

MAC Binder Section 1 – Letters From CMS

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DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

CENTERS FOR MEDICARE & MEDICAID SERVICES

March 13, 2015

Ms. Lisa Lee, Commissioner
Department for Medicaid Services
Attn: Leslie Hoffman
275 East Main Street, 6WA
Frankfort, KY 40621-0001



Dear Ms. Lee:

This letter is to inform you that your request to amend Kentucky's Home and Community Based Services (HCBS) Waiver, as authorized under provisions of section 1915(c) of the Social Security Act has been approved. This waiver amendment has been assigned control number 0314.R03.04, which should be used in future correspondence. This waiver was approved on March 12, 2015. The amendment request is effective December 19, 2014.

Specifically, you submitted an amendment request on December 19, 2014 to increase the waiver's unduplicated count and reserved capacity. The amendment also updates the waiver to include the ACA eligibility populations. Further, the amendment decreases Factor D expenditures and updates payment rates based on the approved rate methodology. Finally, this amendment includes a waiver-specific HCBS transition plan.

The following estimates of utilization and cost of waiver services have been approved:

	Unduplicated Recipients	Community Costs	Institutional Costs	Total Waiver Costs
Year 5 (09/01/14 - 08/31/15)	4,701	\$ 72,459	\$ 260,021	\$ 340,629,759

We appreciate the effort and cooperation provided by your staff during our review of this amendment request. If you have any questions, please feel free to contact Melanie Benning at 404-562-7414.

Sincerely,

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Michele MacKenzie, Central Office

Disabled & Elderly Health Programs Group

March 18, 2015

Lisa Lee
Commissioner, Department for Medicaid Services
Commonwealth of Kentucky, Cabinet for Health and Family Services
275 East Main Street, 6 West A
Frankfort, KY 40621



Dear Ms. Lee,

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Kentucky's Statewide Transition Plan (Plan) to bring state standards and settings into compliance with new federal home and community-based (HCB) settings requirements. Kentucky submitted this Plan to CMS on December 19, 2014. Overall, CMS finds Kentucky's Plan to be a well-organized document that addresses most of the requirements. CMS does note a few areas where the Plan lacks key details, namely in regard to assessment processes and outcomes, and remedial action processes and monitoring. These concerns and related questions for the state are summarized below.

Assessments

- Systemic assessments. Although Kentucky describes its systemic assessment of the state standards and the outcomes of that assessment, Kentucky does not identify the specific state regulations that were analyzed; the specific aspect of each regulation found to be compliant, non-compliant or silent; or the changes that must be made to each regulation to bring it into compliance. Kentucky should provide this information so that CMS is able to validate the state's assessment.
- Provider v. Setting-specific assessments. The state does not provide estimates of how many settings fully comply, do not comply, and cannot comply with the federal HCB settings requirements, or are presumptively non-HCB. Based on provider-specific assessments that the state conducted to determine compliance with the federal HCB settings requirements, the state's estimates do not provide sufficient information to make estimates of compliance at the settings' level, only the provider level. If Kentucky's provider-specific assessments did yield information from each provider about each specific setting, Kentucky should provide this information to CMS. If these assessments did not yield information about specific settings, Kentucky should conduct assessments that allow the state to make estimates at the settings' level. As Kentucky uses site specific assessments to create estimates, the state should ensure these assessments provide information at the most informative level, and that additional details are provided, including numbers, not just percentages, for each estimate. Finally, CMS would like more information about the provider-specific assessments and surveys. Did the providers attest to meeting the federal regulations through their policies and procedures, or did the providers conduct site visits? If, in fact the state is acting on information provided solely by the providers of service a reliable validation process must be created and used by the state that ensures the reliability of the provider information.

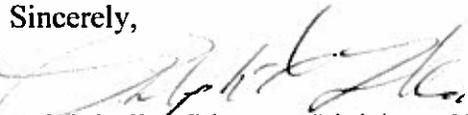
- Non-residential estimates. In regard to the non-residential settings provider assessments, the state received a response from approximately 40% of providers and concluded that the distribution of non-residential providers who completed the survey closely represents the non-residential provider population as a whole. CMS would like more explanation on Kentucky's rationale for why/how the 40% of respondents is representative of the remaining 60%? Did the state verify the estimates for the remaining 60% of providers? If so, how was this done? Are there providers who have both residential and non-residential settings? If so, did these providers respond in regard to their non-residential settings, but not their residential settings? What validation process did the state use to substantiate the reliability of the information in the provider survey?
- Heightened Scrutiny. What process will the state use to identify settings presumed to be non-HCB for which evidence is submitted for heightened scrutiny?

Remedial Actions

- The state does not and should provide any remedial actions that are specific to individual settings.
- The state should indicate how long it will take to change needed regulations, licenses and certifications.
- The state's timeline for bringing providers into compliance by March 17, 2019 may not allow enough time for implementation of the "second round changes," which are the more complex and difficult changes for providers to implement. Six commenters also raised this issue during the public comment process. CMS would like more detail on how the state will ensure that all needed changes are in place by March 17, 2019. Can the state provide some rationale on their plan to leave the most complex changes for the end of the timeline, as opposed to starting them earlier to ensure timely completion?
- Kentucky's Plan describes the state's current monitoring process for HCBS waiver providers, but should include details on the monitoring process it intends to use to ensure that all timelines and milestones in the remedial process are met, and the processes the state will use to ensure continued compliance of its settings with the federal requirements.
- The state provides an assurance that it will provide reasonable notice and due process to beneficiaries who must be relocated, and includes the timeline for the relocation processes. However, the Plan does not include the number of beneficiaries impacted, or a description of the actual processes for assuring that beneficiaries, through the person-centered planning process, will be given the opportunity, the information, and the supports necessary to make an informed choice of an alternate setting that aligns, or will align, with the regulation, and that critical services/supports are in place in advance of the individual's transition.

