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State/Territory Name: Iowa

State Plan Amendment (SPA) #: 20-0019

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

March 04, 2021

Julie Lovelady, Interim Director
Department of Human Services
Iowa Medicaid Enterprise
1305 East Walnut 5th Floor
Des Moines IA 50319-0114

RE: 20-0019: Iowa's Home and Community-Based Services (HCBS) Habilitation §1915(i)
HCBS state plan amendment (SPA)

Dear Ms. Lovelady:

The Centers for Medicare & Medicaid (CMS) is approving the state's request to amend its 1915(i) state plan HCBS benefit, transmittal number 20-0019. The effective date for this amendment is February 1, 2021 as requested by the state. With this amendment, the state is revising the 1915 (i) HCBS Day Habilitation provider qualifications and the scope of service. To assure that services are delivered by qualified provider(s) and can offer a pathway to employment for participants.

Enclosed are the following approved SPA pages that should be incorporated into your approved state plan:

- Attachment 3.1-C Pages 27-28a and Pages 37-41a

It is important to note that CMS' approval of this change to the state's 1915(i) HCBS state plan benefit solely addresses the state's compliance with the applicable Medicaid authorities. CMS' approval does not address the state's independent and separate obligations under federal laws including, but not limited to, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, or the Supreme Court's Olmstead decision. Guidance from the Department of Justice concerning compliance with the Americans with Disabilities Act and the Olmstead decision is available at http://www.ada.gov/olmstead/q&a_olmstead.htm.

If there are any questions concerning this approval, please contact me at (206) 615-2356 or your staff may contact Shante Shaw at shante.shaw@cms.hhs.gov or (206) 615-2346.

Sincerely,



David L. Meacham, Director
Division of HCBS Operations and Oversight

Enclosure

cc:

Jennifer Steenblock, DHS

Laura Dangelo, CMS

Lynell Sanderson, CMS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2</u> <u>0</u> — <u>0</u> <u>0</u> <u>1</u> <u>9</u>	2. STATE IOWA
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE February 1, 2021	

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*)

- NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

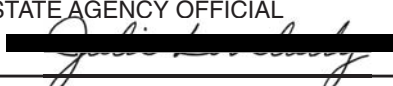
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.182	7. FEDERAL BUDGET IMPACT a. FFY <u>2021</u> \$ <u>0</u> b. FFY <u>2022</u> \$ <u>0</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1-C, Page 27, 28, 28a (new page), 37, 38, 38a, 39, 40, 41, 41a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Attachment 3.1-C, Page 27, 28, 37, 38, 38a, 39, 40, 41, 41a

10. SUBJECT OF AMENDMENT

This amendment applies to the 1915(i) HCBS Day Habilitation service. Revises provider qualifications and scope of service to assure that services are delivered by qualified providers and provide a pathway to employment for participants.

11. GOVERNOR'S REVIEW (*Check One*)

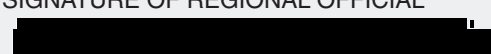
- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO JULIE LOVELADY INTERIM MEDICAID DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114
13. TYPED NAME JULIE LOVELADY	
14. TITLE INTERIM MEDICAID DIRECTOR	
15. DATE SUBMITTED December 14, 2020	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 12/14/2020	18. DATE APPROVED March 04, 2021
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL February 01, 2021	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME David L. Meacham	22. TITLE Director, Division of HCBS Operations and Oversight

23. REMARKS

Provider Type (Specify):	Entity Responsible for Verification (Specify):	Frequency of Verification (Specify):
Case Management Provider	Iowa Department of Human Services, Iowa Medicaid Enterprise	Verified at initial certification and thereafter based on the length of the certification (either 270 days, 1 year, or 3 years)
Service Delivery Method. (Check each that applies):		
<input type="checkbox"/> Participant-directed	<input checked="" type="checkbox"/> Provider managed	
Service Specifications (Specify a service title for the HCBS listed in Attachment 4.19-B that the state plans to cover):		
Service Title:	Habilitation	
Service Definition (Scope):		

Services designed to assist participants in acquiring, retaining and improving the self-help, socialization and adaptive skills necessary to reside successfully in home and community-based settings.

Components of this service include the following:

1. Home-based Habilitation means individually tailored supports that assist with the acquisition, retention, or improvement in skills related to living in the community. These supports include adaptive skill development, assistance with activities of daily living, community inclusion, transportation, adult educational supports, social and leisure skill development, that assist the participant to reside in the most integrated setting appropriate to his/her needs. Home-based habilitation also includes personal care and protective oversight and supervision. Home-based habilitation is not covered for participants residing in a residential care facility of more than 16 persons.

