

Bulletin Number: MMP 23-65

Distribution: Prepaid Inpatient Health Plans (PIHPs), Community Mental Health Services Programs (CMSHPs)

Issued: December 1, 2023

Subject: Policy Updates for the Children with Serious Emotional Disturbances Waiver (SEDW)

Effective: January 1, 2024

Programs Affected: SEDW

The purpose of this bulletin is to revise the Children with Serious Emotional Disturbances Home and Community-Based Services Waiver appendix of the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter within the [MDHHS Medicaid Provider Manual](#). Revisions bring state policy into alignment with 2019 Federal application updates. Updates include adding Fiscal Intermediary services to the SEDW array of covered services and eliminating Transitional Services as an SEDW covered service. Language was updated throughout to clarify that PIHPs are the managed care entities responsible for service delivery. Other changes include:

- Added clarification to requirements for beneficiary eligibility
- Added detail about maximum units for several covered services
- Added clarity to locations where respite services can be provided

I. General Information

The Children with Serious Emotional Disturbances Home and Community-Based Services Waiver (SEDW) provides services that are enhancements or additions to Medicaid State Plan (*see pg. 3*) coverage for beneficiaries up to age 21 with serious emotional disturbance (SED) who are enrolled in the SEDW. MDHHS operates the SEDW through contracts with the PIHPs. The SEDW is a managed care program administered by the PIHPs in partnership with CMHSPs and other community agencies.

A. Key Provisions

The SEDW enables Medicaid to fund necessary home and community-based services for beneficiaries up to age 21 with SED who meet the criteria for admission to a state

inpatient psychiatric hospital and/or who are at risk of hospitalization without waiver services. The PIHP is responsible for assessment of potential waiver candidates. Application for the SEDW is made through the PIHP. The PIHP is responsible for the coordination of the SEDW services. The Wraparound Facilitator, the beneficiary and their family and friends, and other professional members of the planning team work cooperatively to identify the beneficiary's needs and to secure the necessary services. All services and supports must be included in an Individual Plan of Service (IPOS). An SEDW beneficiary must receive at least one SEDW service, in addition to Wraparound, per month in order to retain eligibility.

B. Eligibility

To be eligible for this waiver, the beneficiary must meet all the following criteria.

- Reside with the birth or adoptive family or have a plan to return to the birth or adoptive home; OR
- Reside with a legal guardian; OR
- Reside in a foster home with a permanency plan; OR
- Be age 18, 19 or 20 and live independently with supports; AND
- Meet current MDHHS criteria for the State psychiatric hospital for children or is at risk of hospitalization without waiver services; AND
- Meet Medicaid eligibility criteria and become a Medicaid beneficiary; AND
- Demonstrate serious functional limitations that impair their ability to function in the community. As appropriate for age, functional limitation will be identified using the Child and Adolescent Functional Assessment Scale (CAFAS®) or the Preschool and Early Childhood Functional Assessment Scale (PECFAS®), or the Devereux Early Childhood Assessment (DECA) Clinical Version scales:
 - CAFAS® score of 90 or greater for beneficiaries ages 7 to 12; OR
 - CAFAS® score of 120 or greater for beneficiaries ages 13 to 18; OR
 - For beneficiaries ages 3 to 6: elevated PECFAS® subscale scores in at least one of these areas: self-harmful behaviors, mood/emotions, thinking/communicating or behavior towards others; OR
 - For beneficiaries ages 2 to 4, scores in the concern range across DECA Clinical Version scales:
 - Protective factor scales (initiative, self-control, and attachment) that are in the Concern Range with a Total Protective Factor T-score of 40 or below; and/or
 - Elevated scores on one or more of the behavioral concerns 32 scales (attention problems, aggression, withdrawal/depression, emotional control problems) with a T-score of 60 or above; AND
- Be under the age of 18 when approved for the waiver. If a beneficiary on the SEDW turns 18, continues to meet all non-age-related eligibility criteria and continues to need waiver services, they can remain on the waiver up to their 21st birthday.

C. Coverage Area

Waiver services are limited to eligible beneficiaries (up to the federally approved maximums) living in the state of Michigan. PIHPs assure CMHSPs:

- Demonstrated strong collaboration with essential community partners; and
- Have the capacity to provide intensive community-based services at a level sufficient to meet the needs of waiver recipients.

