

North Carolina's Personal Care Services Corrective Action Plan

Objectives/Goals:

To ensure continuity of care for Medicaid recipients currently residing in Adult Care Homes and other Assisted Living Facilities.

To maintain a stable, quality provider network that currently serves some of North Carolina's most vulnerable people who are elderly and challenged with disabilities and chronic conditions.

To offer safe, affordable community based housing options with appropriate supports and services as alternatives to large congregate settings.

To coordinate the action steps required to correct comparability issues with PCS, possible identification of IMDs and the DOJ Findings Letter.

To coordinate action steps with statewide rollout of 1915 b/c mh/dd/sa waiver.

NC Corrective Action Plan

| | NC Actions | Milestone Dates | Evidence to Indicate Progress | State Challenges and Justifications |
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| 1 | Submit SPA to CMS to correct the PCS comparability issue. Comparability issues to be addressed include: service scope, payment methodology and choice of providers | Submit SPA by 04/03/12 | SPA will reflect eligibility/target population identified in 15 minute unit, and ACH as a PCS provider. Tribal notification completed 4/2/12 04/03/2012: SPA submitted to CMS Action item completed | Need to justify to stakeholders why submission of a SPA requiring assistance with 3 ADLs is necessary; significant number of current PCS recipients will not meet acuity requirements. |
| 2 | Submit to CMS status reports on the PCS Corrective Action Plan | Due to CMS by the 5th of the month | Delivery of report | |
| 3 | Identify IMDs Provide weekly update to CMS regarding IMD determination | Complete IMD Determination of the first 25 homes by 06/30/12. Notification will be sent as determinations are made. Complete a current data run of all remaining ACHs to determine scope of any other possible IMD risk facilities. Complete IMD determination of those identified risk homes by September 1, 2012. Weekly reports to begin 04/06/12 Begin on site reviews by April 30, 2012 | Complete Data Collection & Final IMD Determination made of the first 25 homes Notify At Risk facilities of possible IMD status as determination is made Weekly progress reports to CMS. On –site provider reviews may be required to make final determinations for certain providers. | Lack of available housing, community resources, and financial assistance for displaced recipients Medicaid funding ceases immediately for all Medicaid services received by individuals residing in facilities determined to be IMDs. |

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| 4 | Begin Monitoring remaining ACH facilities for possible IMD | <p>July 1, 2012 distribute self reporting tool to all residential facilities and attestation</p> <p>Require IMD attestation to DMA by September 1, 2012</p> <p>Begin targeted sampling of ACHs to validate IMD attestation by September 1, 2012.</p> | <p>Initiate Facility Self Reporting Tool.</p> <p>Implement Facility Attestation Process.</p> <p>Provide quarterly status report on reviews conducted and outcomes</p> <p>Conduct on site reviews as needed</p> | Lack of available housing, community resources and financial assistance for displaced recipients. |
| 5 | Transition recipients who reside in IMDs to alternative housing options | 04/30/12 and ongoing | <p>Tracking of individual recipients</p> <p>Submit weekly tracking report documenting discharges from ACH facilities and place of new option</p> | <p>NC is trying to insure one move for any recipient impacted by facilities deemed IMD.</p> <p>Housing options are limited.</p> <p>Viable options may not be available in areas where IMDs are located.</p> <p>Adequate financial resources that can cover all aspects of the person's care and supports.</p> <p>CMS cannot fund individuals who are in IMDs or in non-compliant HCBS settings.</p> |
| 6 | Determine individuals who qualify and don't qualify for the 1915(i) | Complete all independent assessments of 1915i eligibility criteria by 11/30/12 | Non qualifying recipients identified with financial impact for each of the 3 proposed eligibility criteria in 1915 (i). | <p>Cost impact of provider and impact on the provider network.</p> <p>Lack of available housing and inequitable access to community resources.</p> |
| 7 | Submit Final 1915 (i) SPA for approval without special care units | <p>Submit draft 1915 I by 4/15/2012</p> <p>Submit official 1915i application 04/30/12 (on the clock)</p> | Submit one 1915i SPA for Personal Care Services with the existing population definitions and service levels. | Draft is currently complete except for final determination of target population. |

