

## POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Service Delivery System</b>		
<b>Title:</b>	<b>Home and Community Based Services (HCBS) Compliance Monitoring Procedure</b>		
<b>Policy:</b> <input type="checkbox"/> <b>Procedure:</b> <input checked="" type="checkbox"/> <b>Page:</b> 1 of 4	<b>Review Cycle:</b> Biennial  <b>Author:</b> Chief Behavioral Health Officer and Waiver Administrator	<b>Adopted Date:</b> 01.12.2021  <b>Review Date:</b> 09.09.2025	<b>Related Policies:</b> Provisional Approval to Provide Residential and Non-Residential HCBS Services Policy

### **Purpose**

The purpose of this procedure is to establish the Mid-State Health Network (MSHN) process for conducting monitoring and coordination of oversight of the Provider Network with the Community Mental Health Services Program (CMHSP), specifically Home and Community Based Services (HCBS) Final Rule, to ensure compliance with federal and state regulations and to establish a collaborative, standardized procedure for conducting reviews, to address ongoing compliance and monitoring.

### **Procedure**

#### **A. Initial Provider Corrective Action and Remediation Monitoring**

In accordance with the Michigan Department of Health and Human Services (MDHHS) Medicaid Managed Specialty Support and Services Contract with the Pre-Paid Inpatient Health Plan (PIHP) and the Statewide Assessment, Remediation, and Transition Strategy [i.e. the State Transition Plan (STP)], MSHN will assure full compliance with the HCBS Rule through conducting reviews of Habilitation Supports Waiver (HSW) and the 1915i State Plan (former b3 Waiver) HCBS settings on an annual and ongoing basis. Reviews will be based on survey response data, input from participants, and corrective action plans.

1. Through the HCBS survey process as well as ongoing monitoring, MSHN will provide relevant HCB provider settings a notification letter to identify their status as either compliant or non-compliant.
2. A template will be provided (i.e. residential or non-residential readiness tool) for the settings that are non-compliant for the HCBS provider to submit a corrective action plan (CAP).
3. The CAP will be due from the provider 30 days from receipt and will include the remediation actions the setting will take to achieve compliance.
4. MSHN will coordinate with the appropriate partner CMHSP to address related HCBS provider corrective and remedial actions. CMHSPs are involved in the assessment/reassessment of settings and participants, implementing CAPs as needed and ensuring that the setting is HCBS compliant.
5. Within 30 days, MSHN will review, approve, or deny and send CAP determination to the CMHSP and the HCBS Provider.
6. Within 90 days, MSHN and the HCBS provider must verify that the required changes have been implemented (remediation) and that the site is compliant.

7. Verification of CAP completion may occur through onsite, virtual onsite, and/or desk reviews. Determination regarding onsite, virtual onsite, or desk review will be made in consultation with the CMHSP partner and HCBS Provider.

## **B. Annual and Ongoing Monitoring**

MSHN HCBS reviews will be scheduled and conducted on an ongoing basis. MDHHS and its contracted entities are responsible for conducting annual and ongoing monitoring activities to ensure settings remain in compliance with the HCBS Final Rule. MSHN will work with its partner CMHSPs and related provider networks to implement a process consistent with MDHHS guidance and assure full compliance with HCBS requirements.

To maintain compliance with the HCBS Final Rule, fully implemented on March 17, 2023, MSHN will complete the following:

