onsite Assessment by HCBS Quality Oversight Unit	<p>Settings compliance is assessed during all reviews by the HCBS Quality Oversight Unit. In addition to the normal scheduled reviews, HCBS specialists will perform focused reviews of non-residential HCBS providers. Providers will be randomly selected based on a statistically valid sample of members taken at the 95% confidence level.</p> <p>During the onsite review, the HCBS Specialist validates the provider's responses from the self-assessment. Any standards that are found to be deficient require a corrective action plan (CAP) as detailed in section 2.3.5 of this transition plan.</p>	7/1/2016	12/31/2016

9	Onsite Assessment by MCO Community-Based Case Managers	<p>Community-based case managers from Iowa's four <u>three</u> MCOs will perform onsite reviews of residential HCBS providers. Providers will be randomly selected based on a statistically valid sample of members taken at the 95% confidence level.</p> <p>During the onsite review, the community-based case manager assesses compliance based on a checklist provided by the state. Any standards that are found to be deficient require a corrective action plan (CAP) as detailed in section 2.3.5 of this transition plan.</p>	7/1/2016	12/31/2016
10	Update of Statewide Transition Plan	<p>Based on the results of the onsite assessments, the state will classify all settings into the categories of settings that are compliant; settings that may be compliant and with changes will comply; settings presumed to have institutional qualities but may be submitted for heightened scrutiny; and settings that do not comply. The state will update the statewide transition plan to reflect the assessment results, to make any modifications that may be necessary based on the results, and to allow for additional public comments.</p>	1/1/2017	6/30/2017
11	2016 and Ongoing Provider Self-Assessment	<p>The self-assessment will be released to providers annually on October 1 and will be due back to the state on December 1. If a provider does not submit the self-assessment, the HCBS Quality Assurance unit will make a follow-up contact to attempt to obtain the self-assessment. If the provider still does not comply, a referral will be made to the IME Program Integrity unit. The Program Integrity unit may sanction the provider as allowed under Iowa Administrative Code 441—79.2. Validation of results will be done through the ongoing onsite assessment processes (described in activity #12 below).</p>	10/1/2016	12/31/2018
12	Ongoing onsite assessments	<p>Assessment of compliance will remain as a part of the state's ongoing quality assurance process through the end of 2018, to assure that providers will continue to meet the requirements on an ongoing basis. Assessment for ongoing monitoring beyond 2018 is addressed below in Section 2.3.6 of this transition plan. During the onsite review, the HCBS Specialist validates the provider's responses from the most recent self-assessment. Any standards that are found to be deficient require a corrective action plan (CAP) as detailed in section 2.3.5 of this transition plan.</p> <p>Certification reviews are done at enrollment for new providers and at one-year or three-year intervals for existing providers. For periodic reviews, every provider has an onsite review once during a five-year period. For focused reviews, a random selection of providers is taken such that all providers will be reviewed during a five-year cycle. Targeted reviews are done as the result of a complaint</p>	1/1/2017	6/30/2018

		made to the IME about a provider, so any time an HCBS Specialist is onsite for a complaint investigation, there may also be findings related to the settings regulation. Additionally, any time a CAP is required, the IME may choose to do a follow-up onsite review. With this review cycle, approximately 40% of HCBS providers will have an onsite review in any given year.		
13	Iowa Participant Experience Survey (IPES)	The IPES is a customized version of the Participant Experience Survey (PES) tools developed by CMS for use with HCBS programs. The IPES is conducted by HCBS Specialists from the HCBS Quality Assurance unit at the IME. Contact is made with the member's case manager prior to completion of the survey, and with the member at the time of scheduling, both of which provide opportunities to alert the HCBS Specialist of any assistance or accommodations that may be needed. The IPES interview is conducted in-person or by phone at the place and time of the member's choosing. If the member is unable to participate, a family member can be designated to respond on behalf of the member, however member participation is strongly encouraged. The IPES files (MS Word documents) are available on the department website at: http://dhs.iowa.gov/sites/default/files/IPES%20Tools.zip . The state will continue to monitor IPES results to flag any member experience that is not consistent with assuring control over choices and community access. Any results flagged as such will require follow-up by the case manager.	12/1/2014	12/31/2018
14	Ongoing information, updates and announcements	Ongoing updates and information about the implementation of the Iowa statewide transition plan will be available on the department website at: http://dhs.iowa.gov/ime/about/initiatives/HCBS .	4/1/16	3/17/19
15	Ongoing stakeholder input from members, families, advocates, providers and other interested parties.	The department shall seek stakeholder input and feedback on the implementation of the statewide. At a minimum, the department shall provide opportunity for stakeholder input every six months through statewide webinars, focus groups or other means of input	4/1/16	12/31/18