2. Day Habilitation means services that provide opportunities and support for community inclusion and build interest in and develop skills for active participation in recreation, volunteerism and integrated community employment. Day habilitation provides assistance with acquisition, retention, or improvement of socialization, community participation, and daily living skills.

Scope. Day habilitation activities and environments are designed to foster the acquisition of skills, positive social behavior, greater independence, and personal choice. Services focus on supporting the member to participate in the community, develop social roles and relationships, and increase independence and the potential for employment. Services are designed to assist the member to attain or the member's individual goals as identified in the member's comprehensive service plan. Services may also provide wraparound support secondary to community employment. Day habilitation activities may include:

- (1) Identifying the member's interests, preferences, skills, strengths and contributions,
- (2) Identifying the conditions and supports necessary for full community inclusion and the potential for competitive integrated employment,
- (3) Planning and coordination of the member's individualized daily and weekly day habilitation schedule,
- (4) Developing skills and competencies necessary to pursue competitive integrated employment

- (5) Participating in community activities related to hobbies, leisure, personal health, and wellness,
 - (6) Participating in community activities related to cultural, civic, and religious interests,
 - (7) Participating in adult learning opportunities,
 - (8) Participating in volunteer opportunities,
 - (9) Training and education in self-advocacy and self-determination to support the member's ability to make informed choices about where to live, work, and recreate,
 - (10) Assistance with behavior management and self-regulation,
 - (11) Use of transportation and other community resources,
 - (12) Assistance with developing and maintaining natural relationships in the community,
 - (13) Assistance with identifying and using natural supports,
 - (14) Assistance with accessing financial literacy and benefits education,
 - (15) Other activities deemed necessary to assist the member with full participation in the community,
- Family training option. Day habilitation services may include training families in treatment and support methodologies or in the care and use of equipment. Family training may be provided in the member's home. The unit of service is 15 minutes. The units of services payable are limited to a maximum of 40 units per month.

Expected outcome of service. The expected outcome of day habilitation services is active participation in the community in which the member lives, works, and recreates. Members are expected to have opportunities to interact with individuals without disabilities in the community, other than those providing direct services, to the same extent as individuals without disabilities.

Setting. Day habilitation shall take place in community-based, nonresidential settings separate from the member's residence. Family training may be provided in the member's home.

Duration. Day habilitation services shall be furnished for four or more hours per day on a regularly scheduled basis for one or more days per week or as specified in the member's comprehensive service plan. Meals provided as part of day habilitation shall not constitute a full nutritional regimen (three meals per day).

Unit of service. A unit of day habilitation is 15 minutes (up to 16 units per day) or a full day (4.25 to 8 hours).

Concurrent services. A member's comprehensive service plan may include two or more types of nonresidential habilitation services (e.g., day habilitation, individual supported employment, long-term job coaching, small-group supported employment, and prevocational services). However, more than one service may not be billed during the same period of time (e.g., the same hour).

Transportation. When transportation is provided to the day habilitation service location from the member's home and from the day habilitation service location to the member's home, the day habilitation provider may bill for the time spent transporting the member.

Exclusions. Day habilitation payment shall not be made for the following:

- (1) Vocational or prevocational services. Services that are available to the individual under a program funded under Section 110 of the Rehabilitation Act of 1973 or the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.). Documentation that funding is not available to the individual for the service under these programs shall be maintained in the service plan of each member receiving day habilitation services.
- (2) Compensation to members for participating in day habilitation services.
- (3) Support for members volunteering in for-profit organizations and businesses.

Supersedes: None

Effective: February 1, 2021

Approved: March 04, 2021

(4) Support for members volunteering to benefit the day habilitation service provider

3) Prevocational services means services that provide career exploration, learning and work experiences, including volunteer opportunities, where the member can develop non-job-task-specific strengths and skills that lead to paid employment in individual community settings.

Prevocational services are provided to persons who are expected to be able to join the general workforce with the assistance of supported employment. Prevocational services are intended to develop and teach general employability skills relevant to successful participation in individual employment. These skills include but are not limited to:

- The ability to communicate effectively with supervisors, coworkers and customers,
- An understanding of generally accepted community workplace conduct and dress,
- The ability to follow directions,
- The ability to attend to tasks,
- Workplace problem-solving skills and strategies,
- General workplace safety and mobility training,
- The ability to navigate local transportation options,
- Financial literacy skills, and
- Skills related to obtaining employment.

Prevocational services include career exploration activities to facilitate successful transition to individual employment in the community. Participation in prevocational services is not a prerequisite for individual or small-group supported employment services.

Career Exploration Career exploration activities are designed to develop an individual career plan and facilitate the member's experientially-based informed choice regarding the goal of individual employment.

Career exploration may be provided in small groups of no more than four members to participate in career exploration activities that include:

- Business tours
- Attending industry education events
- Benefit information
- Financial literacy classes
- Attending career fairs

The expected outcome of Career Exploration is a documented Career Plan that will inform the member's employment service planning going forward.

The expected outcome of prevocational services is individual employment in the general workforce, or self-employment, in a setting typically found in the community, where the member interacts with individuals without disabilities, other than those providing services to the member or other individuals with disabilities, to the same extent that individuals without disabilities in comparable positions interact with other persons; and for which the member is compensated at or above the minimum wage, but not less than the customary

<p>Exclusions</p> <ul style="list-style-type: none"> • Prevocational services payment shall not be made for the following: • Services that are available to the individual under a program funded under Section 110 of the Rehabilitation Act of 1973 or the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.). • Documentation that funding is not available to the individual for the service under these programs shall be maintained in the service plan of each member receiving prevocational services. • Services available to the individual that duplicate or replace education or related services defined in the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.). • Compensation to members for participating in prevocational services. • Support for members volunteering in for-profit organizations and businesses. 			
<p>Provider Qualifications (For each type of provider. Copy rows as needed):</p>			
Provider Type (Specify):	License (Specify):	Certification (Specify):	Other Standard (Specify):
Home-based habilitation providers		<p>Meet any of the following:</p> <ul style="list-style-type: none"> • Accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) • Accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) • Accredited by the Council on Accreditation (COA) • Accredited by the Council on Quality and Leadership (CQL) • Certified by the bureau of long term care of the Iowa Medicaid Enterprise as a provider of Supported Community Living for the HCBS ID Waiver under 441-IAC 77.37(1) through 77.37(14) or the HCBS BI Waiver under 441-IAC 77.39(1) through 77.39(10) and 77.39(13). • Certified by the department as a provider of Supported Community Living under 441-IAC 24.2 through 24.4(8) and 24.2(12). 	

<p>Day habilitation providers</p>		<p>Meet any of the following:</p> <ul style="list-style-type: none"> • Accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) • Accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) • Accredited by the Council on Accreditation (COA) • Accredited by the Council on Quality and Leadership (CQL) • Accredited by the International Center for Clubhouse Development (ICCD) • Certified by the department as a provider of Day Treatment under 441-IAC 24.2 through 24.4(8) and 24.4(10) or Supported Community Living under 441-IAC 24.2 through 24.4(8) and 24.2(12). 	<p>Direct support staff shall meet the following minimum qualifications</p> <p>(1) A person providing direct support without line-of-sight supervision shall be at least 18 years of age and possess a high school diploma or equivalent degree. A person providing direct support with line-of-sight supervision shall be 16 years of age or older.</p> <p>(2) A person providing direct support shall not be an immediate family member of the member.</p> <p>(3) A person providing direct support shall, within six months of hire or within six months of February 1, 2021, complete at least 9.5 hours of training in supporting members in the activities listed in 441—paragraph 78.27(8) “a,” as offered through DirectCourse or Relias or other nationally recognized Training curriculum.</p> <p>(4) A person providing direct support shall annually complete 4 hours of continuing education in supporting members in the activities listed in 441—paragraph</p>
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Effective: February 01, 2021

Approved: March 04, 2021

Supersedes: IA-17-003

			78.27(8) "a," as offered through DirectCourse or Relias or other nationally recognized training curriculum.
Prevocational habilitation providers		<p>Meet any of the following:</p> <ul style="list-style-type: none"> • Accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) • Accredited by the Council on Quality and Leadership (CQL) • Accredited by the International Center for Clubhouse Development (ICCD) • Certified by the bureau of long term care of the Iowa Medicaid Enterprise as a provider of Prevocational services for the HCBS ID Waiver under 441-IAC 77.37(13) and 77.37(26) or the HCBS BI Waiver under 441-IAC 77.39(22). 	

Supported employment habilitation providers		<p>Meet any of the following:</p> <ul style="list-style-type: none"> • Accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) • Accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) • Accredited by the Council on Accreditation (COA) • Accredited by the Council on Quality and Leadership (CQL) • Accredited by the International Center for Clubhouse Development (ICCD) • Certified by the bureau of long term care of the Iowa Medicaid Enterprise as a provider of Supported Employment for the HCBS ID Waiver under 441-IAC 77.37(1) through 77.37(13) and 77.37(16) or the HCBS BI 	
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Supersedes: IA-17-003

		waiver under 441-IAC 77.39(1) through 77.39(10) and 77.39(15).	
Verification of Provider Qualifications (For each provider type listed above. Copy rows as needed):			
Provider Type (Specify):	Entity Responsible for Verification (Specify):	Frequency of Verification (Specify):	
Home-based habilitation providers	Iowa Department of Human Services, Iowa Medicaid Enterprise MCO	<p>Verified at initial certification and thereafter based on the length of certification:</p> <ul style="list-style-type: none"> • Either 270 days, 1 year, or 3 years when certified by the IME as a provider for HCBS MR or BI Waivers or certified under IAC 441-24 • Either 1 year or 3 years when accredited by CARF; either 3 years or 4 years when accredited by COA • 3 years when accredited by JCAHO • 4 years when accredited by CQL <p>Verified at initial certification and thereafter based on the length of the certification.</p>	

