

Notice of Frequently Asked Questions About the Department of Health and Social Services' Project to Explore Two Options in the Social Security Act Known as Medicaid 1915(i) Home and Community-Based Services and 1915(k) Community First Choice.

Frequently Asked Questions (12-28-15)

State Plan Options 1915(i) and 1915(k)

Overview

1. What is a state plan option?

To receive federal funding for Medicaid services, states must comply with the federal Medicaid law. This law defines what states: (1) must do; (2) can choose to do; and (3) cannot do. Those benefits that a state can choose to include in their Medicaid State Plan is referred to as a "state plan option" or "optional benefit."

2. Why is the State of Alaska pursuing the 1915(i) and the 1915(k) state plan options?

Seniors and people with disabilities in Alaska, by and large, want to stay in their homes and communities. Home and community-based services (HCBS) support these individuals in doing so. Given the State of Alaska's financial concerns, the State needs to leverage as much federal funding as possible to help pay for home and community-based services. When services are administered under the Medicaid State Plan, state dollars are matched by federal dollars. The federal government will pay 50% of the cost of the Medicaid services under 1915(i), and 56% of the cost of the Medicaid services under the 1915(k) option. Some services currently funded by State General Fund dollars only could be administered under the Medicaid State Plan which would bring more federal dollars into the State.

3. Will some seniors and people with disabilities lose their benefits?

The state plan options will extend Medicaid benefits to additional populations for specific services, not exclude individuals currently receiving benefits. While we cannot expand home and community-based services due to the State budget deficit, the state plan options will allow Alaska to draw down more federal dollars to help pay for these services.

4. How is the 1915(i) state plan optional benefit similar to Alaska's 1915(c) waiver?

- The allowed services under the 1915(i) state plan option may be identical to those offered under the waiver. In addition, the 1915(i) state plan option may include personal care services.
- Both 1915(i) state plan option and the 1915(c) waiver include specific targeting criteria for eligibility. For 1915(i), the state may define and limit the target group(s) served. For 1915(c) waiver, the following groups are targeted: aged/disabled, persons with intellectual disabilities/developmental disabilities, persons with severe mental illness.
- Neither the 1915(i) state plan option nor the 1915(c) waiver can cover room and board (except for allowable transition costs from an institutional setting to a home and community-based setting), special education and related services provided under the Individuals with Disabilities Education Act that are education-related only and vocational services provided under the Rehabilitation Act of 1973.

5. How is the 1915(i) state plan optional benefit different from the 1915(c) waiver?

- While the waiver limits home and community-based services benefits to those who meet a Nursing Facility or Intermediate Care Facilities for Individuals with Intellectual Disabilities level of care, the 1915(i) state plan option provides home and community-based services to individuals who would not otherwise meet the Nursing Facility or Intermediate Care Facilities for Individuals with Intellectual Disabilities level of care eligibility requirement.
- While the availability of waiver services can be limited to certain parts of the state, the 1915(i) state plan optional benefit must be provided to everyone who meets eligibility criteria statewide.
- The 1915(c) waiver allows caps on the number of people that can be served and establishes a waiting list (or registry) for those who are eligible but exceed the service cap. The 1915(i) state plan optional benefit is not allowed to set caps on the number served under the benefit and therefore, anyone who meets the eligibility criteria for the benefit is entitled to the service.

6. How is the 1915(k) Community First Choice state plan optional benefit similar to the Personal Care Services state plan benefit?

Both the 1915(k) and Personal Care Services cover personal care attendant services that support individuals with their Activities of Daily Living (e.g., bathing, dressing, eating, etc.) and Instrumental Activities of Daily Living (e.g., meal preparation, housekeeping, etc.).

7. How is the 1915(k) Community First Choice state plan optional benefit different from the Personal Care Services state plan benefit?

- Unlike the Personal Care Services benefit, to be eligible for the 1915(k) state plan optional benefit, an individual must meet the Nursing Facility or Intermediate Care Facilities for Individuals with Intellectual Disabilities level of care.
- While the Personal Care Services benefit receives the traditional federal match to state dollars allocated to fund the program, 1915(k) state plan optional benefits are eligible for an enhanced federal match. In Alaska, the traditional federal match is 50% (for every 50 cents the state puts in, the federal government puts in 50 cents). Under 1915(k), the federal match is 56%.
- In addition to the personal care attendant benefits that both 1915(k) and Personal Care Services cover, 1915(k) also includes additional required and optional benefits spelled out in the response to Question 12.

Eligibility

8. What are the eligibility criteria for 1915(i) and 1915(k)?

- For 1915(i), individuals must be eligible for Medicaid under the State plan up to 150% of Federal Poverty Level, and may include special income group of individuals with income up to 300% Social Security Income.
- For 1915(k), individuals must meet institutional level of care. Individuals must also be eligible for Medicaid under the State plan up to 150% of Federal Poverty Level. Individuals with income greater than 150% of the Federal Poverty Level may use the institutional deeming rules which means that parents' or spouse's income and resources are not taken into account.

9. Can you receive services through the 1915(c) waiver and also be eligible for services under a state plan option?

Yes.

