



## INFORMATIONAL LETTER NO. 2520-MC-FFS-CVD

**DATE:** November 6, 2023

**TO:** Iowa Medicaid Home- and Community-Based Services (HCBS), Case Managers, Integrated Health Home (IHH)

**APPLIES TO:** Managed Care (MC), Fee-for-Service (FFS), Coronavirus Disease (CVD)

**FROM:** Iowa Department of Health and Human Services (HHS), Iowa Medicaid

**RE:** Public Health Emergency (PHE) HCBS Flexibilities Unwind

**EFFECTIVE:** Upon Receipt

\*\*\*This informational letter (IL) provides an update to [IL 2449-MC-FFS-CVD](#)<sup>1</sup>.\*\*\*

In March 2020, the federal PHE established flexibilities to the Medicaid program in accordance with PHE policies and benefits. With the announcement that the PHE will end on May 11, 2023, Iowa Medicaid is providing an update on the status of HCBS flexibilities for the state plan 1915(i) HCBS Habilitation program and the 1915(c) HCBS waivers. The HCBS Habilitation flexibilities which were extended after May 11, 2023, and the HCBS waiver flexibilities granted during the PHE that the Department has chosen not to continue will end November 11, 2023.

For those HCBS flexibilities that will continue, HHS has submitted the HCBS waiver amendments to the Centers for Medicaid and CHIP services (CMS) requesting to add those flexibilities to the waivers. CMS published State Medicaid Directors Letter [SMDL 23-004](#)<sup>2</sup> notifying states that CMS will allow any flexibilities that were granted through a 1915 Appendix K amendment to continue when the state has submitted the HCBS Waiver amendments to CMS prior to the November 11, 2023, expiration date for the 1915 Appendix K. This additional time will be needed by CMS to review and approve the HCBS waiver amendments submitted by states.

The following HCBS Waiver flexibilities will continue:

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<sup>1</sup> <https://secureapp.dhs.state.ia.us/IMPA/Information/Bulletins.aspx>

<sup>2</sup> <https://www.medicaid.gov/sites/default/files/2023-08/smd23004.pdf>

Flexibility Category	Specific Flexibility	Program(s)	Flexibility Extended	What Does This Mean?
<b>Parents of Minors, Spouses and Family Members</b>	Allow spouses, parents of minors and family members to provide direct services (HCBS waiver population for supported community living (SCL), consumer-directed attendant care (CDAC). This includes parents, spouses and family members hired by an agency and/or working under the Consumer Choices Option (CCO).	HCBS Waivers	Waiver amendments submitted to CMS	Spouses and parents of minors may continue to deliver SCL or CDAC services to their spouse or minor child in extraordinary circumstances as defined by the state. Any services which are activities that a legally responsible individual would ordinarily perform in the household on behalf of a person without a disability or chronic illness of the same age and are not necessary to assure the health and welfare of the member and to avoid institutionalization would not be considered extraordinary.

Flexibility Category	Specific Flexibility	Program(s)	Flexibility Extended	What Does This Mean?
<b>Medical Day Care for Children</b>	CMS approved this flexibility April 7, 2023, to replace Respite while the parents are working. Temporarily add this service under the BI, ID, HD and CMHW. This service provides for the supervision and support of children residing in their family home who, because of their complex medical or complex behavioral needs, require specialized exceptional care that cannot be provided in traditional childcare settings. The service must be medically necessary and verified in writing by the child's healthcare provider and documented in the child's service plan.	HCBS Waiver – CMH, BI, HD and ID	Waiver amendment submitted to CMS	Children with complex medical or behavioral needs that require specialized exceptional care that cannot be provided in the traditional childcare or daycare setting may access this service while their primary caregiver is working, attending school or otherwise regularly absent.
<b>Adult Day Care in the Home</b>	CMS approved this flexibility April 7, 2023, to replace Respite while the primary caregiver is working outside the home and no other service exists to provide the support, supervision or protective oversight needed by the member. Temporarily add adult day care to provide protective oversight and supervision for individuals in the home because of the absence of the primary caregiver.	HCBS AIDS/HIV, BI, Elderly, HD and ID Waivers	Waiver amendments submitted to CMS	Adults requiring a degree of supervision and assistance on a regular or intermittent basis in the home because of the absence of the primary caregiver will have access to supports including protective oversight, supervision, activities of daily living (ADLs) and instrumental activities of daily living (IADLs).

