DHCS
CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

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DATE: August 27, 2024

HCBA PL: 24-004

SUPERSEDES HCBA PL: 23-002

TO: Home and Community-Based Alternatives (HCBA) Waiver Agencies

SUBJECT: Release of HCBA Waiver Slots and Waitlist Management

PURPOSE

The purpose of this Policy Letter is to provide guidance on the Department of Health Care Services' (DHCS) policy for releasing HCBA Waiver slots from the HCBA enrollment waitlist.

BACKGROUND

On July 12, 2023, HCBA Waiver Agencies (WA) were notified that the HCBA Waiver program approached its maximum capacity of 8,974 for the waiver year. Enrollment into the HCBA Waiver is limited to the maximum number of members served at any point during the year.[1] Once this capacity is reached, DHCS must immediately implement a waitlist and can only process new enrollments as waiver slots become available.

DEFINITIONS

- **Applicant:** Individual who has applied to the HCBA Waiver.

- **Complete Enrollment Packet:** Includes all the following completed documents:
  - HCBA Waiver Application (DHCS 1320)
  - Assessment (also known as Case Management Report (CMR) or evaluation)
  - Plan of Treatment (POT)
  - Freedom of Choice Form
  - Home Safety Evaluation (HSE)
  - Menu of Health Services (MOHS)
  - Acuity Tool

- **Effective Date of Placement on the Waitlist:** This date is always the date that the WA, or DHCS in areas where there is no WA, receives the application. WAs must record the effective date of placement on the waitlist in MedCompass immediately. WAs must also use the appropriate MedCompass subprogram status to identify whether an applicant meets Reserve Capacity or Community

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[1] HCBA Waiver, Appendix B. (B-3), pgs. 34 and 35.

enrollment criteria.

- **Imminent or Recent Age Out of Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Medi-Cal:** Applicants currently enrolled in Medi-Cal whose 21st birthday is within six months of the time they applied to the HCBA Waiver.[2]

- **Intake Date:** Date that the Intake Assessment is administered by the WA, or DHCS, in areas where there is no WA.

- **Member:** Individual who is enrolled in the HCBA Waiver.

- **Notification of Enrollment Eligibility:** This is the date DHCS notifies WAs of their slot assignments for HCBA enrollment. DHCS will notify WAs via secure email and identify the applicants who have been assigned available slots.

- **Pending Closure Status:** MedCompass status used when WAs, or DHCS, in areas where there is no WA, sends Notices of Action (NOA) to applicants/members denying or terminating waiver enrollment for any reason other than the death of the applicant or member. The Pending Closure status period lasts between the date the NOA is mailed and the NOA effective date, which is a minimum of 10 days from the NOA mailing date.

- **Pending Enrollment Review (PER):** MedCompass status that indicates a WA has submitted a complete enrollment packet to DHCS for review and approval for applicant enrollment into the waiver. WAs should only change the status to PER if they are found eligible for HCBA Waiver enrollment and have a complete enrollment packet.

- **PER Queue:** After WAs change the MedCompass status to PER, the case is electronically timestamped and placed in the PER queue in the order received. DHCS uses the PER queue to process enrollments when there is no waitlist.

- **Reserve Capacity:** The HCBA Waiver reserves slots for Medi-Cal eligible individuals who meet at least one of the following criteria:
  - Individuals transitioning from other Home & Community-Based Services (HCBS) programs because their skilled care needs, and Level of Care (LOC) can no longer be met through those programs.
  - Individuals under the age of 21 years, with or without Medi-Cal eligibility, who meet all the following criteria:
    - Have submitted a completed HCBA Waiver application, and
    - Are medically eligible for placement into the HCBA Waiver.
  - Individuals residing in a facility for more than 60 days and can be transitioned to a home or home-like setting in the community by

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[2] Six (6) months from the date the HCBA Waiver Application is received by the WA or DHCS.

connecting them with services and supports they require to keep them in a community setting of their choice.[3]

When there is a waitlist, applicants seeking to enroll in the HCBA Waiver who meet reserve capacity eligibility are prioritized for intake processing, so they have, and/or maintain, access to services of medical necessity in the community setting of their choice.[4]

- **Screening Date:** Date that the WA, or DHCS in areas where there is no WA, received the HCBA Waiver application.

- **Waiver Slot(s):** The HCBA Waiver enrollment capacity for each calendar year is listed in the HCBA Waiver.[5] "Waiver Slots" refers to unused waiver capacity for purposes of establishing and maintaining a waitlist for enrollment. Once capacity is reached, Waiver Slots become available when an enrolled member exits the waiver. In some situations, members retain the right to request a State Fair Hearing, and the Waiver Slot must be reserved for the member until the required hearing and appeals timeframes have passed.

POLICY

HCBA Waiver eligible applicants on the waitlist will be assigned available waiver slots in the following order, based on Reserve Capacity waiver enrollment priority:[6]

1) Individuals transitioning to the waiver from similar HCBS waivers.

   a) Individuals must be transitioning because their skilled care needs and LOC can no longer be met and the beneficiary requires access to HCBA Waiver services.[7]

2) Individuals under 21 years of age are prioritized as follows:

   a) Individuals imminently aging out of EPSDT, or who aged out of EPSDT within the previous 6 months, who have or had been receiving Private Duty Nursing (PDN) at the time they aged out of EPSDT.

   b) Individuals that require Institutional-Deeming to access Medi-Cal.

   c) Individuals under 21 years of age who do not meet criteria listed above in a) or b).

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[3] HCBA Waiver, Appendix B (B-3), pgs. 34 and 35.
[4] HCBA Waiver, Appendix B (B-3), pg. 38.
[5] HCBA Waiver, Appendix B (B-3), pg. 35.
[6] HCBA Waiver, Appendix B (B-3), pg. 38.
[7] This Reserve Capacity criteria is limited to individuals that are applying because they require access to a service that is not available in their current waiver, such as in-home nursing (e.g., Multipurpose Senior Services Program (MSSP), Medi-Cal Waiver Program (MCWP)).

3) Individuals who have been residing in a skilled nursing or acute care facility for at least 60 days at the time the HCBA Waiver application is submitted to a WA, or DHCS in areas where there is no WA.

4) Individuals residing in the community at the time of submission of the HCBA Waiver application and/or who do not meet the Reserve Capacity criteria above in 1), 2), or 3). Waiver applicants who do not meet Reserve Capacity eligibility criteria are processed and enrolled on a first-come, first-served basis.

DHCS shall prioritize HCBA Waiver applications for the dependent children and spouses of active-duty military service members as set forth in Welfare & Institutions Code section 14132.993.[8]

DHCS will maintain the master waitlist, monitor for, and notify WAs when waiver slots become available. WAs, or DHCS in areas where there is no WA, must screen all applications received for basic eligibility criteria and determine if they meet the criteria for Reserve Capacity. If the applicant is potentially eligible, they will be placed on the waitlist. WAs, or DHCS in areas where there is no WA, will notify the applicant in writing to confirm receipt of the HCBA Waiver Application, and the effective date of placement on the waitlist.

DHCS will release HCBA Waiver waitlist slots as follows:

1) DHCS will utilize a hybrid waitlist management option which will include:

   a) Dividing the waitlist into separate waitlists for each WA, and DHCS in areas where there is no WA.

   b) Organizing the waitlist by the Reserve Capacity priorities as explained above and further organizing each Reserve Capacity category and Community category by the date they are placed on the waitlist.

   c) Assigning slots to each WA, and DHCS in areas where there is no WA. The number of slots assigned will vary based on the information below, however each WA, and DHCS in areas where there are no WAs, will receive at least one slot, as long as there are applicants on their waitlist. Applications placed in the waitlist earlier will have higher priority.

   d) Applicants who meet Reserve Capacity criteria will be prioritized for enrollment in the order listed above and before any Community applicants. DHCS will only release slots to Community applicants if the WA's waitlist no longer contains Reserve Capacity applicants.

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[8] https://codes.findlaw.com/ca/welfare-and-institutions-code/wic-sect-14132-993/

2) The number of slots DHCS releases each month may vary based on the following:

   a) Total number of enrolled members for each WA, and DHCS in areas where there is no WA.[9]

   b) Total number of applicants placed in the waitlist for each WA, and DHCS in areas where there is no WA.

   c) Waiver enrollment attrition.

3) DHCS will use the enrollment and waitlist information to calculate the slot assignments for WAs, and DHCS in areas where there is no WA.[10]

4) DHCS will refresh and reorganize the HCBA Waiver waitlist monthly, as applicants are added and removed from the waitlist or status changes are reported to DHCS, and, as appropriate.

5) DHCS will provide waitlist information to WAs.