II. Covered Waiver Services

Each beneficiary must have a comprehensive Wraparound Plan and IPOS that specifies the services and supports that the beneficiary and family will receive. The Wraparound Plan is to be developed through the Wraparound Planning Process. Each beneficiary must have a Wraparound Facilitator who is responsible to assist the beneficiary/family in identifying, planning, and organizing the Child and Family Team, developing the Wraparound Plan, and coordinating services and supports. (Refer to the Wraparound Services for Children and Adolescents section of the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter of the MDHHS Medicaid Provider Manual for additional information.)

In addition to Medicaid state plan (*see pg. 1*) services, beneficiaries enrolled in the SEDW may receive any of the following SEDW services as identified in the Wraparound Plan and IPOS.

A. Community Living Supports

Community Living Supports (CLS) are used to increase or maintain personal self-sufficiency, thus facilitating a beneficiary's achievement of their goals of community inclusion and remaining in their home. The supports may be provided in the beneficiary's home or in community settings (including, but not limited to, libraries, city pools, camps, etc.).

CLS provides assistance to the family in the care of their child while facilitating the child's independence and integration into the community. The supports, as identified in the Wraparound Plan and IPOS, are provided in the beneficiary's home and may be provided in community settings when integration into the community is an identified goal. Skills related to activities of daily living (such as personal hygiene, household chores, and socialization) may be included. CLS may also promote communication, relationship-building skills, and participation in leisure and community activities. These supports must be provided directly to, or on behalf of, the beneficiary enabling the beneficiary to attain or maintain their maximum potential. These supports may serve to reinforce skills or lessons taught in school, therapy, or other settings.

CLS includes:

- Assistance with skill development related to:
 - Activities of daily living (such as personal hygiene)
 - Household chores
 - Socialization
 - Improving communication and relationship-building skills
 - Participation in leisure and community activities

- Staff assistance, support and/or training with such activities as:
 - Improving the beneficiary's social interactions and internal controls by instilling positive behaviors and increasing resiliency factors that should reduce risk factors
 - Non-medical care (i.e., not requiring nurse or physician intervention)
 - Transportation (excluding to and from medical appointments) from the beneficiary's home to community activities, among community activities, and from the community activities back to the beneficiary's residence
 - Participation in regular community activities and recreation opportunities (attending classes, movies, concerts, and events in a park; volunteering; etc.)
 - Assisting the family in relating to and caring for the beneficiary
 - Attendance at medical appointments
 - Acquiring or procuring goods other than those listed as shopping and non-medical services

- Reminding, observing, rewarding, and monitoring of pro-social behaviors.
- Medication administration.
- Staff assistance with preserving the health and safety of the beneficiary in order that the beneficiary may reside or be supported in the most integrated, independent community setting.

The maximum CLS allocation is 744 units (186 hours) per month.

B. Family Home Care Training

Family Home Care Training provides training and counseling services for the families of beneficiaries served by this waiver. For purposes of these services, "family" is defined as the person(s) who lives with or provides care to a beneficiary served by the waiver and may include a parent and/or siblings or the foster parent(s) for a beneficiary in Child Therapeutic Foster Care (see page 11). This service is provided by a Master's level social worker, psychologist, or qualified mental health professional (QMHP), includes instruction about treatment interventions and support intervention plans specified in the IPOS, and includes updates as necessary to safely maintain the beneficiary at home.

Family Home Care Training is also a counseling service directed to the family and designed to improve and develop the family's skills in dealing with the life circumstances of parenting a beneficiary with special needs and to help the beneficiary remain at

home. All family training must be included in the child's IPOS and must be provided on a face-to-face basis and with the family present.

C. Family Support and Training

For Parent Support Partner Service, refer to the Family Support and Training subsection (Behavioral Health §1915(I) Home and Community-Based Services (HCBS) State Plan Amendment Supports and Services section) of the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter of the MDHHS Medicaid Provider Manual.

D. Respite Care

Respite care is services provided to beneficiaries unable to care for themselves that are furnished on a short-term basis because of the absence or need for relief of those persons normally providing the care. This service can be provided by a qualified provider under contract with the PIHP/CMHSP. A parent or guardian may not be considered a provider, nor be reimbursed for this service. The maximum respite allocation is 1,248 units (312 hours) per month.

Federal Financial Participation (FFP) may not be claimed for the cost of room and board except when provided as part of respite care furnished in a facility approved by the State that is not a private residence. Respite care can be provided in the following locations:

- Beneficiary's home or place of residence
- Home of a relative or family friend's home in the community
- Licensed Children's Camp
- Licensed Foster Family Home or Foster Family Group Home
- Licensed Children's Therapeutic Group Home

E. Therapeutic Overnight Camp

Therapeutic Overnight Camp is a group recreational and skill building service in a camp setting aimed at meeting the goal(s) detailed in the beneficiary's IPOS. A session can be one or more days and nights of camp. Room and Board costs are excluded from the SEDW payment for this service. The maximum overnight camp allocation is \$1,400 per session – 3 sessions per fiscal year.

Additional criteria:

- Camps are licensed by MDHHS;
- The beneficiary's IPOS includes Therapeutic Overnight Camp; and
- Camp staff is trained in working with beneficiaries with SED.

Coverage includes:

- Camp fees, including enrollment and other fees;
- Transportation to and from the camp; and
- Additional costs for staff with specialized training with this population.

Coverage excludes:

- Room and board for the camp.

F. Wraparound Services

(Refer to the Wraparound Services for Children and Adolescents subsection Covered Services section of the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter of the Medicaid Provider Manual.)

Wraparound services for beneficiaries is a highly individualized planning process facilitated by specialized Wraparound Facilitators. Due to the intense needs and level of risk of beneficiaries and their families served in the SEDW, all SEDW Wraparound providers must meet the following additional requirement:

- Wraparound facilitators and those who provide supervision to facilitators will attend additional training (16 hours) related to provision of support to beneficiaries and their families served in the waiver annually as required by MDHHS. This training is in addition to identified requirements for all supervisors and Wraparound facilitators.

G. Home Care Training, Non-Family

This service is reimbursable for up to four sessions per day but no more than 12 sessions per 90 days (i.e., three calendar months). A session can be of varying lengths of time but should meet the needs of the plan of service (POS); a billable session must be at least 45 minutes.

This service provides coaching, training, supervision and monitoring of CLS staff by clinicians (i.e., licensed psychologist, Master's level social worker, occupational therapist, physical therapist, speech therapist, or Child Mental Health Professional). Professional staff work with CLS staff to implement the beneficiary's POS, with focus on services designed to improve the beneficiary's social interactions and self-control by instilling positive behaviors instead of behaviors that are socially disruptive, injurious to the beneficiary or others, or that cause property damage. The activities of the professional staff ensure the appropriateness of services delivered by CLS staff and continuity of care. This service can be provided by more than one clinician in any given month, as the service provider is selected on the basis of their competency in the aspect of the POS on which training is conducted.

Services must be provided by qualified providers who meet the requirements of, and in accordance with, 42 CFR §440.50 through §440.60(a) and other applicable state and federal laws or regulations.

H. Overnight Health and Safety Support (OHSS)

NOTE: OHSS is not available for beneficiaries residing in licensed non-community facilities or settings. Payment of OHSS may not be made directly or indirectly to responsible relatives (i.e., spouses or parents of minor children) or a legal guardian.

The need for OHSS must be reviewed and established through the person-centered planning process with the beneficiary's specific needs identified that outline health and safety concerns and a history of behavior or action that has placed the beneficiary at risk of obtaining or maintaining their independent living arrangement. Each provider of OHSS services will ensure the provision of, or provide as its minimum responsibility, overnight supervision activities appropriate to the beneficiary's needs to achieve or maintain independent living, health, welfare, and safety.

i. Coverage

For purposes of this service, "overnight" includes the hours a beneficiary is typically asleep for no more than 12 hours in a 24-hour period.

The purpose of OHSS is to enhance individual safety and independence with an awake provider supervising the health and welfare of a beneficiary overnight. OHSS is defined as the need for an awake provider to be present (i.e., physically on-site) to oversee and be ready to respond to a beneficiary's unscheduled needs if they occur during the overnight hours when they are typically asleep.

OHSS services are generally furnished on a regularly scheduled basis, for multiple days per week, or as specified in the IPOS, encompassing both health and safety support services needed for the beneficiary to reside successfully in their own home and community-based settings.

OHSS may be appropriate when:

- Service is necessary to safeguard against injury, hazard, or accident.
- A beneficiary has an evaluation that includes medical necessity that determines the need for OHSS and will allow a beneficiary to remain at home safely after all other available preventive interventions/appropriate assistive technology, environmental modifications and specialty supplies and equipment (i.e., Lifeline, Personal Emergency Response System [PERS], electronic devices, etc.) have been undertaken to ensure the least intrusive and cost-effective intervention is implemented.