10. What populations will be targeted in 1915(i)?

While this is currently being determined, preliminary target groups include persons with Alzheimer's Disease and Related Dementias, Severe Mental Illness, Intellectual and Developmental Disabilities, and Traumatic Brain Injury. Individuals with Fetal Alcohol Spectrum Disorders may be included as well.

Services

11. What services are covered under 1915(i)?

1915(i) services include those services currently covered under 1915(c) waiver:

- Case Management
- Homemaker Services
- Home Health Aide
- Personal Care
- Adult Day Health
- Habilitation
- Respite Care
- For Chronic Mental Illness: Day treatment or Partial Hospitalization, Psychosocial Rehab, Clinic Services

The Affordable Care Act revised 1915(i) to include "additional services requested by the state as the Secretary may approve." For example: Behavioral Supports, Cognitive Rehabilitative Therapy, Crisis Intervention, Exercise and Health Promotion, Health Monitoring, Housing Counseling, Assistive Technology, Live-In Caregiver Payment, and Family Training.

12. What services are covered under 1915(k)?

Services that must be covered include:

- Assistance with Activities of Daily Living such as eating, toileting, grooming, dressing, bathing, and transferring; Instrumental Activities of Daily Living such as meal planning and preparation, managing finances, shopping for food, clothing, and other essential items, performing essential household chores, communicating by phone or other media, and traveling around and participating in the community; and health-related tasks, e.g., assistance with medication administration, catheter, oxygen.
- Skills training to help people to accomplish Activities of Daily Living / Instrumental Activities of Daily Living, and health-related tasks.
- Back-up systems (e.g., emergency response button) and mechanisms to ensure continuity of services and supports.
- Voluntary training on how to select, manage, and dismiss attendants.

Other services that may be covered include:

- Transition costs required for an individual to transition from a nursing facility or other institution to a community-based home setting (e.g., items necessary to establish household to transition from a nursing facility or other institution.)
- Goods and services that increase an individual's independence or substitutes for human assistance, to the extent that expenditures would otherwise be made for human assistance, e.g., ramp that allows person to enter home independently.

Settings

13. In what settings can the 1915(i) and 1915(k) state plan optional benefits be offered?

A federal rule sets forth requirements of the settings that are eligible for reimbursement for the Medicaid home and community-based services provided under sections 1915(c), 1915(i) and 1915(k) of the Medicaid statute. The rule requires that all home and community-based settings meet certain qualifications. These include:

- The setting is integrated in and supports full access to the greater community;
- Is selected by the individual from among setting options;
- Ensures individual rights of privacy, dignity and respect, and freedom from coercion and restraint;
- Optimizes autonomy and independence in making life choices; and
- Facilitates choice regarding services and who provides them.

Excluded settings include nursing facilities, institutions for mental disease, intermediate care facilities for individuals with intellectual disabilities, and hospitals. Other Medicaid funding authorities support services provided in these institutional settings.[\[1\]](#)

Functional Assessment and Person-Centered Care Plans

14. I understand the State may develop or adopt a new functional assessment tool to assess an individual's needs for 1915(i) and 1915(k). Why is the State looking at new assessment tools?

The federal government is requiring functional assessment tools to be consistent with "person-centered planning." This type of planning includes processes whereby the needs and preferences of the individual receiving services are described by that person, along with family, friends and other care team members. This helps to ensure that the individual's care plan includes, and the individual receives, the covered services they need in a way that they prefer. These requirements apply across the 1915(c) and 1915(i) programs and are consistent with the final person-centered planning requirements for 1915(k).[\[2\]](#)

15. Will there be any changes to selection and training of individuals to administer the tools?

To the extent that the functional assessment tool changes, staff will be trained on new features of the tool.

16. How does the State propose to meet the conflict-free case management requirement of 1915(k) in remote areas of Alaska where there are no or limited independent case managers?

Conflict-free case management is the provision of case management services by an independent entity, one that does not have a conflict of interest in either the assessment or care plan. For example, case managers cannot be employed by providers of State plan home and community-based services for an individual. However, exceptions may be made if the provider is the only willing and qualified entity in the area. In this case, the State must develop additional safeguards including an alternative dispute resolution process. The State of Alaska is currently in dialogue with the Centers for Medicaid and Medicare Services about this exception in rural Alaska; the State will communicate the result of its discussions at the appropriate time.

Efficiencies

17. How will the State avoid duplication between waiver programs and the state plan option services?

The State's contractor is currently conducting an operational assessment – including meetings with service providers and participants – to identify opportunities to streamline common processes such as the application

process, assessment process, information systems, etc.

[1] CMS Fact Sheet: Summary of Key Provisions of the Home and Community-based Services Settings Final Rule. January 10, 2014. <http://www.medicaid.gov/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/hcbs-setting-fact-sheet.pdf>

[2] Medicaid.gov. Home and Community Based Services, Q and A. May 7, 2012. <http://www.medicaid.gov/medicaid-chip-program-information/by-topics/long-term-services-and-supports/home-and-community-based-services/downloads/final-q-and-a.pdf>

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Attachments, History, Details

Attachments

None

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