

## Request for an Amendment to a §1915(c) Home and Community-Based Services Waiver

### 1. Request Information

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- A. The State of Illinois requests approval for an amendment to the following Medicaid home and community-based services waiver approved under authority of §1915(c) of the Social Security Act.
  - B. Program Title:  
Support Waiver for Children and Young Adults with Developmental Disabilities
  - C. Waiver Number: IL.0464  
Original Base Waiver Number: IL.0464.
  - D. Amendment Number: IL.0464.R02.02
  - E. Proposed Effective Date: (mm/dd/yy)  

12/31/17
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- Approved Effective Date: 01/10/18  
 Approved Effective Date of Waiver being Amended: 07/01/17

### 2. Purpose(s) of Amendment

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**Purpose(s) of the Amendment.** Describe the purpose(s) of the amendment:  
 This amendment modifies the Children's Support waiver to add an Administrative Authority Corrective Action Plan (AA CAP). As part of the renewal of the Children's Support Waiver (effective July 1, 2017), it was determined that an Administrative Authority Corrective Action Plan should be implemented. The AA CAP was approved on 12/06/17, and will be fully implemented by 12/31/18.

### 3. Nature of the Amendment

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- A. **Component(s) of the Approved Waiver Affected by the Amendment.** This amendment affects the following component(s) of the approved waiver. Revisions to the affected subsection(s) of these component(s) are being submitted concurrently (check each that applies):

Component of the Approved Waiver	Subsection(s)
<input checked="" type="checkbox"/> Waiver Application	Main - Attachment A
<input type="checkbox"/> Appendix A – Waiver Administration and Operation	
<input type="checkbox"/> Appendix B – Participant Access and Eligibility	
<input type="checkbox"/> Appendix C – Participant Services	
<input type="checkbox"/> Appendix D – Participant Centered Service Planning and Delivery	
<input type="checkbox"/> Appendix E – Participant Direction of Services	
<input type="checkbox"/> Appendix F – Participant Rights	
<input type="checkbox"/> Appendix G – Participant Safeguards	
<input type="checkbox"/> Appendix H	
<input type="checkbox"/> Appendix I – Financial Accountability	
<input type="checkbox"/> Appendix J – Cost-Neutrality Demonstration	

- B. **Nature of the Amendment.** Indicate the nature of the changes to the waiver that are proposed in the amendment (check each that applies):
  - Modify target group(s)
  - Modify Medicaid eligibility
  - Add/delete services
  - Revise service specifications
  - Revise provider qualifications

- Increase/decrease number of participants
- Revise cost neutrality demonstration
- Add participant-direction of services
- Other

Specify:

To include an Administrative Authority Corrective Action Plan as a condition for approval of the waiver.

## Application for a §1915(c) Home and Community-Based Services Waiver

### 1. Request Information (1 of 3)

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- A. The State of Illinois requests approval for a Medicaid home and community-based services (HCBS) waiver under the authority of §1915(c) of the Social Security Act (the Act).
- B. Program Title (optional - this title will be used to locate this waiver in the finder):  
**Support Waiver for Children and Young Adults with Developmental Disabilities**
- C. Type of Request: amendment

Requested Approval Period:(For new waivers requesting five year approval periods, the waiver must serve individuals who are dually eligible for Medicaid and Medicare.)

- 3 years
- 5 years

Original Base Waiver Number: IL.0464

Waiver Number:IL.0464.R02.02

Draft ID: IL.021.02.02

- D. Type of Waiver (select only one):

Regular Waiver

- E. Proposed Effective Date of Waiver being Amended: 07/01/17
- Approved Effective Date of Waiver being Amended: 07/01/17

### 1. Request Information (2 of 3)

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- F. Level(s) of Care. This waiver is requested in order to provide home and community-based waiver services to individuals who, but for the provision of such services, would require the following level(s) of care, the costs of which would be reimbursed under the approved Medicaid State plan (check each that applies):

- Hospital

Select applicable level of care

- Hospital as defined in 42 CFR §440.10

If applicable, specify whether the State additionally limits the waiver to subcategories of the hospital level of care:

- Inpatient psychiatric facility for individuals age 21 and under as provided in 42 CFR §440.160