As follow up to the HCBS Settings survey (ID # 3 above) sent to providers, a focus group of providers and HCBS Quality Assurance staff was gathered for three meetings and one conference call (ID #4). The intent of the focus group was to gather input from HCBS providers and HCBS Quality Oversight staff and to develop a set of indicators that identify what services would look like in HCBS settings. The outcome of this focus group was the creation of four indicators for use by providers and quality oversight staff for development, provision, and oversight of HCBS services to assist providers to meet HCBS Settings requirements. Examples of

evidence to support the implementation of the indicators were also developed. These draft indicators will receive additional stakeholder input from members and advocates prior to implementation.

Final Draft of Indicators:

- The majority of members receive most of their services in a setting that supports access to, and facilitates integration with the greater community within and outside the setting.
 - Evidence: Quality Assurance plan including QA activities to measure ongoing remediation and improvement on settings requirements, member/stakeholder experience interviews, member preference/needs assessment from service plan, daily service documentation
- Services provide choices and options to optimize autonomy in the member's daily routine.
 - Evidence: Member input in choice in time, location, type, and duration of services; service plan, IDT meeting minutes, member/stakeholder experience interviews, daily service documentation, staffing schedules
- Setting provides opportunities for meaningful and purposeful activities which facilitate personal growth and maintenance of skills, abilities, and desires.
 - Evidence: Member needs assessments, daily service documentation, service plan, member/stakeholder experience interviews, monthly or quarterly summary, IDT meeting minutes
- Members have the opportunity and support to access and manage personal resources.
 - Evidence: Member needs assessments, daily service documentation, service plan, member/stakeholder experience interviews, monthly or quarterly summary, IDT meeting minutes, receipts or spending ledgers, bills, leases, location of personal resources in member's home

2.3.4.1: Heightened Scrutiny

The federal regulation sets out certain settings that are presumed to be institutional in nature, unless it is shown through a heightened scrutiny process that the setting has the qualities of HCBS rather than those of an institution. This presumption includes any setting that is:

- Located in a building that is also a publicly or privately operated facility that provides inpatient institutional treatment;
- In a building on the grounds of, or immediately adjacent to, a public institution; or
- Any other setting that has the effect of isolating individuals receiving Medicaid HCBS from the broader community of individuals not receiving Medicaid HCBS.

For the purpose of Iowa’s analysis, a facility that provides inpatient institutional treatment is defined as a facility that is statutorily excluded from providing HCBS services by the HCBS settings regulation (hospitals, nursing facilities, ICF/IDs, and IMDs).

For the definition of a public institution, Iowa will rely on the sub-regulatory guidance published with the settings regulations, in which CMS discusses the definition of a public institution:

“the term public institution is already defined in Medicaid regulations for purposes of determining the availability of Federal Financial Participation (FFP). Section 435.1010, specifies that the term public institution means an institution that is the responsibility of a governmental unit or over which a governmental unit exercises administrative control. *Medical institutions, intermediate care facilities, child care institutions and publicly operated community residences are not included in the definition, nor does the term apply to universities, public libraries or other similar settings.*” (emphasis added)

Unless CMS indicates otherwise, Iowa will operate under the assumption that correctional facilities are also excluded from this definition.

ID	Activity	Description	Start Date	End Date
1	Data Matching	<p>Iowa will utilize data matching techniques to compare HCBS site locations with licensed institution locations. Because Iowa Medicaid provider information typically contains provider office locations rather than actual sites of service, the state will use HCBS site locations obtained through the provider self-assessment and institutional data from the state survey and certification agency, the Iowa Department of Inspections and Appeals.</p> <p>To explore potential settings that are located in a building that is also a publicly or privately operated facility that provides inpatient institutional treatment, the state will compare street addresses of HCBS sites to those of licensed hospitals, ICF/IDs, and nursing facilities/skilled nursing facilities. Because many assisted living sites provide HCBS, the state will also compare addresses of licensed assisted living sites of more than 5 beds with addresses of nursing facilities to determine if any are located in the same building.</p>	2/1/2016	6/30/2016

		<p>To explore potential settings that are located in a building on the grounds of or immediately adjacent to a public institution, the state will compare street addresses of HCBS sites to addresses of the two state-run ICF/ID facilities (Woodward Resource Center and Glenwood Resource Center) and the two state-run psychiatric hospitals (Cherokee Mental Health Institute and Independence Mental Health Institute), which are the only institutions in the state that appear to fall under the public institution definition noted above. Any addresses that are a close match but are not exact will be mapped to determine if they are adjacent.</p> <p>To explore other settings that may have the effect of isolating individuals receiving Medicaid HCBS from the broader community, the state will compare addresses for Residential Care Facilities (RCFs) of more than 5 beds with addresses for HCBS sites. RCFs are not considered inpatient institutions; however, with any setting that congregates a large number of people with disabilities in one location there is increased risk that the location may have some of the qualities of an institution.</p> <p>Any other settings found through the assessment process described in section 2.3.4 of the transition plan to be potentially isolating, will also be subject to the heightened scrutiny process.</p>		
2	State Determinations	<p>Any locations identified through data matching as potentially be subject to heightened scrutiny will be evaluated by the state to determine whether the setting has the qualities of HCBS.</p> <p>The state will do onsite assessments at each identified location. These assessments will be performed by the HCBS Quality Oversight Unit or by MCO Community-Based Case Managers. The results of the onsite assessment will be reviewed by state HCBS policy staff who will determine whether or not the setting has the qualities of HCBS.</p>	7/1/2016	12/31/2016
3	Submission of Evidence for Heightened Scrutiny	<p>The state will update the statewide transition plan to reflect the state determinations, to make any modifications that may be necessary based on the results, and to allow for additional public comments.</p> <p>For any setting which the state determines has the qualities of HCBS, the state will submit to CMS all available evidence to demonstrate how the setting is compliant with the settings regulation.</p>	1/1/2017	6/30/2018

		For any setting which the state determines does not currently have the qualities of HCBS but is likely to be compliant with remediation, the state will require the provider(s) of services in that setting to submit a corrective action plan (CAP) as described below in remediation activity #3 in section 2.3.5 of this transition plan, and the state will submit to CMS all available evidence to demonstrate how the setting will become compliant with the settings regulation.		
4	Member Transitions to Compliant Settings	For any setting which the state determines does not have the qualities of HCBS and which is cannot be remediated, the state will ensure that members are transitioned to settings meeting HCBS settings requirements using the process described below in remediation activity #7 in section 2.3.5 of this transition plan.	1/1/2017	6/30/2018

2.3.5: Site-Specific Assessment Outcomes (Remediation)

Iowa’s remediation process capitalizes on existing HCBS quality assurance processes including identification of remediation strategies for each identified issue, and ongoing review of remediation status and compliance. The state may also prescribe certain requirements for providers to become compliant. Providers that fail to remediate noncompliant settings timely may be subject to sanctions ranging from probation to termination.

Remediation activities are outlined as follows:

ID	Activity	Description	Start Date	End Date
1	Initial Public and Provider Education and Resources	<p>The state has undertaken various activities to assist the public and providers in understanding the federal settings regulations since the earliest draft of the transition plan. These activities have included:</p> <ul style="list-style-type: none"> • A webpage dedicated to the topic was published on the IME website (http://dhs.iowa.gov/ime/about/initiatives/HCBS), which includes links to information from outside sources such as CMS, the National Senior Citizen’s Law Center, and HCBSAdvocacy.org • A white paper was published to give an overview of the regulations and their impact on Iowa • Stakeholder forums were conducted in six locations across the state in May 2014, with additional forums by webinar in November 2014. Slides from these presentations are available on the website. • As guidance for providers, the state published an Iowa-specific version of the “exploratory questions for assessing settings” document and an Iowa-specific version of the “settings that isolate” document. 	4/1/2014	11/30/2014

2	Provider Assessment Findings	The state will present each provider with the results of the assessment of their HCBS settings as findings occur throughout the assessment process outlined in section 2.3.4 of this transition plan.	12/1/2014	6/30/2018
3	Provider Individual Remediation	<p>When a setting is found to be out of compliance at any point in the assessment process outlined in section 2.3.4 of this transition plan, the HCBS providers will submit a corrective action plan (CAP) for any settings that require remediation. The CAP will provide detail about the milestones to be met to remediate issues, the specific timelines for compliance, and the provider's monitoring process to be used to ensure milestones and timelines are met. The state will review the CAP and may accept it or may ask for changes. State review of CAPs will consider the scope of the transition to be achieved and the unique circumstances related to the setting in question and will allow reasonable timeframes for providers to come into compliance. If a provider's CAP does not address an issue, or does not adequately address an issue, the state may prescribe the remediation requirements necessary to become compliant.</p> <p>Providers will be required to submit periodic status updates on remediation progress. Providers who are unable to meet the milestones outlined in their CAP may be subject to additional CAPs or may be sanctioned (as described in activity #7 below)</p> <p>Locations presumed to be non-HCBS but which are found to have the qualities of HCBS will be submitted to CMS for heightened scrutiny review as described in section 2.3.4.1 of this transition plan.</p>	12/1/2014	12/31/2018
4	Onsite Compliance Reviews	<p>The state will review remediation status updates submitted by providers as required by their CAP. Validation of reports from providers will be done by conducting onsite reviews to monitor compliance. Onsite compliance reviews may be done during the remediation process or following completion of the remediation timelines outlined in the CAP.</p> <p>Onsite compliance reviews occurring during the remediation process will follow the normal HCBS quality assurance review cycle. Recertification reviews are done at one-year or three-year intervals. For periodic reviews, every provider has an onsite review once during a five-year period. For focused reviews, a random selection of providers is taken such that all providers will be reviewed during a five-year cycle. Targeted reviews are done as the result of a complaint made to the IME about a provider, so any time an HCBS Specialist is onsite for a complaint investigation, review of issues related to the settings regulation may</p>	12/1/2014	12/31/2018

		<p>be included. With this review cycle, approximately 40% of HCBS providers will have an onsite compliance review in any given year.</p> <p>Providers who are unable to meet the milestones outlined in their CAP may be subject to additional CAPs or may be sanctioned (as described in activity #7 below)</p>		
5	Data Collection	<p>The state will collect data from assessments and compliance reviews conducted by the HCBS quality assurance unit and the state-contracted MCOs. Data collected will include assessment findings, CAPs issued, and remediation status. This data will be used to track the status of compliance efforts for each identified setting.</p>	12/1/2014	3/16/2019
6	Provider Sanctions	<p>The state will sanction providers that have failed to comply with the settings regulation. This will include providers who:</p> <ul style="list-style-type: none"> • Refuse to cooperate with any assessment or remediation activities outlined in this transition plan • Fail to correct any deficiency related to the settings regulation after receiving notice from the IME. This includes but is not limited to providers who fail to submit a CAP, fail to remediate deficiencies in a timely manner as described in the CAP, or fail to remediate all identified deficiencies as described in the CAP. <p>Possible sanctions include:</p> <ul style="list-style-type: none"> • A term of probation for participation in the medical assistance program. • Suspension of payments in whole or in part. • Suspension from participation in the medical assistance program. • Termination from participation in the medical assistance program. • Additional sanctions as described in 441—IAC—79.2 	12/1/2014	3/16/2019
7	Member Transitions to Compliant Settings	<p>To date, preliminary assessment activities have not identified any settings in which relocation of members will be necessary. In the event that the state determines that a setting cannot be remediated, alternate funding sources will need to be secured for members choosing to remain in the setting. For members who choose to continue receiving HCBS funding in an alternate setting and relocation is necessary, the state will ensure that members are transitioned to settings meeting HCBS settings requirements.</p> <p>The state will utilize its existing provider closure process that uses a collaborative team approach involving the IME, community-based case managers, providers, and advocates to assist members in finding safe and</p>	12/1/2014	3/16/2019

		<p>acceptable alternate housing and services. Members are given timely notice and appeal rights related to the closure of the setting. The community-based case manager plays a key role to assure the person centered planning process is utilized so that members have a choice of alternative settings. The case manager is supported by the closure team who provides information and resources about services and supports that may be beneficial to members on a case-by-case basis. Transition of members is comprehensively tracked on a daily basis, to ensure continuity of care. Conference calls with the closure team to monitor transition progress are held at least weekly, with additional calls concerning individual members held as needed.</p>		
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2.3.6: Monitoring of Settings

Iowa's approach for monitoring of settings compliance after the March 17, 2019 deadline capitalizes on our existing quality assurance processes which utilize an ongoing process of discovery, remediation, and improvement. Our quality assurance processes, including the annual provider self-assessment, onsite assessment, compliance reviews and remediation activities, will continue to ensure that all HCBS settings which were in compliance by the deadline will continue to meet the requirements on an ongoing basis. If a setting is found to be out of compliance after the deadline, payment to the provider(s) will be withheld for all services rendered in the setting until compliance is demonstrated.