

September 12, 2018

<Provider Name>  
<Provider Address 1>  
<Provider Address 2>  
<Provider City> <State> <zipcode5-zipcode4>

Dear Provider:

RE: Centers for Medicare & Medicaid Services (CMS) Extension of Transition Period for Compliance with the Home and Community Based Settings (HCBS) Requirement.

The purpose of this letter to clarify the Michigan Department of Health and Human Services (MDHHS) established timeline to assure compliance with the HCBS rule and subsequent CMS announcement that extends the deadline for HCBS compliance from March 17, 2019 to March 17, 2022.

MDHHS intends to keep the original March 17, 2019 compliance date for most home and community-based settings. MDHHS is committed to working with providers toward full compliance with the HCBS rule as specified in the approved Statewide Transition Plan (STP). Certain conditions may affect the ability of MDHHS to complete the compliance work by March 17, 2019:

- The Behavioral Health b(3) services surveys were delayed pending CMS clarification that these services fall under the rule. Providers of b(3) services will be allotted additional time to comply with the HCBS rule.
- MDHHS recognizes that heightened scrutiny work will continue beyond March 17, 2019.
- HCBS providers should have a corrective action plan (CAP) underway before March 17, 2019. MDHHS will honor the 90-day CAP remediation period as needed for those providers who initiate the CAP after December 17, 2018.
- MDHHS will allow providers a reasonable length of time to remediate identified issues as specified in their CAP as long as the provider is making progress and provides regular updates to the waiver agency or Prepaid Inpatient Health Plan (PIHP) HCBS contact person. MI Choice waiver agencies and the PIHPs represent MDHHS and are responsible for approving the provider's CAP.

Current efforts related to the compliance of all providers include:

- Continuing to assess residential and non-residential settings for compliance;
- Implementing remedial strategy for non-compliant settings;
- Identifying settings that will require Heightened Scrutiny;
- Collecting evidence from settings that meet Heightened Scrutiny;
- Reviewing and submitting evidence for Heightened Scrutiny to CMS for review;
- Notifying settings of the CMS Heightened Scrutiny decision;
- Transitioning individuals from settings that cannot meet the federal HCBS requirement to compliant settings; and
- Conducting ongoing monitoring of residential and non-residential settings for compliance.

Any questions regarding this letter should be directed to Provider Support, Michigan Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or email at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When submitting an email, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 800-292-2550.

Sincerely,



Kathy Stiffler, Acting Director  
Medical Services Administration