CMS would like to have a call with the state to go over these questions and concerns and to answer any questions the state may have. The state may need to revise and resubmit its Plan, which may necessitate the Plan being re-posted for public comment. A representative from CMS' contractor, NORC, will be in touch shortly to schedule the call. In the meantime, please do not hesitate to reach out to Amanda Hill at Amanda.Hill@cms.hhs.gov, the CMS Central Office analyst taking the lead on this Plan, with any questions.

Sincerely,



Ralph Lollar, Director, Division of Long Term Services and Supports

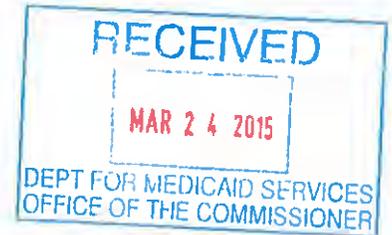
DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Disabled & Elderly Health Programs Group

MAR 19 2015

Lisa D. Lee, Commissioner
Cabinet for Health and Family Services
Department for Medicaid Services
275 East Main Street, 6W-A
Frankfort, KY 40621



Dear Commissioner Lee:

The Centers for Medicare & Medicaid Services (CMS) received your request, dated March 16, 2015, for a temporary extension of Kentucky's Non-Emergency Medical Transportation (NEMT) 1915(b) waiver program, under CMS control number KY-06.R01. The current temporary waiver authority expires on March 31, 2015.

You have requested this extension to ensure the state has time to submit a complete waiver application and cost effectiveness spreadsheets with actuarial soundness. CMS is granting an extension of the KY-06.R01 waiver to operate the NEMT program under section 1915(b) of the Social Security Act (the Act). This temporary extension will expire on June 30, 2015.

The CMS will continue to work with your staff during the extension period. If you have any questions, please contact Cheryl Brimage, in the Atlanta Regional Office, at (404)562-7116, or Lovie Davis, of my staff, at (410) 786-1533.

Sincerely,

A handwritten signature in black ink is located below the "Sincerely," text. The signature appears to read "Alissa Mooney DeBoy" and is written in a cursive style.

Alissa Mooney DeBoy
Acting Director

cc: Cheryl Brimage
Shantrina Roberts
Jackie Glaze

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

April 16, 2015

Ms. Lisa Lee, Commissioner
Department for Medicaid Services
Attn: Leslie Hoffman
275 East Main Street, 6WA
Frankfort, KY 40621-0001

RE: 372 Acceptance letter – KY 0314

Dear Ms. Lee,

We have completed our review of your CMS 372 annual report for the Home and Community-Based Services (HCBS) Waiver listed below. Based on our analysis of the expenditure and recipient data submitted in this report, we find the data acceptable, subject to any future data validation reviews. A comparison of the actual data reported to the most recent CMS-approved estimates indicates that the estimated costs without the waiver were not exceeded.

- **0314 Supports for Community Living Waiver**
(Waiver Year 3 – 09/01/2012 – 08/31/2013)

If you have any questions, please contact Melanie Benning at 404-562-7414.

Sincerely,

A handwritten signature in cursive script that reads "Jackie Glaze".

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Michele MacKenzie, Central Office

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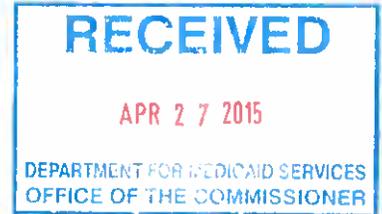


DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

April 22, 2015

KY-15-014

Ms. Lisa Lee, Commissioner
Department for Medicaid Services
275 East Main Street, 6WA
Frankfort, KY 40621-0001



Dear Ms. Lee:

The Centers for Medicare & Medicaid Services has approved the Statement of Work (SOW) to obtain a vendor from the Kentucky pre-approved program to perform a security vulnerability assessment of the Medicaid Partner Portal. The SOW is in accordance with 45 CFR Part 95, Subpart F, and the State Medicaid Manual (SMM), Part 11. You are hereby authorized to execute this contract.

Please be advised that onsite reviews will be conducted to determine whether or not the objectives for which federal financial participation was approved are being accomplished, and whether or not the automatic data processing equipment or services are being efficiently and effectively utilized in support of approved programs or projects as provided for at 45 CFR Part 95, Subpart F, Section 621 and the SMM. Allowable costs are determined by 45 CFR Part 95, Subpart F, Section 631 and the SMM, Part 11. Only actual costs incurred are reimbursable. The State must provide adequate support for all costs claimed in addition to providing detailed records and proper audit trails.

If you have any questions regarding this notice, please contact L. David Hinson at (334) 791-7826 or via email at Lawrence.hinson@cms.hhs.gov.

Sincerely,

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations