

State of California—Health and Human Services Agency  
Department of Health Services



California  
Department of  
Health Services

DIANA M. BONTÁ, R.N., Dr. P.H.  
Director

GRAY DAVIS  
Governor

June 13, 2003

TO: ALL COUNTY WELFARE DIRECTORS Letter No.:03-31  
ALL COUNTY ADMINISTRATIVE OFFICERS  
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS  
ALL COUNTY HEALTH EXECUTIVES  
ALL COUNTY MENTAL HEALTH DIRECTORS  
ALL COUNTY MEDI-CAL LIAISONS

SUBJECT: CHANGES TO THE MODEL WAIVER PROGRAM

The purpose of this letter is to inform counties of a change in the Model waiver program. This program is being renamed and will now be referred to as the Medi-Cal Home and Community Based (HCB) waiver. This waiver will now include persons who were eligible for the Nursing Facility Level of Care waiver and will allow more persons (up to 350 persons the first year) to be eligible under special eligibility rules.

#### Background

The Model waiver allowed persons who would otherwise reside in a skilled nursing facility to remain at home without consideration of a parent's income or resources if the applicant were a child, or used spousal institutional deeming rules if the applicant lived at home with his/her spouse. The Model waiver had a cap of 200 beneficiaries.

The Nursing Facility Level of Care (NF) waiver previously had no special eligibility rules and provided extra services to Medi-Cal persons living at home who would have required care in a nursing facility or a sub-acute facility without these services.

#### Services

The services in the HCBS waiver will be the same as were provided to those in the Model or Nursing facility waivers. These include case management, private duty nursing, home health aides, personal care services, respite care, family training, and minor physical adaptations to the home.



Do your part to help California save energy. To learn more about saving energy, visit the following web site:  
[www.consumerenergycenter.org/flex/index.html](http://www.consumerenergycenter.org/flex/index.html)

---

714 P STREET, ROOM 1692, P.O. BOX 942732, SACRAMENTO, CA 94234-7320  
(916) 657-2941  
Internet Address: [www.dhs.ca.gov](http://www.dhs.ca.gov)

### Referring Agency

The Department of Health Services In-Home Operations (IHO) will continue to evaluate and refer persons to the appropriate county waiver contact. Some information about IHO is enclosed.

Persons who have been determined medically eligible by IHO will receive one of the following referral letters:

- Number 1: Letter to Applicant to Contact Appropriate County Except Los Angeles
- Number 2: Letter to Applicant in Los Angeles County
- Number 3: Letter to Inform Beneficiary that they are being Changed from the Department of Developmental Services (DDS) to the HCBS waiver

Some beneficiaries may be moved from the DDS waiver to the HCBS waiver because the latter provides them with services that meet their specific medical care needs. In that case, the county is required to change the beneficiary's aid code from the DDS waiver to the HCBS waiver aid code.

### Eligibility Criteria

The eligibility rules for the HCBS applicant are the same as the former Model waiver. See the Medical Procedures Manual Article 19D for more information.

Example 1: A child under age 19 living at home with a parent has a share-of-cost (SOC) in the Medically Needy (MN) or Medically Indigent (MI) program or excess property when counting the parent's income and/or property. The child may be eligible for the Medi-Cal HCBS waiver, which disregards income and property of the parent under the appropriate Percent program when waiver rules are applied to this determination using a family size of one. He/she would then be reported to Medi-Cal Eligibility Data System (MEDS) using one of the appropriate HCBS waiver aid codes.

Example 2: An aged person living at home with a spouse who does not qualify for the Aged and Disabled Federal Poverty Level program has an SOC in the MN program or has excess property in either program may be eligible using those program rules under the Medi-Cal HCBS waiver after the county applies spousal institutional deeming rules. The person should be reported to MEDS using one of the appropriate HCBS waiver aid codes.

Aid Codes

Persons in the HCBS waiver will be identified on the MEDS with the same aid codes as were used for the Model waiver. These are:

6X Medi-Cal HCBS Waiver No SOC

6Y Medi-Cal HCBS Waiver SOC

Effective Date

This change was effective April 1, 2002; however, since only the name of the waiver has changed and the same aid codes are being used, it is not necessary for counties to do anything retroactively.

Notices of Action (NOAs) and Forms

The existing Model waiver approval (MC 343) and denial/discontinuance (MC 344) NOAs will be modified to reflect the new name.

The Model Waiver Screening form (DHS 7097) will no longer be used.

IHO Brochures

We have enclosed some IHO Brochures for your information.

If you have any further questions, please contact Ms. Margie Buzdas, of my staff at (916) 657-0726 or email her at [mbuzdas@dhs.ca.gov](mailto:mbuzdas@dhs.ca.gov).

ORIGINAL SIGNED BY

Beth Fife, Chief  
Medi-Cal Eligibility Branch

Attachments

**DEPARTMENT OF HEALTH SERVICES**

700 NORTH TENTH STREET, SUITE 102  
 P.O. BOX 942732  
 SACRAMENTO, CA 94234-7320  
 (916) 324-1020



«DATE»

«PCGNAME»

«PCGADDRESS»

«PCGCITYSTATEZIP»

«SALUTATION»:

**MEDI-CAL HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVER  
 ELIGIBILITY NOTICE**

**Applicant:** «BENENAME»  
**Social Security Number:** «SSN»  
**Date of Birth:** «DOB»  
**Address:** «BENEADDRESS»  
**Telephone:** «BENEPHONE»

This notice is to confirm that the above-named individual has been determined medically eligible for NF waiver services by the Department of Health Services, In-Home Operations (IHO).

It is now necessary for the individual to make an application for Medi-Cal program eligibility, or be redetermined eligible for Medi-Cal as a member of his/her own Medi-Cal Family Budget Unit through the County Welfare Department.

Please contact «COUNTYCONTACT» in «COUNTY» County at «COUNTYPHONE», for information on the process used to complete the Medi-Cal application in your county. Should you have any questions regarding this notice, please contact me at (916) 324-5942.

Sincerely,

Carol Hausler, Eligibility Analyst  
 In-Home Operations

cc: «COUNTYCONTACT»  
 «COUNTYDEPT»  
 «COUNTYADDRESS»  
 «COUNTYCITYSTATEZIP»

Note to County: **Requesting effective date of <DATE>**

Letter No. 1

**DEPARTMENT OF HEALTH SERVICES**

700 NORTH TENTH STREET, SUITE 102

P.O. BOX 942732

SACRAMENTO, CA 94234-7320

(916) 324-1020



«DATE»

«PCGNAME»

«PCGADDRESS»

«PCGCITYSTATEZIP»

«SALUTATION»:

**MEDI-CAL HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVER  
ELIGIBILITY NOTICE**

<b>Applicant:</b>	«BENENAME»
<b>Social Security Number:</b>	«SSN»
<b>Date of Birth:</b>	«DOB»
<b>Address:</b>	«BENEADDRESS»
<b>Telephone:</b>	«BENEPHONE»

This notice is to confirm that the above-named individual has been determined medically eligible for NF waiver services by the Department of Health Services, In-Home Operations (IHO).

It is now necessary for the individual to make an application for Medi-Cal program eligibility, or be redetermined eligible for Medi-Cal as a member of his/her own Medi-Cal Family Budget Unit through the County Welfare Department.

**Los Angeles County will send you a Medi-Cal eligibility application that you will need to fill out and return to them as soon as possible.** Should you have any questions regarding this notice, please contact me at (916) 324-5942.

Sincerely,

Carol Hausler, Eligibility Analyst  
In-Home Operations

cc: Julie Johnson  
Department of Public Social Services  
PO Box 92164  
City of Industry, CA 91715-2164

Note to County: **Requesting effective date of <DATE>**

Letter No. 2

**DEPARTMENT OF HEALTH SERVICES**

700 NORTH TENTH STREET, SUITE 102

P.O. BOX 942732

SACRAMENTO, CA 94234-7320

(916) 324-1020



«DATE»

«PCGNAME»

«PCGADDRESS»

«PCGCITYSTATEZIP»

«SALUTATION»:

**MEDI-CAL HOME AND COMMUNITY BASED SERVICES (HCBS) WAIVER  
ELIGIBILITY NOTICE**

**Applicant:** «BENENAME»  
**Social Security Number:** «SSN»  
**Date of Birth:** «DOB»  
**Address:** «BENEADDRESS»  
**Telephone:** «BENEPHONE»

This notice is to confirm that the Department of Health Services, In-Home Operations (IHO), has determined the above-named individual medically eligible for the Medi-Cal HCBS waiver.

