



State of Utah

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KEVIN BAGLEY
Director, Bureau of Authorization and
Community Based Services

DATE: April 26, 2016
TO: Utah Medicaid HCBS Waiver Providers
FROM: Kevin Bagley, Director, Bureau of Authorization and Community Based Services
RE: Compliance with Federal Home and Community Based Services (HCBS) Settings Rule

On March 17, 2014 the Centers for Medicare and Medicaid Services (CMS) implemented new federal HCBS regulations that provided clarification concerning the required characteristics of service settings. To determine compliance with the new regulations, states must review and evaluate all HCBS residential and non-residential service settings. These rules apply to all Utah HCBS waiver programs.

The final rule establishes an outcome-oriented definition of HCBS settings that focuses on the nature and quality of individuals' experiences. The rule reflects CMS' intent to ensure that individuals receiving services and supports through Medicaid HCBS programs have full access to the benefits of community living and receive services in the most integrated setting possible. Information on the final rule can be found at <http://health.utah.gov/lc/hcbstransition/>.

In accordance with the regulations, Utah Medicaid created an HCBS Setting Transition Plan (the Plan). One of the initial action items in the Plan requires the State to perform a preliminary categorization of providers as those presumed to be *Compliant*, *Not Yet Compliant*, or *Not Compliant* with the setting requirements. A related action item in the Plan requires all settings initially categorized as Not Yet Compliant or Not Compliant to complete and submit to the State, the results of the Provider Self-Assessment Tool. Completion of the Provider Self-Assessment Tool is mandatory and must be completed and returned to the State for each service setting via email, facsimile or mail within 60 days of the date of this letter. The results of your self-assessment must be submitted by: July 1, 2016. Failure to submit completed Provider-Self Assessments may result in suspension of payment or provider disenrollment. Submission instructions are described within the Provider Self-Assessment Tool. Utah Medicaid will be available to provide technical assistance to providers throughout this process and may be reached via email at HCBSSettings@utah.gov, or by phone at 801-538-6553.

After the provider self-assessment process has been completed, the Plan identifies additional action items. One action item requires the State to confirm the validity of the provider self-assessment process by performing onsite reviews of a statistically valid sample of settings subject to the provider self-assessment process. Another action item requires the State to review results and identify potential areas of non-compliance. Based on provider self-assessment findings and onsite reviews, the State, providers, and stakeholders will collaborate to develop Provider Remediation Plans. Providers will be given the opportunity to remediate issues and come into compliance within timeframes established by the State. Providers who fail to complete a Provider Remediation Plan, or those determined through the heightened scrutiny process to have institutional like qualities that cannot be remediated, will no longer be able to provide Medicaid HCBS services.

Thank you for the services you provide to Medicaid members. If you have questions about the Provider Self-Assessment Tool or process please contact the Bureau of Authorization and Community Based Services via email at HCBSSettings@utah.gov or by phone at 801-538-6553.



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