6) DHCS will target to release available slots to WAs on or before the 5th of each month.

7) Once DHCS notifies WAs of available slots, WAs must immediately change the MedCompass status from Waitlist and begin completing the enrollment process. The enrollment packet and all required information must be submitted to DHCS within the timeframes outlined in this policy. If a complete enrollment packet is not received by the 90th day, or if the applicant is found ineligible to enroll, DHCS will release the slot to the next applicant on the statewide waitlist.

8) If DHCS defers an enrollment packet, WAs must provide the requested information within the timeframe indicated in the deferral.

9) Within 60 days of the date DHCS notifies WAs of an available slot, an applicant must schedule and complete an evaluation, or assessment, with the WA, or DHCS in areas where there is no WA, to determine eligibility for enrollment. If this evaluation is not completed within 60 days, or if the applicant declines waiver services, then the WA, or DHCS if there is no WA, must send a NOA to the applicant and the applicant must be removed from the waitlist.

   a) If a WA must send a NOA, the WA must follow normal protocol and enter

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[9] https://www.dhcs.ca.gov/services/ltc/Pages/HCBA-Waiver-Current-Enrollment-Dashboard.aspx
[10] In determining the waiver slots for each WA, and DHCS in counties where there is no WA, DHCS will account for the current enrollment and waitlist sizes for each WA and DHCS to determine the need in the service area. Service areas with a greater need will receive more waiver slots than those with less need.

MedCompass case notes, change the status to Pending Closure, and then change the status to Closed immediately after the NOA effective date.

10) Within 90 days of the date DHCS notifies WAs of an available slot, the WA must work with the applicant and/or legal representative to identify a waiver service provider and provide DHCS with a primary care physician-signed Plan POT. If the POT is not submitted to DHCS within 90 days, then a NOA must be sent to the applicant and the applicant must be removed from the waitlist.

   a) If a NOA is sent, the WA must follow normal protocol and enter MedCompass case notes, update the status, and close the case on the NOA effective date if the applicant did not respond.

   b) The 90-day time period will only be extended for applicants who have applied for Medi-Cal where special rules are applied to determine Medi-Cal eligibility because of their pending enrollment in the HCBA Waiver. The WA and applicant must continue to actively work with a county eligibility worker, and the WA must continue to include updates on those activities in the applicant's case notes. An applicant's and/or legal representative's failure to cooperate with the county will be a valid reason to close the pending waiver case.[11]

11) The enrollment effective date will be the date that the completed enrollment packet is submitted to DHCS, not the date the applicant is placed in the waitlist.

12) If an applicant is unable to be enrolled or declines waiver enrollment, the open Waiver Slot will be offered to the next applicant on the statewide waitlist.

13) If an applicant is still residing in a skilled nursing or acute care facility at the time that a Waiver Slot becomes available and DHCS notifies the WA that the enrollment is approved pending facility discharge, the applicant must be safely discharged from the facility within 30 days of the date the WA is notified of the pending enrollment. If a discharge date has not been confirmed and/or the applicant is not discharged within this timeframe, then DHCS will reassign the Waiver Slot to the next eligible applicant.

   a) If a safe discharge is not an option at that time, the WA must send a NOA to the applicant and they may reapply when they are ready to be safely discharged into the community.

WA Responsibilities:

1) WAs must regularly monitor their waitlists and ensure they are current and accurate. Incorrect information, not using the correct subprogram, and not

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[11] This is in reference to, but not limited to, cases that require Institutional Deeming or Spousal Impoverishment determinations to access Medi-Cal services.

placing members on the waitlist using the Waitlist status may cause enrollment delays.

2) WAs must accept all applications received and screen them for basic HCBA Waiver eligibility and Reserve Capacity status. The WA must immediately add the application to the waitlist using the Waitlist status the date that the application was received and include a case note.

