

September 21, 2020

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

Dear Provider:

The purpose of this letter is to notify stakeholders of the Centers for Medicare & Medicaid Services (CMS) decision to extend the deadline to comply with the federal home and community-based settings requirement (HCBS Final Rule, CMS 2249-F/2296-F) for programs offering Medicaid Home and Community-Based Services (HCBS). The deadline has been extended from March 17, 2022 to the new date of March 17, 2023.

The extension of the March 17, 2022 deadline will not impact the timeline that has been identified in the current Statewide Transition Plan submitted to CMS on July 7, 2020 and posted at the Michigan Department of Health and Human Services (MDHHS) HCBS webpage at https://www.michigan.gov/mdhhs/0,5885,7-339-71547_2943-334724--,00.html.

MDHHS is committed to working with providers towards coming into compliance with the federal home and community-based settings requirement as specified in the Statewide Transition Plan. This includes:

- 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;
- Notifying settings of CMS' Heightened Scrutiny decision;
- Transitioning individuals from settings that cannot meet the federal home and community-based settings requirement to compliant settings; and
- Conducting ongoing monitoring of residential and non-residential settings for compliance.

In Michigan, the deadline for home and community-based settings was March 17, 2019, for those settings already under contract with HCBS program entities, excluding those requiring Heightened Scrutiny. By March 17, 2019, those settings that require Heightened Scrutiny must be in compliance with all HCBS Final Rule requirements except that for which the setting was placed under Heightened Scrutiny. Program entities may continue to use the settings undergoing the Heightened Scrutiny process until that process is over. If a setting is determined to not pass Heightened Scrutiny, this is considered a non-compliant setting and individuals receiving applicable Medicaid HCBS must move to a compliant setting to continue to receive those services through applicable Medicaid programs.

Effective October 1, 2017, any new HCBS provider not under contract with an HCBS program entity must be in immediate compliance with the federal HCBS Final Rule in order to render HCBS services to Medicaid beneficiaries.

Any questions regarding this communication should be directed to the HCBS Transition team at HCBSTransition@michigan.gov

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Massey', followed by a horizontal line.

Kate Massey, Director
Medical Services Administration