1. Annual HCBS Physical Setting Assessment: this assessment will ensure the setting providing the service to waiver participants is in compliance with the HCBS standards that relate to physical aspects of the setting. This includes, but is not limited to, access to all public areas of the setting, individually keyed bedroom door locks, access to food and food preparation materials, and all other areas as specified under the HCBS Final Rule set.
2. Triennial HCBS Comprehensive Assessment: this assessment will be completed every three years and will focus on the individual's experiences with the setting including, but not limited to, freedom of movement and satisfaction with the setting. The comprehensive assessment will include a review of all relevant documents pertaining to the individual, including but not limited to, the Individual Plan of Service (IPOS), Behavior Treatment Plan (BTP) if applicable, community outing logs, Resident Care Agreement and Summary of Resident Rights: Discharge and Complaints.
3. During review of any IPOS, MSHN will monitor and ensure that any restrictions, modifications, or limitations placed on an individual are fully compliant with the HCBS requirements and are based on an assessed health and/or safety need. The IPOS must include clear documentation and justification placed on any individual that otherwise limits, restricts, or intrudes on their rights and freedoms. IPOS documentation must contain the following elements ("the eight elements"):
  - a) Identify and address a specific, individualized health or safety related need
  - b) Demonstrate that positive interventions and supports were used prior to implementing the modification
  - c) Evidence that less intrusive methods have been tried but were not successful
  - d) Clear description of the condition and how it directly relates to the specified need
  - e) Regular data collection and plan for review of effectiveness of the modification
  - f) Established time limits for reviews to determine if the modification remains necessary
  - g) Informed consent of the individual
  - h) Assurance that the interventions and support will not cause harm
4. MSHN will coordinate with the appropriate partner CMHSP to address related corrective and remedial actions related to the assessment/reassessment of settings and participant input.
5. MSHN will provide the HCBS setting and the CMHSP with a written report that includes the results of the review within 30 days of the conclusion of the review activity and a determination made by MSHN reviewers of the status of in compliance or out of compliance.
6. Ongoing review and monitoring will occur through the survey process and will be administered to the HCBS provider setting and the participant.

7. HCBS provider settings are required to complete the survey process.
8. MSHN will validate the compliance results and/or engage the provider in a CAP process as appropriate.

### **C. Delegated Managed Care Review Activity**

1. The MSHN HCBS Program delegated managed care review activity, per the MSHN Regional Monitoring and Oversight Procedure, is to guide MSHN and its CMHSP participants in the process for conducting regional on-site monitoring and oversight of its provider network, when regional monitoring or statewide provider performance monitoring systems have been implemented, to ensure compliance with federal and state regulations and contractual requirements and to establish a standardized procedure for conducting on-site reviews.
2. MSHN will incorporate HCBS setting requirements into the delegated managed care review activity in accordance with the Monitoring and Oversight Policy to ensure:
  - a. CMHSPs are involved in the reassessment of HCB settings and participants,
  - b. CMHSPs and Providers are implementing CAPs as needed,
  - c. HCBS settings remain compliant with the HCBS Final Rule and,
  - d. HCBS requirements are included in CMHSP contracts with HCBS provider settings.
3. At least 45 days prior to the site review, MSHN will send the CMHSP a list of all cases selected for the site visit. Cases will be selected for review at random, based on submitted HCBS encounters.
4. At least 30 days prior to the site review, MSHN will send out a review checklist to allow the CMHSP and HCBS providers sufficient time to prepare and to submit information, as necessary, prior to the site visit.

#### **Applies to:**

- ☐ All Mid-State Health Network Staff  
☐ Selected MSHN Staff, as follows:  
☒ MSHN CMHSP Participants: ☐ Policy Only    ☒ Policy and Procedure  
☐ Other: Sub-contract Providers

#### **Definitions:**

**BTP:** Behavior Treatment Plan

**CAP:** Corrective Action Plan

**CMHSP:** Community Mental Health Services Program

**CMS:** Centers for Medicare and Medicaid Services

**HCBS:** Home and Community Based Services

**HSW:** Habilitation Supports Waiver

**IPOS:** Individual Plan of Service

**MDHHS:** Michigan Department of Health and Human Services

**MSHN:** Mid-State Health Network

**PIHP:** Pre-paid Inpatient Health Plan

**STP:** State Transition Plan

**Step-Down:** cases also referred to as “Exit-Ramp” or “De-Escalations.” Cases that are moved into out of compliance status.

**Other Related Materials:**

MDHHS Statewide Transition Plan for Home and Community-Based Services  
MDHHS/PIHP Medicaid Managed Specialty Supports and Services Contract  
Michigan Medicaid Provider Manual  
MSHN Site Visit Tools: Residential and Non-Residential

**References/Legal Authority:**

CMS HCBS Guidance  
MDHHS/PIHP Contract  
MDHHS State Transition Plan  
Michigan Medicaid Provider Manual, Home and Community-Based Services Chapter  
Statewide Remediation Strategy

**Change Log:**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
05.2018	New regional procedure	Waiver Coordinator
02.2019	Annual Review	Waiver Coordinator
07.2020	Annual Review	HCBS Manager
07.2022	Biennial Review	HCBS Manager
06.2024	Biennial Review	Chief Behavioral Health Officer
05.2025	MDHHS Required Updates	Waiver Administrator (Adults)