Your Medi-Cal eligibility for institutional deeming has already been determined.

A copy of this letter is being sent to «COUNTYCONTACT» in «COUNTY» to notify them of the change from the Department of Developmental Services waiver to the Medi-Cal HCBS waiver. **This letter does not require any action on your part at this time.**

Should you have any questions regarding this notice, please contact me at (916) 324-5941.

Sincerely,

Carol Hausler, Eligibility Analyst  
In-Home Operations

cc: «COUNTYCONTACT»  
«COUNTYDEPT»  
«COUNTYADDRESS»  
«COUNTYCITYSTATEZIP»

Note to County: **Requesting effective date of <DATE>**

Letter No. 3

# ***MEDI-CAL IN-HOME OPERATIONS***

Medi-Cal In-Home Operations (IHO), within the California Department of Health Services, Medi-Cal Operations Division, has statewide responsibility for reviewing and authorizing home and community-services under the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) benefit or through three home and community-based service (HCBS) waivers. These services are authorized for Medi-Cal beneficiaries who meet medical necessity criteria for the requested services. The cost of these services in the home must not exceed the cost that Medi-Cal would expend in the otherwise appropriate licensed health care facility.

IHO has two offices in California – headquarters is located in Sacramento and there is an office in Los Angeles. The staff of IHO is comprised primarily of Nurse Evaluators (NEs II and III (supervisors)) who are registered nurses. The NE IIs have primary responsibility for either the initial authorization or ongoing case management of cases authorized for HCBS waiver services. In addition to the nursing staff there are analysts, clerical support, Nurse Consultants and management staff.

The Sacramento office is responsible for processing all EPSDT private duty nursing and pediatric day health care facility services requests. This office is also responsible for reviewing and approving all new requests, statewide, for HCBS waiver services. Once an HCBS waiver case is approved, it is then forwarded to the appropriate regional office for ongoing case management. The Sacramento Regional office covers from the Oregon border to Kern County, at the Tehachapi Mountains. The Los Angeles Regional office covers from south of the Tehachapi Mountains to the San Diego border.

Home and community-based services under Medi-Cal can be authorized via two mechanisms:

1. ***The Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Supplemental Services benefit:***

EPSDT is a federally mandated Medicaid (Medi-Cal in California) benefit for eligible people under 21 who have no restrictions on Medi-Cal eligibility or services received. Under EPSDT, states are required to provide medically necessary screening, vision, hearing, and dental services. Additionally, any service a state is permitted to cover under Medicaid law that is medically necessary to treat, correct, or ameliorate a defect, mental illness, or physical illness or condition must be provided to EPSDT participants regardless of whether or not the service or item is otherwise included in the state's Medicaid plan. Services provided under EPSDT, which are not available to all Medi-Cal beneficiaries, are known as ***EPSDT Supplemental Services***. Private duty nursing and Pediatric Day Health Care services are examples of EPSDT Supplemental Services.

***EPSDT AND EPSDT SUPPLEMENTAL SERVICES ARE PART OF THE MEDI-CAL STATE PLAN BENEFIT PACKAGE AND ARE NOT WAIVERS.***

2. ***Home and Community-Based Services (HCBS) waivers:***

California has an agreement with the Federal Government which allows for waivers (exceptions) of certain federal regulations permitting the provision of HCBS to Medi-Cal beneficiaries who in the absence of the waiver would not be provided these services and would require care in a licensed health care facility. These services are provided to a targeted group of Medi-Cal beneficiaries and may be offered in either a home or a community-based setting. If the Federal Government approves the waiver, federal monies are matched to state dollars for reimbursement of the services provided under the waiver.