- A beneficiary requires supervision to prevent or mitigate mental health or disability related behaviors that may impact the beneficiary's overall health and welfare during the night.
- A beneficiary is non-self-directing (i.e., struggles to initiate and problem solve issues that may intermittently come up during the night or when they are typically asleep), confused or whose physical functioning overnight is such that they are unable to respond appropriately in a non-medical emergency (i.e., fire, weather-related events, utility failure, etc.).
- A beneficiary has a documented history of a behavior or action that supports the need to have an awake provider on-site for supported assistance with incidental care activities that may be needed during the night that cannot be pre-planned or scheduled.
- A beneficiary requires overnight supervision in order to maintain living arrangements in the most integrated community setting appropriate for their needs.

The following exceptions apply for OHSS:

- OHSS does not include friendly visiting or other social activities.
- OHSS is not available when the need is caused by a medical condition and the form of supervision required is medical in nature (i.e., nursing facility level of care, wound care, sleep apnea, overnight suctioning, end-stage hospice care, etc.) or in anticipation of a medical emergency (i.e., uncontrolled seizures, serious impairment to bodily functions, etc.) that could be more appropriately covered under PERS or medical specialty supplies.
- OHSS is not intended to supplant other medical or crisis emergency services to address acute injury or illness that poses an immediate risk to a person's life.
- OHSS is not available to prevent, address, treat, or control significantly challenging anti-social or severely aggressive individualized behavior.
- OHSS is not available for a beneficiary who is anxious about being alone at night without a history of a mental health or disability related behavior(s) that indicates a medical need for overnight supports.
- OHSS is not intended to compensate or supplant services for the relief of the primary caregiver or legal guardian living in the same home or to replace a parent's obligations and parental rights of minor children living in a family home.
- OHSS is not an alternative to inpatient psychiatric treatment or other appropriate levels of care to meet the beneficiary's needs and is not available to prevent potential suicide or other self-harm behaviors.

ii. Coordination of Services and Care

The service normally involves the co-provision of several services through an awake provider in order to achieve the purpose of the service. OHSS services typically fall into this category of "round-the-clock" by the nature and institutional level of care

required for Home and Community-Based Services (HCBS) Waiver participants. OHSS is intended to supplement other HCBS (i.e., CLS, respite, etc.) that are provided to the beneficiary as part of a comprehensive array of specialized waiver or developmental disabilities services (i.e., supports coordination, peer-delivered, etc.).

If a beneficiary is receiving CLS or respite supports and demonstrates the need for OHSS, the IPOS must document coordination of services to ensure the scope, nature of supervision and/or provider differ from the other community support services to prevent issues of duplicative services. OHSS is complementary of the other habilitative services, but typically does not comprise the entirety of the supports a beneficiary may need to obtain or maintain their independence in their community. OHSS services are enhanced services that are in addition to or concurrent with other waiver services, as outlined in the IPOS, and allow for the provision of supervision to ensure the health and safety of a beneficiary overnight.

iii. Provider Services

Providers have the responsibility for the health, welfare, and safety of the beneficiary overnight and must be awake to have the ability to intervene on behalf of the beneficiary. This assistance may take the form of observation and minor redirection of the beneficiary to perform tasks that will enable the beneficiary to maintain their overnight health and sleep safety.

Providers may perform minor redirection and/or prompting that are incidental to the care and supervision of the beneficiary over the course of the night such as:

- The ability to intervene on behalf of the beneficiary supervision of overnight activities, such as reinforcing independent living skills and minor redirection of their independent daily living tasks.
- Provide the level of supervision needed to ensure a beneficiary's safety, along with the actions required if a beneficiary's health or welfare are at risk.
- Safeguard the individualized supports needed overnight appropriate to the beneficiary's needs. Common issues, which include fire and evacuation ability, ability to respond independently to health needs during the night, and safety awareness.

I. Fiscal Intermediary Services

A fiscal intermediary is an independent legal entity that acts as the fiscal agent of the PIHP for the purpose of ensuring financial accountability for the funds authorized to purchase the services and supports identified in the beneficiary's IPOS. The fiscal intermediary receives the funds; makes payments authorized by the beneficiary's representative to providers of services and supports; and acts as an employer agent when the beneficiary's representative directly employs staff or other service providers.

Fiscal intermediary services include, but are not limited to:

- Facilitation of the employment of service workers by the beneficiary's parent or guardian, including federal, state, and local tax withholding/payments, unemployment compensation fees, wage settlements, and fiscal accounting;
- Ensuring adherence to federal and state laws and regulations; and
- Ensuring compliance with documentation requirements related to management of public funds.