3) WAs must send notification to the applicant to confirm receipt of the HCBA Waiver Application and provide the effective date of placement on the waitlist. WAs must refer applicants that are placed on the waitlist to other waivers or programs (including Community Supports and Enhanced Care Management (ECM) available through Medi-Cal Managed Care) that may be able to provide support and for which they may be eligible.[12]

4) WAs must use the appropriate MedCompass subprograms, items a) to f), to identify whether an applicant meets one of the Reserve Capacity or Community enrollment criteria.

   a) *HCBA (Transitioning from Other HCBS)*
      i) Use this subprogram for individuals transitioning to HCBA from similar HCBS programs because their skilled care needs and LOC can no longer be met through those programs.
      ii) The requirements outlined in HCBA PL 23-001: Preventing Dual Enrollment in 1915(c) Home and Community-Based Services Waivers and Maintaining Beneficiary Freedom of Choice must be applied.[13]

   b) *HCBA (EPSDT to HCBA Transition)*
      i) Use this subprogram for individuals imminently aging out of EPSDT, or who aged out of EPSDT within the previous 6 months, who have or had been receiving PDN at the time they aged out of EPSDT.
      ii) WAs must confirm that applicants have or had been receiving PDN and indicate this in a case note.

   c) *HCBA (U21 Institutional Deeming)*
      i) Use this subprogram for individuals who are under 21 years of age and require Institutional Deeming to access Medi-Cal.
      ii) If the applicant requires Institutional-Deeming, then indicate "Requires Institutional-Deeming" in the MedCompass Alert(s) field. The WA must initiate the Institutional-Deeming process prior to an applicant's slot release to avoid enrollment delays.
      iii) WAs should initiate the Institutional-Deeming process for applicants when

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[12] https://www.dhcs.ca.gov/CalAIM/ECM/Pages/Home.aspx
[13] HCBA PL 23-001: Preventing Dual Enrollment of 1915(c) Home and Community-Based Services Waivers and Maintaining Beneficiary Freedom of Choice.

the waiver slot is released for them.

    d) *HCBA (Under 21)*
        i) Use this subprogram for all other individuals who are under 21 years of age and do not meet b) or c).

    e) *HCBA (Institution 60+ Days)*
        i) Use this subprogram who have resided in a facility for 60 days or more. This subprogram should not be used if the applicant has resided in a facility for less than 60 days.

    f) *HCBA (Community)*
        i) Use this subprogram for non-Reserve Capacity applicants who reside in the community and do not meet a), b), c), or d).

5) Notify DHCS if an applicant's status changes while waitlisted (i.e., an applicant is Reserve Capacity then status changes to non-Reserve Capacity, or non-Reserve Capacity to Reserve Capacity). DHCS will update the waitlist to accurately reflect applicant's enrollment priority status.

    a) Change from residing in the community to residing in healthcare facility for at least 60 days (non-Reserve Capacity to Reserve Capacity).

        i) Send secure email to ISCD-CMU-WA@dhcs.ca.gov with the following information:

            (1) Applicant name and CIN
            (2) Indicate status change from and to
            (3) Date the status change is effective.
                (a) For applicants residing in a facility for 60 days more, the status change effective date is the 60th day in the facility.

        ii) Update the applicant's MedCompass information:

            (1) Change sub-program to the appropriate category.
            (2) Enter case note that includes the status change from and to, and the status change effective date.

        iii) If any of the enrollment packet documents require edits, then WAs must indicate this and provide the status of the documents requiring edits if not submitted with the status change notification.

    b) Change from residing in healthcare facility for at least 60 days to residing in the community. If an applicant had been residing in a healthcare facility for at least 60 days at the time of application, then they maintain their Reserve Capacity status and date on the waitlist even if they move into the Community

while waitlisted. However, the WA must notify DHCS of the discharge.

    i) Send secure email to ISCD-CMU-WA@dhcs.ca.gov with the following information:

        (1) Applicant name and CIN
        (2) Indicate status change from status and to status
        (3) Date of status change (discharge date)

    ii) Do not update the applicant's MedCompass information. Use the case notes templates to indicate the status change and include the start date and end date that the applicant resided in the facility.

    iii) If any of the enrollment packet documents require edits, then WAs must indicate this and provide the status of the documents requiring edits if not submitted with the status change notification.

6) WAs must complete the following when issuing NOAs:

    a) Place the case in Pending Closure status until the required timeframe has elapsed. Cases that are confirmed to be closed must be immediately placed in Closed status in MedCompass.

    b) Enter appropriate MedCompass case notes regarding the case closure after the NOA effective date.

7) If an applicant's case was closed and they are reapplying to the HCBA Waiver the WA should create a new Program in applicant's MedCompass file. The closed Program should not be used.

If you have questions regarding the requirements of this Policy Letter, please contact your assigned DHCS Contract Manager or submit a question to the HCBA email inbox at HCBAlternatives@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

Cortney Maslyn, Chief
Integrated Systems of Care Division
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