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| 8 | Stakeholder/Provider Communication | <p>Re-convene stakeholder group</p> <p>Establish webpage for Provider Communication and posting of work on PCS Corrective Action Plan by May 1, 2012</p> | <p>Group began meeting by March 30, 2012</p> <p>Linkage to DMA website</p> | |
| 9 | Submit Legislation Package | <p>Submit legislative package to governor's office for submission by April 15, 2012</p> <p>Topics include:</p> <ul style="list-style-type: none"> • SCU beds to institutional level of care. • Exemption from State Certificate of Need • Increased HCBS slots to allow for other community options • 1915i service definitions • HCBS standards • Budget Expansion | <p>Submit copy of legislative package to CMS</p> <p><u>Signed and enacted legislation</u></p> | <p>Failure to obtain legislative authority prevents the State in moving forward due to state appropriations and the required administrative procedures act (APA), i.e. rule making.</p> <p>Existing facilities may not have financial means to meet NF level (physical plant, staffing). May impact recipients needing transition</p> |
| 10 | Conduct GAP analysis to determine current & future housing capacity | Complete housing analysis by 05/30/12 | <p>Housing inventory completed for possible IMD sites with stakeholder involvement.</p> <p>Housing inventory completed for target populations identified in the DOJ plan</p> | Limited slots in HCBS waivers for people who are elderly/disabled or IDD due to budget shortfall. |

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| | | | | Need State Appropriations for additional housing capacity and HCBS waiver slots |
| 11 | Finalize transition plan w/ milestones of how, where & when individuals will be transitioned | Transition plan will completed, approved by CMS and communicated to public by 06/30/12 | Submission of draft transition plan has been submitted to CMS for review DMA submitted to CMS on March 19, 2012. | Limited available housing and other financial resources outlined above. CMS cannot fund individuals who are in IMDs or in non-compliant HCBS settings. |
| 12 | <p>Identify ACHs who meet Home and Community characteristics as outlined in 1915(i) submission</p> <p>Plan for when / how ACHs will meet HC characteristics</p> <p>Ongoing provide assurance ACHs will meet HC characteristics</p> | <p>Distribute to provider community HCBS characteristics by April 30, 2012</p> <p>Complete monitoring criteria and monitoring tool by 5/15/12</p> <p>Conduct training for provider regarding characteristics by 5/30/12.</p> <p>Require attestations by 6/30/12.</p> <p>Modify existing licensure and ACH monitoring requirements to include HCBS characteristics for Medicaid enrollment</p> <p>Add ACH compliance to Post Payment review or RAC program integrity activities.</p> <p>On-site visits for HCBS for applicable ACHs by 8/31/12.</p> | <p>Submission of tool and criteria to CMS</p> <p>Submission of training package to CMS</p> <p>Submission of attestation process and quality monitoring proposed.</p> <p>Submission of draft rules or legislative action</p> <p>Quarterly reports of post payment review activities</p> | <p>Temporary licensing, enrollment and program integrity rules needed along with legislative authority or Administrative Procedures Act rules to make changes required to meet Medicaid program requirements.</p> <p>Depending on the nature of provider compliance, physical plant changes may be need which will require additional state regulatory review by other State agencies prior to action by the provider.</p> <p>Financial support to meet requirements. Modification of rate changes to support required changes.</p> |
| 13 | Modify existing Provider Qualifications Rules and Licensure requirements to meet 1915(i)s or SPA (Special Care Unit) changes. | <p>Emergency rules completed by 06/01/12.</p> <p>Temporary rules drafted by 08/31/12. Legislative authority is</p> | Submission of approved rule package | Requires rule change or legislative authority |

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| | | needed prior to submission of rules. | | |
| 14 | Promulgate clinical coverage 1915i Policy | <p>By 05/31/12 complete Physician's Advisory Group (PAG) review</p> <p>Post by 06/01/12 for 45 day public comment</p> <p>By 08/01/12 update Provider Billing Guide, Provider Manual and post promulgated policy</p> | Submission of produced documents to CMS | |
| 15 | Establish Provider Enrollment for 1915i PCS providers | <p>By 04/30/12 Establish enrollment process including business rules, type and specialty, and provider qualifications and submit to CSC business rules memo</p> <p>05/31/12 Obtain Internal Change Control Committee approval as required by CMS as a condition of the new MMIS replacement. CSC implements changes system changes UAT completed of system changes</p> <p>By 09/01/12 PCS providers submit enrollment packages to CSC for screening and enrollment</p> | <p>Providers enrolled by November 30, 2012</p> <p>Status reports on enrollment</p> | Both PCS and ACHs are considered high risk providers and require onsite review prior to enrollment or re-credentialing. |