- Nursing Facility

Select applicable level of care

- Nursing Facility as defined in 42 CFR §440.40 and 42 CFR §440.155

If applicable, specify whether the State additionally limits the waiver to subcategories of the nursing facility level of care:

- Institution for Mental Disease for persons with mental illnesses aged 65 and older as provided in 42 CFR §440.140

- Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) (as defined in 42 CFR §440.150)

If applicable, specify whether the State additionally limits the waiver to subcategories of the ICF/IID level of care:

## 1. Request Information (3 of 3)

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**G. Concurrent Operation with Other Programs.** This waiver operates concurrently with another program (or programs) approved under the following authorities  
Select one:

**Not applicable**

**Applicable**

Check the applicable authority or authorities:

**Services furnished under the provisions of §1915(a)(1)(a) of the Act and described in Appendix I**

**Waiver(s) authorized under §1915(b) of the Act.**

Specify the §1915(b) waiver program and indicate whether a §1915(b) waiver application has been submitted or previously approved:

Specify the §1915(b) authorities under which this program operates (*check each that applies*):

§1915(b)(1) (mandated enrollment to managed care)

§1915(b)(2) (central broker)

§1915(b)(3) (employ cost savings to furnish additional services)

§1915(b)(4) (selective contracting/limit number of providers)

**A program operated under §1932(a) of the Act.**

Specify the nature of the State Plan benefit and indicate whether the State Plan Amendment has been submitted or previously approved:

**A program authorized under §1915(i) of the Act.**

**A program authorized under §1915(j) of the Act.**

**A program authorized under §1115 of the Act.**

Specify the program:

**H. Dual Eligibility for Medicaid and Medicare.**

Check if applicable:

**This waiver provides services for individuals who are eligible for both Medicare and Medicaid.**

## 2. Brief Waiver Description

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**Brief Waiver Description.** *In one page or less*, briefly describe the purpose of the waiver, including its goals, objectives, organizational structure (e.g., the roles of state, local and other entities), and service delivery methods.

The Children's Support Waiver provides services to eligible children and young adults with developmental disabilities ages three through twenty-one who live at home with their families. The services provided are designed to prevent or delay the need for out-of-home residential services for these children who would otherwise need ICF/IDD level of care. Children who are wards of the State are not eligible for this program.

The Waiver affords families the choice between participant direction and more traditional service delivery, or a combination of the two options. This choice is presented at the initiation of services and at least annually thereafter. The number of participants served each year is based on available State appropriation levels, and the waiver program is cost neutral.

The Division of Developmental Disabilities, within the Illinois Department of Human Services, operates the Children's

## Support Waiver.

Contracted Independent Service Coordination agencies (ISC) across the State serve as the local point of access for children and their families.

Service delivery methods are participant and family-directed. Individual Service and Support Advocates (ISSA), employed by local contracted ISC agencies assist in developing and implementing service plans. A Financial Management Service entity conducts payroll functions. Direct service may be provided by common law employees of the participant, or by community providers chosen by the family and the planning team. Additional optional support in directing services may be purchased by Information and Assistance in Support of Participant Direction providers.

Within an annual allocation for each participant in the Waiver, families select from a menu of services based on their participant needs. For qualified service providers, families can select from traditional organizations, as well as individuals identified by the family.

The Children's Support Waiver services are not intended to meet all of the needs of the participants being served. In combination with school-based services, natural supports, other community resources, and Medicaid State Plan services, they assist the family in meeting the participant's needs.

### 3. Components of the Waiver Request

The waiver application consists of the following components. *Note: Item 3-E must be completed.*

- A. **Waiver Administration and Operation.** Appendix A specifies the administrative and operational structure of this waiver.
- B. **Participant Access and Eligibility.** Appendix B specifies the target group(s) of individuals who are served in this waiver, the number of participants that the State expects to serve during each year that the waiver is in effect, applicable Medicaid eligibility and post-eligibility (if applicable) requirements, and procedures for the evaluation and reevaluation of level of care.
- C. **Participant Services.** Appendix C specifies the home and community-based waiver services that are furnished through the waiver, including applicable limitations on such services.
- D. **Participant-Centered Service Planning and Delivery.** Appendix D specifies the procedures and methods that the State uses to develop, implement and monitor the participant-centered service plan (of care).
- E. **Participant-Direction of Services.** When the State provides for participant direction of services, Appendix E specifies the participant direction opportunities that are offered in the waiver and the supports that are available to participants who direct their services. (*Select one*):
 

- Yes. This waiver provides participant direction opportunities.** *Appendix E is required.*
  - No. This waiver does not provide participant direction opportunities.** *Appendix E is not required.*
- F. **Participant Rights.** Appendix F specifies how the State informs participants of their Medicaid Fair Hearing rights and other procedures to address participant grievances and complaints.
- G. **Participant Safeguards.** Appendix G describes the safeguards that the State has established to assure the health and welfare of waiver participants in specified areas.
- H. **Quality Improvement Strategy.** Appendix H contains the Quality Improvement Strategy for this waiver.
- I. **Financial Accountability.** Appendix I describes the methods by which the State makes payments for waiver services, ensures the integrity of these payments, and complies with applicable federal requirements concerning payments and federal financial participation.
- J. **Cost-Neutrality Demonstration.** Appendix J contains the State's demonstration that the waiver is cost-neutral.

### 4. Waiver(s) Requested

- A. Comparability.** The State requests a waiver of the requirements contained in §1902(a)(10)(B) of the Act in order to provide the services specified in **Appendix C** that are not otherwise available under the approved Medicaid State plan to individuals who: (a) require the level(s) of care specified in Item 1.F and (b) meet the target group criteria specified in **Appendix B**.
- B. Income and Resources for the Medically Needy.** Indicate whether the State requests a waiver of §1902(a)(10)(C)(i) (III) of the Act in order to use institutional income and resource rules for the medically needy (*select one*):
- Not Applicable
- No
- Yes
- C. Statewideness.** Indicate whether the State requests a waiver of the statewideness requirements in §1902(a)(1) of the Act (*select one*):
- No
- Yes

If yes, specify the waiver of statewideness that is requested (*check each that applies*):

- Geographic Limitation.** A waiver of statewideness is requested in order to furnish services under this waiver only to individuals who reside in the following geographic areas or political subdivisions of the State.

*Specify the areas to which this waiver applies and, as applicable, the phase-in schedule of the waiver by geographic area:*

- Limited Implementation of Participant-Direction.** A waiver of statewideness is requested in order to make *participant-direction of services* as specified in **Appendix E** available only to individuals who reside in the following geographic areas or political subdivisions of the State. Participants who reside in these areas may elect to direct their services as provided by the State or receive comparable services through the service delivery methods that are in effect elsewhere in the State.
- Specify the areas of the State affected by this waiver and, as applicable, the phase-in schedule of the waiver by geographic area:*

## 5. Assurances

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In accordance with 42 CFR §441.302, the State provides the following assurances to CMS:

- A. Health & Welfare:** The State assures that necessary safeguards have been taken to protect the health and welfare of persons receiving services under this waiver. These safeguards include:
1. As specified in **Appendix C**, adequate standards for all types of providers that provide services under this waiver;
  2. Assurance that the standards of any State licensure or certification requirements specified in **Appendix C** are met for services or for individuals furnishing services that are provided under the waiver. The State assures that these requirements are met on the date that the services are furnished; and,
  3. Assurance that all facilities subject to §1616(e) of the Act where home and community-based waiver services are provided comply with the applicable State standards for board and care facilities as specified in **Appendix C**.
- B. Financial Accountability.** The State assures financial accountability for funds expended for home and community-based services and maintains and makes available to the Department of Health and Human Services (including the Office of the Inspector General), the Comptroller General, or other designees, appropriate financial records documenting the cost of services provided under the waiver. Methods of financial accountability are specified in **Appendix I**.