For HCBS waivers, the following flexibilities will **end** November 11, 2023.

Flexibility Category	Specific Flexibility	Program(s)	Flexibility Ends	What Does This Mean?
<b>Home Delivered Meals</b>	Provide home delivered meals, subject to prior authorization, for Medicaid enrollees who are enrolled in a 1915(c) waiver and home delivered meals are not a covered benefit and are homebound because of the PHE.	HCBS Brain Injury (BI) Waiver, Intellectual Disability (ID) Waiver and Physical Disability (PD) Waiver	November 11, 2023	Home delivered meals will no longer be a covered benefit and BI, ID and PD waiver members should work with case managers or care coordinators to explore alternative sources for home delivered meals as needed.

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<b>Additional Services</b>	<ul style="list-style-type: none"> <li>Companion services</li> <li>Homemaker services</li> </ul> <p>Includes the alternative for companion services to replace supported community living and CDAC services that are unavailable if there is a shortage of providers or providers are not able to deliver goal- directed service because of the PHE.</p>	HCBS Waiver – AIDS/HIV BI, Health and Disability, ID and PD Waiver	November 11, 2023	Services will no longer be available. Members should begin working with their case manager or care coordinator to explore alternative sources for homemaker or companion services as needed. *

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<b>Exceed Respite Service Limitations</b>	Remove the annual cost limit for respite services on the ID waiver.	HCBS ID Waiver	November 11, 2023	The annual limit for ID Waiver Respite will apply. Members should begin working with case managers or care coordinators to return to pre-PHE respite service levels. The annual Respite limit will apply with dates of service beginning December 1, 2023. Members will be able to access up to the annual limit for the next 12 consecutive months prorated based on the number of months remaining in the member's waiver service plan year.*

<b>Flexibility Category</b>	<b>Specific Flexibility</b>	<b>Program(s)</b>	<b>Flexibility Ends</b>	<b>What Does This Mean?</b>
<b>Exceed Respite Service Limitations</b>	Remove the limitation on respite provided for children while parents or primary caregivers are working <b>from home</b> to relieve pressure created by work, school and daycare closures during the PHE.	HCBS Waiver – Children’s Mental Health (CMH), BI, HD and ID	November 11, 2023	Parents and primary caregivers should begin working with case managers or care coordinators to secure appropriate daycare or childcare. *
<b>HCBS Regulations</b>	Not comply with the HCBS settings requirement in 42 CFR 441.301(c)(4)(vi)(D) and 441.710 that individuals are able to have visitors of their choosing at any time, for settings added after March 17, 2014, to minimize spread of infection during the PHE.	HCBS Waivers HCBS Habilitation	November 11, 2023	Providers should begin returning to pre-PHE policy and procedures in compliance with the HCBS settings rule.
<b>Allow Case Management Entities to Provide Direct Services</b>	The state is responding to the PHE personnel crisis by authorizing case management entities to provide direct services. The case management entity qualifies under 42 CFR 441.301(c)(1)(vi) as the only willing and qualified entity.	HCBS Waivers	November 11, 2023	Members should work with case managers to secure qualified direct service providers.

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<b>HCBS Settings</b>	<ul style="list-style-type: none"> <li>• Allow HCBS to be provided in intermediate care facilities for individuals with intellectual disability (ICF/ID) or other facility setting through an exception to policy (ETP).</li> <li>• Allow HCBS to be delivered in direct care provider's homes through an ETP.</li> <li>• Allow the direct care provider to move into the member's homes.</li> <li>• Lift the limitation on five person homes to allow more than five persons in accordance with the home's capacity.</li> </ul>	HCBS Waivers  HCBS Habilitation	November 11, 2023	Providers should begin returning to pre-PHE policy and procedures in compliance with the HCBS settings rule. This includes no more than five individuals residing in a home that is not licensed.
<b>Assistance with eLearning</b>	Allow for supported community living (SCL) and HBH to provide for support with eLearning for members aged 17-21 living outside the family home when school occurs virtually.	HCBS Waivers  HCBS Habilitation	November 11, 2023	Pre-PHE policy and procedures resume.