Day habilitation providers	Iowa Department of Human Services, Iowa Medicaid Enterprise MCO	<p>Verified at initial certification and thereafter based on the length of certification:</p> <ul style="list-style-type: none"> • Either 270 days, 1 year, or 3 years when certified by the IME as a provider for HCBS ID Waiver certified under IAC 441-24
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Effective: February 01, 2021

Approved: March 04, 2021

Supersedes: IA-17-003

		<ul style="list-style-type: none"> • Either 1 year or 3 years when accredited by CARF or ICCD • 3 years when accredited by JCAHO • 4 years when accredited by CQL <p>Verified at initial certification and thereafter based on the length of the certification.</p>
<p>Prevocational habilitation providers</p>	<p>Iowa Department of Human Services, Iowa Medicaid Enterprise MCO</p>	<p>Verified at initial certification and thereafter based on the length of certification:</p> <ul style="list-style-type: none"> • Either 270 days, 1 year, or 3 years when certified by the IME as a provider for HCBS MR or BI Waivers • Either 1 year or 3 years when accredited by CARF or ICCD • Either 3 years or 4 years when accredited by COA • 3 years when accredited by JCAHO • 4 years when accredited by CQL <p>Verified at initial certification and thereafter based on the length of the certification.</p>

Effective: February 01, 2021

Approved: March 04, 2021

Supersedes: IA-17-003

Supported employment habilitation providers	Iowa Department of Human Services, Iowa Medicaid Enterprise MCO	Verified at initial certification and thereafter based on the length of certification: <ul style="list-style-type: none"> • Either 270 days, 1 year, or 3 years when certified by the IME as a provider for HCBS MR or BI Waivers • Either 1 year or 3 years when accredited by CARF or ICCD • Either 3 years or 4 years when accredited by COA • 3 years when accredited by JCAHO • 4 years when accredited by CQL Verified at initial certification and thereafter based on the length of the certification.	
Service Delivery Method. <i>(Check each that applies):</i>			
<input type="checkbox"/>	Participant-directed	<input checked="" type="checkbox"/>	Provider managed

1. **Policies Concerning Payment for State plan HCBS Furnished by Relatives, Legally Responsible Individuals, and Legal Guardians.** *(By checking this box the state assures that):* There are policies pertaining to payment the state makes to qualified persons furnishing State plan HCBS, who are relatives of the individual. There are additional policies and controls if the state makes payment to qualified legally responsible individuals or legal guardians who provide State Plan HCBS. *(Specify (a) who may be paid to provide State plan HCBS; (b) the specific State plan HCBS that can be provided; (c) how the state ensures that the provision of services by such persons is in the best interest of the individual; (d) the state’s strategies for ongoing monitoring of services provided by such persons; (e) the controls to ensure that payments are made only for services rendered; and (f) if legally responsible individuals may provide personal care or similar services, the policies to determine and ensure that the services are extraordinary (over and above that which would ordinarily be provided by a legally responsible individual):*

The state does not make payment for State plan HCBS furnished by relatives, legally responsible individuals, or legal guardians.

Participant-Direction of Services

Definition: Participant-direction means self-direction of services per §1915(i)(1)(G)(iii).

1. **Election of Participant-Direction.** *(Select one):*

Effective: February 01, 2021

Approved: March 04, 2021

Supersedes: IA-17-003

<input checked="" type="radio"/>	The state does not offer opportunity for participant-direction of State plan HCBS.
<input type="radio"/>	Every participant in State plan HCBS (or the participant’s representative) is afforded the opportunity to elect to direct services. Alternate service delivery methods are available for participants who decide not to direct their services.
<input type="radio"/>	Participants in State plan HCBS (or the participant’s representative) are afforded the opportunity to direct some or all of their services, subject to criteria specified by the state. <i>(Specify criteria):</i>

2. Description of Participant-Direction. *(Provide an overview of the opportunities for participant-direction under the State plan HCBS, including: (a) the nature of the opportunities afforded; (b) how participants may take advantage of these opportunities; (c) the entities that support individuals who direct their services and the supports that they provide; and, (d) other relevant information about the approach to participant-direction):*