- C. Evaluation of Need:** The State assures that it provides for an initial evaluation (and periodic reevaluations, at least annually) of the need for a level of care specified for this waiver, when there is a reasonable indication that an individual might need such services in the near future (one month or less) but for the receipt of home and community-based services under this waiver. The procedures for evaluation and reevaluation of level of care are specified in **Appendix B**.
- D. Choice of Alternatives:** The State assures that when an individual is determined to be likely to require the level of care specified for this waiver and is in a target group specified in **Appendix B**, the individual (or, legal representative, if applicable) is:
1. Informed of any feasible alternatives under the waiver; and,
  2. Given the choice of either institutional or home and community-based waiver services. **Appendix B** specifies the procedures that the State employs to ensure that individuals are informed of feasible alternatives under the waiver and given the choice of institutional or home and community-based waiver services.
- E. Average Per Capita Expenditures:** The State assures that, for any year that the waiver is in effect, the average per capita expenditures under the waiver will not exceed 100 percent of the average per capita expenditures that would have been made under the Medicaid State plan for the level(s) of care specified for this waiver had the waiver not been granted. Cost-neutrality is demonstrated in **Appendix J**.
- F. Actual Total Expenditures:** The State assures that the actual total expenditures for home and community-based waiver and other Medicaid services and its claim for FFP in expenditures for the services provided to individuals under the waiver will not, in any year of the waiver period, exceed 100 percent of the amount that would be incurred in the absence of the waiver by the State's Medicaid program for these individuals in the institutional setting(s) specified for this waiver.
- G. Institutionalization Absent Waiver:** The State assures that, absent the waiver, individuals served in the waiver would receive the appropriate type of Medicaid-funded institutional care for the level of care specified for this waiver.
- H. Reporting:** The State assures that annually it will provide CMS with information concerning the impact of the waiver on the type, amount and cost of services provided under the Medicaid State plan and on the health and welfare of waiver participants. This information will be consistent with a data collection plan designed by CMS.
- I. Habilitation Services.** The State assures that prevocational, educational, or supported employment services, or a combination of these services, if provided as habilitation services under the waiver are: (1) not otherwise available to the individual through a local educational agency under the Individuals with Disabilities Education Act (IDEA) or the Rehabilitation Act of 1973; and, (2) furnished as part of expanded habilitation services.
- J. Services for Individuals with Chronic Mental Illness.** The State assures that federal financial participation (FFP) will not be claimed in expenditures for waiver services including, but not limited to, day treatment or partial hospitalization, psychosocial rehabilitation services, and clinic services provided as home and community-based services to individuals with chronic mental illnesses if these individuals, in the absence of a waiver, would be placed in an IMD and are: (1) age 22 to 64; (2) age 65 and older and the State has not included the optional Medicaid benefit cited in 42 CFR §440.140; or (3) age 21 and under and the State has not included the optional Medicaid benefit cited in 42 CFR § 440.160.

## 6. Additional Requirements

*Note: Item 6-I must be completed.*

- A. Service Plan.** In accordance with 42 CFR §441.301(b)(1)(i), a participant-centered service plan (of care) is developed for each participant employing the procedures specified in **Appendix D**. All waiver services are furnished pursuant to the service plan. The service plan describes: (a) the waiver services that are furnished to the participant, their projected frequency and the type of provider that furnishes each service and (b) the other services (regardless of funding source, including State plan services) and informal supports that complement waiver services in meeting the needs of the participant. The service plan is subject to the approval of the Medicaid agency. Federal financial participation (FFP) is not claimed for waiver services furnished prior to the development of the service plan or for services that are not included in the service plan.

