

S5165 – Environmental Modifications

**Covered Service**

Physical adaptations to the beneficiary's own home or apartment and/or work place. There must be documented evidence that the modification is the most cost-effective alternative to meet the beneficiary's need/goal based on the results of a review of all options, including a change in the use of rooms within the home or alternative housing, or in the case of vehicle modification, alternative transportation. All modifications must be prescribed by a physician. Prior to the environmental modification being authorized, PIHP may require that the beneficiary apply to all applicable funding sources (e.g., housing commission grants, MSHDA, and community development block grants) for assistance. It is expected that the PIHP Case Manager/Supports Coordinator will assist the beneficiary in his/her pursuit of these resources. Acceptances or denials by these funding sources must be documented in the beneficiary's records. Medicaid is a funding source of last resort.

Coverage Includes:

- The installation of ramps and grab-bars
- Widening of doorways
- Modification of bathroom facilities
- Special floor, wall or window covering that will enable the beneficiary more independence or control over his environment and/or ensure health and safety
- Installation of specialized electric and plumbing systems that are necessary to accommodate the medical equipment and supplies necessary for the welfare of the beneficiary
- Assessments by an appropriate health care professional and specialized training needed in conjunction with the use of such environmental modifications
- Central air conditioning when prescribed by a physician and specified as to how it is essential in the treatment of the beneficiary's illness or condition. This supporting documentation must demonstrate the cost-effectiveness of central air compared to the cost of window units in all rooms that the beneficiary must use
- Environmental modifications that are required to support proper functioning of medical equipment, such as electrical upgrades, limited to the requirements for safe operation of the specified equipment
- Adaptations to the work environment limited to those necessary to accommodate the beneficiary's individualized needs

Coverage Excludes:

- Adaptations or improvements to the home that are not of direct medical or remedial benefit to the beneficiary, or do not support the identified goals of community inclusion and participation, independence or productivity
- Adaptations or improvements to the home that are of general utility or cosmetic value and are considered to be standard housing obligations of the beneficiary. Examples of exclusions include, but are not limited to, carpeting (see exception above), roof repair, sidewalks, driveways, heating, central air conditioning, garages, raised garage doors, storage and organizers, landscaping and general home repairs.
- Cost for construction of a new home or new construction (e.g., additions) in an existing home
- Environmental modifications costs for improvements exclusively required to meet local building codes
- Adaptations to the work environment that are the requirements of Section 504 of the Rehabilitation Act or the Americans with Disabilities Act or are the responsibilities of the Michigan Rehabilitative Services

## Mid-State Health Network

The PIHP must assure there is a signed contract with the builder for an environmental modification and the homeowner. It is the responsibility of the PIHP to work with the beneficiary and the builder to ensure that the work is completed as outlined in the contract and that issues are resolved among all parties. In the event the contract is terminated prior to the completion the work, Medicaid capitation payments may not be used to pay for any additional costs resulting from the termination of the contract.

The existing structure must have the capability to accept and support the proposed changes. The “infrastructure” of the home (e.g., electrical system, plumbing, well/septic, foundation, heating/cooling, smoke detector systems, roof) must be in compliance with all local codes. If the home is not code compliant, other funding sources must be secured to bring the home into compliance.

The environmental modification must incorporate reasonable and necessary construction standards and comply with applicable state and local building codes. The adaptation cannot result in the valuation of the structure significantly above comparable neighborhood real estate values.

Adaptations may be made to rental properties when the landowner agrees to the adaptation in writing. A written agreement between the landowner and the beneficiary must specify any requirements for restoration of the property to its original condition if the occupant moves and must indicate that Medicaid is not obligated for any restoration costs.

If a beneficiary purchases an existing home while receiving Medicaid services, it is the beneficiary’s responsibility to assure that the home will meet basic needs, such as having a ground floor bath/bedroom if the beneficiary has mobility limitations. Medicaid funds may be authorized to assist with the adaptations noted above (e.g., ramps, grab bars, widening doorways) for a recently purchased existing home.

**Current Procedure Code**  
S5165

**Unit Type- [Day, Encounter, Etc.]**  
Episode of service

### Eligibility Criteria and Service Priorities

Environmental Modification is available to Medicaid beneficiaries with a serious emotional disturbance, serious mental illness and/or intellectual/developmental disability through the §1915(i) State Plan Amendment (SPA) for home and community-based services in accordance with §1915(i)(7) of the Social Security Act. The intent of the §1915(i) SPA is to fund medically necessary supports and services that promote community inclusion and participation, independence, and/or productivity when identified in the individual plan of service as one or more goals developed during person-centered planning. The authorization and use of Medicaid funds for any of the §1915(i) SPA supports and services, as well as their amount, scope and duration, are dependent upon:

- The Medicaid beneficiary’s eligibility for specialty services and supports as defined in the Behavioral Health and Intellectual and Developmental Disability Supports and Services Chapter of the Michigan Medicaid Provider Manual
- The service(s) having been identified during person-centered planning;
- The service(s) being medically necessary
- The service(s) being expected to achieve one or more of the following goals as identified in the beneficiary’s plan of service:
  - Community Inclusion and Participation
  - Independence
  - Productivity



**Associated Outcomes:**

One or more of the following as identified in the beneficiary's plan of service:

1. Community Inclusion and Participation - The individual uses community services and participates in community activities in the same manner as the typical community citizen.
2. Independence - "Freedom from another's influence, control and determination." (Webster's New World College Dictionary, 1996). Independence in the B3 context means how the individual defines the extent of such freedom for him/herself during person-centered planning.
3. Productivity - Engaged in activities that result in or lead to maintenance of or increased self-sufficiency. Those activities are typically going to school and work. The operational definition of productivity for an individual may be influenced by age-appropriateness.

**Typical Service Utilization Pattern:**

The person-centered planning process determines the authorization for this service. The authorization will be specific to each one-time request and evaluated on the merits of such a modification in relation to supporting the beneficiary's desired future in their person-centered plan.

**Provider Qualifications:**

N/A