**HCBS WAIVER SERVICES ARE NOT PART OF THE MEDI-CAL STATE PLAN BENEFIT PACKAGE**

IHO has administrative responsibility for three waivers:

- ◇ In-Home Medical Care (IHMC) waiver is the cost-effective alternative to acute hospital care for physically disabled persons who would otherwise be expected to reside in an acute care setting for 90 days or more.
- ◇ Nursing Facility (NF) A/B waiver is the cost-effective alternative to skilled nursing facilities, level A or level B, for physically disabled persons who would otherwise be expected to reside in a nursing facility setting for 365 days or more.
- ◇ NF Subacute waiver is the cost-effective alternative to skilled nursing facilities for physically disabled persons who would otherwise be expected to reside in a subacute nursing facility setting for 180 days or more.

The following are the current facility alternatives for the three HCBS waivers under IHO:

- ◇ Acute hospital
- ◇ Adult or pediatric subacute
- ◇ Intermediate Care Facility (ICF or NF level A)
- ◇ Skilled Nursing Facility (SNF or NF level B)

**The approved services under the EPSDT benefit or the HCBS waivers will continue to be authorized by IHO as long as medical necessity exists for the requested service.**

**ONLINE RESOURCES FOR MEDI-CAL SERVICES:**

California Code of Regulations, Title 22, Division 3: <http://www.ccr.oal.ca.gov/>

Medi-Cal Provider Bulletins: <http://www.medi-cal.ca.gov/>

State Statutes – Health and Safety Code; Welfare and Institutions Code: <http://www.oal.ca.gov/>

**MEDI-CAL'S IN-HOME OPERATIONS (IHO)  
HOME- AND COMMUNITY-BASED SERVICES (HCBS) OPTIONS  
QUICK-REFERENCE GUIDE**



THIS IS ONLY A REFERENCE GUIDE. PLEASE CALL (916) 324-1020 FOR ANY CLARIFICATION.

**EPSDT NURSING SERVICES**

**HCBS WAIVER SERVICES**

<b>Eligibility</b>	<b>EPSDT NURSING SERVICES</b>	<b>HCBS WAIVER SERVICES</b>
<b>Available Services</b>	<p>Full-scope Medi-Cal eligible and medically eligible beneficiary UNDER age 21.</p> <p>EPSDT private duty nursing (also known as hourly or shift) services are designed to support individuals in their home. Providers of EPSDT private duty nursing services include licensed and certified home health agencies and/or individual licensed nurses - also known as supplemental nursing service providers. Other services may be provided in the home setting to support the individual. These other services may include physical therapy, occupational therapy, speech therapy, medical supplies and equipment.</p>	<p>Full-scope Medi-Cal eligible and medically eligible beneficiary.</p> <p>HCBS waiver services are an array of services designed to support individuals in their home as an alternative to care in a licensed health care facility. HCBS waiver services may include case management, private duty nursing, home health aides and family training. HCBS waiver service providers include licensed and certified home health agencies, individual licensed nurses, or unlicensed caregivers. Other services may be provided in the home setting to support the individual. These other services may include physical therapy, occupational therapy, speech therapy, medical supplies and equipment.</p>
<b>Criteria for Services</b>	<p>EPSDT private duty nursing services may be authorized when medically necessary at a cost that is not greater than what may be provided in a licensed health care facility. <b>These services must be prior authorized.</b></p>	<p>HCBS waiver services may be authorized when medically necessary at a cost that is not greater than what may be provided in a licensed health care facility. <b>These services must be prior authorized.</b></p>
<b>Place of Services</b>	<p>The beneficiary's home which is not a licensed health care facility.</p>	<p>The beneficiary's home or a congregate living health facility , Type A.</p>
<b>Service Providers</b>	<p>An appropriately licensed and/or certified Medi-Cal provider should submit a Treatment Authorization Request (TAR) or similar request for EPSDT nursing services to IHO.</p>	<p>An appropriately licensed and/or certified Medi-Cal provider who is approved to provide HCBS waiver services or waiver specific providers should submit a TAR or similar request for HCBS waiver services to IHO.</p>
<b>Required Documentation</b>	<p>Medical records (INCLUDING BUT NOT LIMITED TO): Medical information which supports request for services. Assessment and identification of skilled nursing care needs. Plan of Treatment (POT) signed by the physician authorizing the nursing services. TAR for nursing services.</p>	<p>Medical records (INCLUDING BUT NOT LIMITED TO): Medical information which supports request for services. Assessment and identification of care needs. Home safety assessment. POT signed by the physician authorizing the HCBS waiver services. TAR for HCBS waiver services.</p>



## Fast Facts

California Department of Health Services  
Medical Care Coordination and Case Management Branch  
Medi-Cal In-Home Operations

### ANSWERING YOUR QUESTIONS ABOUT MEDI-CAL IN-HOME OPERATIONS WHAT ARE HOME- AND COMMUNITY- BASED SERVICE (HCBS) WAIVERS?

