

## CMS Home and Community Based Services Transition Plan - Background

The Centers for Medicare and Medicaid Services (CMS) is committed to ensuring that individuals who are served in Medicaid home and community-based services (HCBS) programs have access to the benefits of community living and the full opportunity to be integrated into their communities to the same degree as individuals who do not receive Medicaid HCBS services. Therefore, in January 2014, CMS published [regulations](#) in the Federal Register, which implemented new requirements for Medicaid's HCBS programs furnished either through a 1915(c) waiver or through a 1915(i) state plan option.

The final federal rule was developed over a five-year period and represents significant input from a wide range of stakeholders and perspectives. It became effective on March 17, 2014.

The federal rule ensures individuals who receive Medicaid-funded HCBS to have the opportunity to receive HCBS services in a manner that protects their choice and promotes community integration. It applies to all seven of Ohio's 1915(c) waivers and the state's 1915(b)(c) waiver. Included are the:

- Ohio Home Care Waiver and MyCare Ohio - operated by the Ohio Department of Medicaid;
- Assisted Living and PASSPORT waivers - operated by the Ohio Department of Aging; and
- Individual Options, Level One, S.E.L.F and Transitions DD - operated by the Ohio Department of Developmental Disabilities.

The final federal rule also applies to the Ohio's 1915(i) state plan option known as the [Specialized Recovery Services Program](#), which will become effective on July 1, 2016.

The federal rule establishes the requirements for the qualities of settings where individuals live and/or receive Medicaid-reimbursable HCBS. CMS is moving away from defining home and community-based settings by "*what they are not*," and moving toward defining them by the "*nature and quality of the individuals' experiences*."

The changes related to clarification of HCBS settings will put into practice the law's intention for Medicaid HCBS to offer alternatives to services provided in institutions and increase opportunities for waiver participants to have access to the benefits of community living.

The federal rule also describes the minimum requirements for a person-centered services plan developed through a process directed by the individual with long-term service and support needs. The person-centered services plan will assist the individual to achieve his or her personally defined outcomes in the most integrated community setting.

The federal rule includes a transition period for states to ensure that waivers and Medicaid state plans in effect before March 17, 2014 meet the HCBS settings definition. For approval after that date, new 1915(c) waivers or 1915(i) state plan options, like the Specialized Recovery Services Program, must meet the new requirements.

For currently approved 1915(c) waivers and 1915(i) state plans, states must evaluate the settings currently in their 1915(c) waivers and 1915(i) state plan programs and, if there are settings that do not fully meet the final HCBS rule definition, work with CMS to develop a plan to bring their program into compliance.

Ohio submitted its initial [statewide transition plan](#) to CMS on March 13, 2015. In response to feedback from CMS, Ohio made revisions to the initial plan Ohio opened updated transition plan to [public comment](#) in October of the same year.

CMS may approve the transition plan for up to five years, but by no later than March 17, 2019, as supported by an individual state's circumstances, to ensure full compliance.

If CMS finds the Medicaid agency does not meet the requirements outlined in the federal rule, it may take compliance actions such as withholding federal payments.