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| | | | submitted on monthly compliance report | |
| 16 | Provider Training | <p>Finalize HCBS tool by 05/15/12</p> <p>Complete statewide training for HCBS by 5/30/12</p> <p>Complete PCS policy training by 10/31/12</p> | <p>Submission to CMS of training packet</p> <p>Update in monthly status report</p> | |
| 17 | Conduct Independent Assessments in residential settings (transition function) | <p>By 05/31/12 finalize Independent Assessment Tool for automation with vendor</p> <p>Update existing IA vendor contract by 04/30/12 as short term solution</p> <p>Hire and train additional staff to conduct IAs by 06/30/12</p> <p>Begin by 07/01/12 IAs in ACHs Complete all IAs in ACHs by 11/01/12</p> | Monthly status update regarding IAs completed | If additional staffing requirement cannot be met by vendor, IAE may be delayed. No vendor(s) awarded |
| 18 | Issue and procure IA vendor | <p>Release RFP for Independent Assessments by May 15,2012</p> <p>Award Contract by 08/01/2012</p> | Notification to CMS regarding contract award | |
| 19 | Recipient Notifications | <p>By 04/20/12 communicate to recipients and cc to providers status of PCS sunset date, IMD facility determination</p> <p>Send recipient notifications as</p> | Submission of copies of letters to CMS | Date may be as early as 04/20/12 or as late as 12/20/12. |

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| | | <p>follows:</p> <ul style="list-style-type: none"> ▪ They are a 1915(i) ineligible recipient, by 07/01/12 ▪ They reside in an HCBS noncompliant facility, by 11/1/12 ▪ They reside in a SCU that will transition to an NF level of care, by 09/01/12 | | |
| 20 | Finalize Recipient and Provider Appeal process and procedures | <p>By April 30, 2012, complete and communicate to providers appeal procedures for IMD and HCBS compliance determinations</p> <p>Ensure that recipient appeal procedures are documented for the new PCS and notices for adverse decisions are occurring at the right intervals. Occurs as adverse decisions are rendered</p> <p>Provide advance notice to offices conducting fair hearings to ensure adequate staffing to meet the timeline requirements</p> | Submission to CMS copies of communications | |
| 21 | Recipient Transition | Complete transition to alternative living situations by 12/1/12. This allows NC to provide 30 day notice to any recipient not meeting 1915i PCS criteria or facility not meeting HCBS characteristics effective 1/1/13 | Monthly Status report and individual tracking summary | SL 2011-272 implemented. Discharge teams from DSS and LMEs to assist in recipient transition from ACH settings that don't meet HCBS characteristics or are deemed IMDs. |
| 22 | Convert SCU/ACH to NF | Initiate by 09/01/12 conversion of Special Care Units to NF level of care. | Monthly status update to CMS regarding conversion process | Depending on facility's ability to retrofit physical plant and implement new licensure requirements, additional recipients may be impacted. |

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| 23 | MMIS System Modifications for 1915i implementation | Submit numbered memo by 04/07/12 to fiscal agent Obtain by 05/31/12 Internal Change Control Committee approval Complete MMIS system changes by 07/30/12 Complete User Acceptance Testing by 09/30/12 | Monthly status updates to CMS | |
| 24 | Modify Special Assistance Requirements | Legislative action by 06/30/12 | Submission of legislative package | Special Assistance payment changes needed to provide financial assistance for non-covered Medicaid needs such as room and board and removal of institutional biases |
| 25 | Development of Affordable Housing options | Ongoing | Documentation of Housing Task Force meetings and action steps | Requires coordination with HUD requests and other housing options. Legislative funding required for match and other state funded options. |

By accomplishing all the tasks above, North Carolina will have in place effective January 1, 2013 a fully compliant personal care service program, across all settings.