The fiscal intermediary may also perform other supportive functions that enable the beneficiary and their representative to self-direct needed services and supports. These functions may include helping the beneficiary recruit staff (e.g., developing job descriptions, placing ads, assisting with interviewing) – as requested by the beneficiary's representative; contracting with or employing and directing providers of services; verification of provider qualifications (including reference and background checks); and assisting the beneficiary and their representative to understand billing and documentation requirements.

This waiver service is limited to beneficiaries who choose to self-direct services through Choice Voucher/Self Determination arrangements. The “unit” for this billable code is “per month” and can be billed once per month for beneficiaries using Choice Voucher/Self Determination arrangements.

III. Medicaid State Plan Services

In addition to SEDW services, beneficiaries served by the SEDW have access to Medicaid Mental Health State Plan services (e.g., psychotherapy, medication management, occupational therapy [OT] and physical therapy [PT] evaluations, home based services) provided by their PIHP on a managed care basis. Services that can be billed to Medicaid are listed on the MDHHS PIHP/CMHSP Encounter Reporting Healthcare Common Procedure Coding System (HCPCS) and Revenue Codes chart which is available on the MDHHS website. The code chart lists the Current Procedural Terminology (CPT)/HCPCS code, modifiers (when applicable), short description, Medicaid fee screen, and applicable quantity/timeframe parameters for each service.

Transportation is a Mental Health State Plan service. Parameters related to this service for SEDW enrollees are identified.

PIHPs are responsible for transportation to and from the beneficiary's place of residence when provided so that a beneficiary may participate in a state plan, Habilitation Supports Waiver (HSW), or additional/1915(i) State Plan Amendment (SPA) service at an approved day program site or in a clubhouse psychosocial rehabilitation program. Medicaid Health Plans (MHPs) are responsible for assuring enrollee transportation to the primary health care services provided by the MHPs, and to non-mental health specialists and out-of-state medical providers. MDHHS is responsible for assuring transportation to medical appointments for Medicaid beneficiaries not enrolled in MHPs; and to dental, substance abuse, and mental health services (except those noted above and in the HSW program –

described in the Habilitation Supports Waiver for Persons with Developmental Disabilities section of the Behavioral Health and Intellectual and Developmental Disability Supports and Services chapter of the MDHHS Medicaid Provider Manual) for all Medicaid beneficiaries.

For beneficiaries enrolled in the SEDW, transportation may be reimbursed when separately specified in the IPOS and provided in order to enable a beneficiary served by the SEDW to gain access to waiver and other community services, activities, and resources. The transportation benefit is limited to mileage reimbursement, and can be paid to hourly staff (e.g., respite and CLS) and clinical/professional staff providers. Family, neighbors, friends, or community agencies that can provide this service without charge must be utilized before seeking funding through the SEDW. The SEDW-enrolled beneficiary, legally responsible caregivers, and foster care providers cannot be reimbursed for mileage.

IV. Provider Qualifications

A. Respite, CLS, and OHSS

Individuals who provide respite, CLS, and OHSS must, in addition to the specific training, supervision and standards for each support/service, be:

- A responsible adult at least 18 years of age;
- Able to prevent transmission of communicable disease;
- Able to communicate expressively and receptively in order to follow IPOS requirements, and beneficiary-specific emergency procedures, and report on activities performed;
- In good standing with the law (i.e., not a fugitive from justice, not a convicted felon who is either still under jurisdiction or one whose felony relates to the kind of duty they would be performing, not an illegal alien);
- Able to perform basic first aid procedures
- Trained on the IPOS, as applicable.

B. Wraparound Facilitator

Wraparound facilitators must:

- Complete MDHHS Wraparound training;
- Possess a bachelor's degree in any field;
- Have a criminal history screen, including state and local child protection agency registries; and
- Be supervised by an individual who meets criteria as a Child Mental Health Professional (CMHP) who has completed MDHHS required training.

C. Child Therapeutic Foster Care (see page 4)

Child Therapeutic Foster Care (CTFC) providers must be:

- Licensed as a Foster Care Provider (MCL 722.122);
- Enrolled by MDHHS as a CTFC provider; and
- Trained in the IPOS.

D. Therapeutic Overnight Camp

Therapeutic Overnight Camps must be licensed and certified by MDHHS. Staff must be trained in the IPOS.

Manual Maintenance

Retain this bulletin until the information is incorporated into the MDHHS Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 1-800-292-2550. Atypical Providers may phone toll-free 1-800-979-4662.

An electronic copy of this document is available at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Approved



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