

INFORMATIONAL LETTER NO. 2289-MC-FFS

DATE: November 8, 2021

TO: Home- and Community-Based Services (HCBS) Habilitation Providers, Targeted Case Managers (TCM), Service Workers, Supervisors, Service Area Administrators, Case Managers (CM), and Integrated Health Homes (IHH)

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: HCBS Habilitation Program Changes Delayed to April 1, 2022

EFFECTIVE: Upon Receipt

*****This informational letter (IL) replaces IL 2272-MC-FFS.*****

Pursuant to the authority of Iowa Code section 249A.4, DHS has submitted changes to the state plan under Medicaid State Plan Amendment (SPA) Attachment 3.1-C 1915(i) State Plan HCBS Habilitation (IA-21-0010) and amended 441 Iowa Administrative Code Chapter 77, "Conditions of Participation for Providers of Medical and Remedial Care," and Chapter 78, "Amount, Duration and Scope of Medical and Remedial Services."

These amendments implement the following changes to the HCBS Habilitation program:

- Replaces the interRAI assessment with the Level of Care Utilization System (LOCUS)/Child and Adolescent Level of Care Utilization System (CALOCUS) assessment tool for needs-based eligibility determination.
- Amends the habilitation needs-based eligibility criteria.
- Amends the provider qualifications for home-based habilitation services.
- Adds provider qualifications and requirements for intensive residential habilitation services (IRHS).
- Adds the LOCUS/CALOCUS actual disposition score to determine the level of home-based habilitation service authorization.
- Adds the intensive residential habilitation service and service criteria.
- Adds the criteria for providing residential services to minors residing outside the family home.

The administrative rules implementing these changes to the Habilitation program have been promulgated with an implementation date of November 1, 2021. The Department

is delaying implementation of the changes to the habilitation program which includes the implementation of the LOCUS and CALOCUS assessment tool until **April 1, 2022**. This delay will allow additional time for the Department to continue to work with the Centers for Medicare and Medicaid Services (CMS) on SPA approval and to ensure that stakeholders can participate in training.

The two training sessions scheduled for November 9, 2021, and November 15, 2021, have been canceled and will be rescheduled following CMS approval of the SPA.

This delay does not impact HCBS Habilitation service reimbursement rates. CMS has approved the reimbursement rate changes effective July 1, 2021, with SPA IA-21-0011.

This delay does not impact HCBS Habilitation providers ability to deliver intensive residential habilitation services in accordance with 441 25.6. The reimbursement rate of IRHS (H2016 U7) was effective July 1, 2021.

This delay means that the current Habilitation needs-based eligibility criteria, interRAI assessment, provider qualifications, and home-based habilitation criteria and services will remain unchanged until April 1, 2022.