



Department of Health Care Services
MEMORANDUM

DATE: October 25, 2013

TO: Tribal Chairpersons, California Indian Health Programs and Urban Indian Organizations

FROM: Sandra "Sam" Willburn, Chief, Primary and Rural Health Division 

SUBJECT: Notice of Proposed Change to the Medi-Cal Program

The purpose of this memo is to provide information regarding a proposed change to the Department of Health Care Services' (DHCS) Medi-Cal Program that will be submitted to the Centers for Medicare and Medicaid Services (CMS). DHCS is forwarding this information for your review and comment.

DHCS is required to seek advice from designees of Indian Health Programs and Urban Indian Organizations on Medi-Cal matters having a direct effect on Indians, Indian Health Programs or Urban Indian Organizations per the American Recovery and Reinvestment Act of 2009 (ARRA). DHCS must solicit the advice of designees prior to submission to CMS of any State Plan Amendment, waiver requests or modifications, or proposals for demonstration projects in the Medi-Cal program.

Assisted Living 1915 (c) Waiver (ALW) Renewal: DHCS will submit an ALW renewal request to CMS by December 31, 2013 to renew the ALW for a period of five years. The ALW renewal will include language to limit or prevent the use of institutional services, such as skilled nursing facilities, for those beneficiaries otherwise eligible for the ALW, but with needs greater than what is currently available. The waiver renewal will add Tier Five to the ALW to accommodate Medi-Cal beneficiaries with needs that exceed the current four tiers of services. Please see the enclosed summary of the waiver renewal for a detailed description and contact information for questions or comments.

QUESTIONS AND COMMENTS:

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this waiver renewal within 30 days from the receipt of this notice. Comments or feedback may be sent by email or mail to the address below:

Contact Information

Department of Health Care Services
Long-Term Care Division
Attention: Carol Hausler
1501 Capitol Avenue, MS 4503
P.O. Box 997437
Sacramento, CA 95899-7437
Carol.Hausler@dhcs.ca.gov

Notice of Proposed Change to the Medi-Cal Program

Page 2

October 25, 2013

In addition to this notice, DHCS plans to cover this waiver renewal in the next quarterly Medi-Cal Indian Health webinar. Please note that Indian Health Programs and Urban Indian Organizations may also request a consultation on this proposal at any time as needed.

Enclosure

**Department of Health Care Services (DHCS)
Long-Term Care Division
Assisted Living 1915(c) Waiver (ALW) Renewal**

Background:

The Assisted Living Waiver (ALW) program is a 1915(c) home and community-based services (HCBS) waiver that assists Medi-Cal beneficiaries to stay in their home rather than receiving care in licensed health care facilities. The ALW program has shown that assisted living services, paid for by Medi-Cal, can be provided in a way that assures the safety and well-being of beneficiaries and that these services are a cost-effective option to long-term care in a nursing facility.

There are currently two service models for the ALW program.

1. In the first model, ALW services, which are categorized by four "tier levels," are provided to eligible beneficiaries who live in Residential Care Facilities (RCF). In this model, services are delivered by the RCF employees or contracted staff.
2. In the second model, ALW services are provided to eligible beneficiaries who live in subsidized housing. In this model, services are delivered by licensed and certified Home Health Agency staff.

Description of Waiver Renewal and Effective Date:

DHCS had planned to submit a waiver amendment in September 2013 to the Centers for Medicare & Medicaid Services (CMS) to add more services to the ALW. DHCS provided information regarding this proposed amendment on July 26, 2013. However, during the development of the amendment DHCS realized that the proposed amendment needed to transition to a renewal application due to the upcoming term date for the waiver of February 28, 2014.

DHCS will submit an ALW renewal request to CMS by December 31, 2013 to renew the ALW for a period of five years. The ALW renewal will include the July 2013 proposal language to limit or prevent the use of institutional services, such as skilled nursing facilities, for those beneficiaries otherwise eligible for the ALW, but with needs greater than what is currently available.

The changes that would allow the extension of ALW services to Medi-Cal beneficiaries whose needs are more than the four existing tiers of service are:

1. The addition of Tier Five: Tier Five is a community residential option for beneficiaries whose physical and mental disabilities make being in other facilities, such as skilled nursing facilities, or in Tiers one through four of the ALW, inappropriate. Beneficiaries eligible for Tier Five services will require Nursing Facility Level of Care with severe mental/cognitive disabilities as a result of a traumatic brain injury. They will also have demonstrated one or more failed placements in the past. Due to the level of waiver services and protective supervision services needed, Tier Five will only be available to beneficiaries residing in a Residential Care Facility, and not subsidized housing.

2. The addition of Community Based Wrap-Around Services: This service, which is available to all tiers, requires prior approval from DHCS Registered Nurses and provides for additional, appropriate staff to be responsible for oversight/protective supervision/treatment as needed by the beneficiary. This may be one-to-one or some other ratio of staff-to-participant depending on need.

Impact to Indian Health Programs and Urban Indian Organizations

Impact on Indian Health Programs

It is not expected that this waiver renewal will directly impact Indian health programs.

Impact on Indian Medi-Cal Beneficiaries

This waiver renewal will impact American Indian ALW Beneficiaries by offering a new Tier of service for those with more needs. It will have no impact on existing American Indian ALW beneficiaries and the ALW services they currently receive. It will not restrict eligibility to any future American Indian ALW beneficiaries.

Response Date:

Indian Health Programs and Urban Indian Organizations may submit written comments or questions concerning this waiver renewal within 30 days from the receipt of this letter. Comments may be sent by email to Carol.Hausler@dhcs.ca.gov or mail to the address listed below:

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Long-Term Care Division
Attention: Carol Hausler
1501 Capitol Ave, MS 4502
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