#### WHAT IS IN-HOME OPERATIONS (IHO)?

IHO is the unit in DHS that oversees the development and implementation of home and community-based programs in the Medi-Cal program. IHO authorizes Pediatric Day Health Care (PDHC) facility services and medically necessary services in the home, including private duty nursing services, also known as shift nursing. These services may be available for Medi-Cal beneficiaries who are eligible for Early and Periodic, Screening, Diagnosis and Treatment (EPSDT) services and/or one of the following three federal waiver programs:

- *In-Home Medical Care (IHMC)*
- *Nursing Facility (NF) A/B*
- *NF Subacute*

#### WHAT IS EPSDT?

EPSDT is a Medi-Cal benefit for individuals under the age of 21 who have full-scope Medi-Cal eligibility. This benefit allows for periodic screenings to determine health care needs. Based upon the identified health care need, diagnostic and treatment services are provided. EPSDT PDHC and private duty nursing services are provided in addition to other medically necessary Medi-Cal plan services.

#### WHAT SERVICES ARE OFFERED UNDER THE EPSDT BENEFIT?

EPSDT services include all services covered by Medi-Cal. In addition to the regular Medi-Cal benefits, a beneficiary under the age of 21 may receive additionally medically necessary services. These additional services are known as EPSDT Supplemental Services and include: private duty nursing services from a registered nurse (RN) or a licensed vocational nurse (LVN), Case Management, PDHC, Nutritional and Mental Health Evaluations/Services.

#### HOW DOES ONE GO ABOUT REQUESTING THESE SERVICES?

HCBS waivers allow states that participate in Medicaid known as Medi-Cal in California - to develop creative alternatives for individuals who would otherwise require care in a nursing facility or hospital. Medi-Cal has an agreement with the federal government which allows for waiver services to be offered in either a home or community setting. The services offered under the waiver must cost no more than the alternative institutional level of care. Recipients of HCBS waivers must have full-scope Medi-Cal eligibility.

#### WHAT SERVICES ARE OFFERED UNDER THESE THREE HCBS WAIVERS?

The available services under these HCBS waivers may include RN or LVN private duty nursing services, certified home health aide services, case management, minor home modifications, personal emergency response system, family training, utility coverage for life-sustaining equipment, personal care services and respite.

#### WHO PROVIDES THE SERVICES?

There are a variety of providers, including the following:

- For EPSDT – licensed and certified Medi-Cal providers and/or individually enrolled supplemental private duty nursing service providers.
- For HCBS waivers under IHO – licensed and certified Home Health Agencies, individual nurse providers and/or unlicensed caregivers.

#### HOW LONG CAN ONE HAVE THESE SERVICES?

The beneficiary may receive these home- and community-based services as long as they are medically necessary.

#### HOW DOES ONE GO ABOUT REQUESTING THESE SERVICES?

Once the beneficiary has identified a provider of service, the provider must submit the request for services to IHO on a Treatment Authorization Request (TAR) or similar request.

In addition to the TAR, the provider will also submit the following medical documentation:

- Medical information which supports the request for services,
- Assessment of care needs, i.e., nursing, personal care, etc.,
- Plan of Treatment signed by a physician, and
- Home Safety Evaluation (for HCBS waiver services only)

These documents should support medical necessity for the requested HCBS waiver or EPSDT Supplemental Services.

#### IF OTHER IN-HOME SERVICES ARE NEEDED, HOW DOES ONE OBTAIN THEM?

A request for any service needed for the home program or PDHC program may be submitted to IHO by the appropriate provider. These services must be medically necessary. Examples include therapy services, equipment, and transportation.

#### WHOM DO I CONTACT FOR FURTHER QUESTIONS?

For more information about IHO, please call:  
(916) 324-1020 in Sacramento, and  
(213) 897-6774 in Los Angeles.