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<b>Face-to-Face Processes</b>	<p>Allow processes that typically occur face-to-face to occur virtually.</p> <ul style="list-style-type: none"> <li>• Level of care and needs-based eligibility.</li> <li>• Service plan reviews</li> <li>• Intermittent service plan reviews</li> <li>• Quarterly case manager/IHH face-to-face monitoring</li> </ul>	<p>HCBS Waivers</p> <p>HCBS Habilitation</p>	<p>In-person processes resumed July 1, 2021.</p> <p>Refer to <a href="https://secureapp.dhs.state.ia.us/IMPA/Information/Bulletins.aspx">IL 2244-MC-FFS-CVD</a><sup>3</sup> and <a href="https://secureapp.dhs.state.ia.us/IMPA/Information/Bulletins.aspx">IL 2304-MC-FFS-CVD</a><sup>4</sup>.</p>	<p>Processes occur face-to-face unless virtual/telehealth processes are specifically requested by the member because of documented health concerns with annual documentation from a physician.</p>
<b>Processes</b>	<p>Allow electronic signing off on required documents such as the person-centered service plan.</p>	<p>HCBS Waivers</p> <p>HCBS Habilitation</p>	<p>Iowa Medicaid submitted waiver amendments to CMS to permanently add this service. This service continues under the Appendix K until the waiver's amendment are approved.</p>	<p>Electronic signatures will continue to be appropriate when a pen and ink signature is not possible.</p>

<sup>3</sup> <https://secureapp.dhs.state.ia.us/IMPA/Information/Bulletins.aspx>

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<b>Processes</b>	<ul style="list-style-type: none"> <li>Allow an extension for reassessments and reevaluations for up to one year past the due date.</li> <li>Option to conduct evaluations, assessments, and person-centered planning (PCP) remotely in lieu of face-to-face.</li> <li>Adjust assessment requirements.</li> </ul>	HCBS Waivers  HCBS Habilitation	November 11, 2023	Pre-PHE operating procedures resume: <ul style="list-style-type: none"> <li>Annual reassessments must occur every 12 months.</li> </ul> PCP occurs face-to-face in a location of member's choosing.
<b>Provider Recertification Process Requirements</b>	Iowa Medicaid will extend the certification process due to resource capacity issues directly related to the PHE in 90-day increments through the established exception to policy (ETP) process. Iowa Medicaid will only extend certification for providers who are in good standing, do not have outstanding corrective action plans (CAPS) and/or CAPS that have not been met, and who are not under active investigation for reported noncompliance with HCBS quality standards.	HCBS Waivers  HCBS Habilitation	November 11, 2023	Pre-PHE HCBS certification processes as described in 441 IAC Chapter 77 will apply.

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<b>Electronic Method of Service Delivery</b>	<p>Electronic method of service delivery (e.g., telephonic) allowing services to continue being provided remotely in the home setting for the following services:</p> <ul style="list-style-type: none"> <li>• Case management</li> <li>• In-home habilitation</li> <li>• monthly monitoring</li> <li>• eligibility evaluations/reevaluations</li> <li>• Independent assessments/reassessments of need</li> <li>• Completion of person-centered service planning meetings</li> </ul> <p>Additionally, the state will allow telehealth services to be provided for home-based habilitation, day habilitation and supported employment, regardless of the recipient's location, if provision of the service via telehealth is clinically feasible and appropriate.</p>	<p>HCBS Waivers</p> <p>HCBS Habilitation</p>	November 11, 2023	Pre-PHE service delivery resumes unless otherwise specified by the state.

\*HCBS Waiver **Consumer Choices Option** (CCO) participants

Due to the nature of the budgeting process, CCO members will transition mid-month to Pre-PHE service amounts and policies. Case managers should be working with the member and their team to make changes to the service plan and budget that will be implemented November 1, 2023.

If you have questions, please contact Iowa Medicaid Provider Services at 1-800-338-7909 or [IMEproviderservices@dhs.state.ia.us](mailto:IMEproviderservices@dhs.state.ia.us).