- B. Inpatients.** In accordance with 42 CFR §441.301(b)(1)(ii), waiver services are not furnished to individuals who are in-patients of a hospital, nursing facility or ICF/IID.
- C. Room and Board.** In accordance with 42 CFR §441.310(a)(2), FFP is not claimed for the cost of room and board except when: (a) provided as part of respite services in a facility approved by the State that is not a private residence or (b) claimed as a portion of the rent and food that may be reasonably attributed to an unrelated caregiver who resides in the same household as the participant, as provided in **Appendix I**.
- D. Access to Services.** The State does not limit or restrict participant access to waiver services except as provided in **Appendix C**.
- E. Free Choice of Provider.** In accordance with 42 CFR §431.151, a participant may select any willing and qualified provider to furnish waiver services included in the service plan unless the State has received approval to limit the number of providers under the provisions of §1915(b) or another provision of the Act.
- F. FFP Limitation.** In accordance with 42 CFR §433 Subpart D, FFP is not claimed for services when another third-party (e.g., another third party health insurer or other federal or state program) is legally liable and responsible for the provision and payment of the service. FFP also may not be claimed for services that are available without charge, or as free care to the community. Services will not be considered to be without charge, or free care, when (1) the provider establishes a fee schedule for each service available and (2) collects insurance information from all those served (Medicaid, and non-Medicaid), and bills other legally liable third party insurers. Alternatively, if a provider certifies that a particular legally liable third party insurer does not pay for the service(s), the provider may not generate further bills for that insurer for that annual period.
- G. Fair Hearing:** The State provides the opportunity to request a Fair Hearing under 42 CFR §431 Subpart E, to individuals: (a) who are not given the choice of home and community-based waiver services as an alternative to institutional level of care specified for this waiver; (b) who are denied the service(s) of their choice or the provider(s) of their choice; or (c) whose services are denied, suspended, reduced or terminated. **Appendix F** specifies the State's procedures to provide individuals the opportunity to request a Fair Hearing, including providing notice of action as required in 42 CFR §431.210.
- H. Quality Improvement.** The State operates a formal, comprehensive system to ensure that the waiver meets the assurances and other requirements contained in this application. Through an ongoing process of discovery, remediation and improvement, the State assures the health and welfare of participants by monitoring: (a) level of care determinations; (b) individual plans and services delivery; (c) provider qualifications; (d) participant health and welfare; (e) financial oversight and (f) administrative oversight of the waiver. The State further assures that all problems identified through its discovery processes are addressed in an appropriate and timely manner, consistent with the severity and nature of the problem. During the period that the waiver is in effect, the State will implement the Quality Improvement Strategy specified in **Appendix H**.
- I. Public Input.** Describe how the State secures public input into the development of the waiver: Illinois secured public input into the development of this waiver through two separate statements of public notice and input. One form of public notice was electronic through a posting on the HFS website; <http://www2.illinois.gov/hfs/MedicalPrograms/HCBS/Pages/default.aspx>; and on the website of the Operating Agency, the Illinois Division of Developmental Disabilities found at: <http://www.dhs.state.il.us/page.aspx?item=45915>. For persons that may not have access to the website, a second, non-electronic publication of the waiver renewal was made available. This non-electronic publication is the Illinois Register issued on May 29, 2015. In the two methods of public notification, the dates of the 30 day public input period were identified. The 30 day public input period is from May 29, 2015 through June 28, 2015.

In addition to these two methods of notification, the Operating Agency sent an e-mail blast with the same language found in the Illinois Register and on the website to its stakeholders which includes provider agencies and care coordination entities. These entities were asked to inform the public of the opportunities as described in the public notice to access a copy of the waiver application from the HFS or DHS - DD websites described above, or to review a copy at the Independent Service Coordination (ISC) agencies across the State. To locate the closest ISC agency or see a listing of all ISC agencies, persons were instructed to use the Office Locator on the DHS website at <http://www.dhs.state.il.us/page.aspx?module=12&officetype=3&county>.

The public interested in providing input was asked to e-mail their feedback to the HFS web portal e-mail address: [HFS.SWTransitionPlan@illinois.gov](mailto:HFS.SWTransitionPlan@illinois.gov); or mail their input to the Illinois Department of Healthcare and Family

Services, Attn: Waiver Management, 201 South Grand Ave East, 2nd FL, Springfield, IL 62763.

As discussed above, the public notification indicates that all stakeholders have the opportunity to provide the State input either electronically through the website or non-electronically through the U.S. mail. In addition, the full waiver renewal application is available to the public to review and comment and Illinois has provided multiple levels of contact with our stakeholders.

A summary of the public notice and comments has been incorporated into the renewal prior to submission to federal CMS. This summary includes modifications to the initial waiver renewal and reasons why the State is not adopting specific comments or recommendations.

In addition, Illinois informed via U.S. Mail and e-mail and sought feedback from our representative of the Tribal Authority or First Nation of Illinois' intent to renew this waiver on January 9, 2015. On May 26, 2015, a second letter was sent via U.S. Mail and e-mail informing of the extension of this waiver and its' posting for public comment. In all letters to the Authority, HFS has offered to meet and discuss the waiver.

Specific to Statewide Transition Plan:

Illinois established a LTSS Inter-Agency workgroup in April, 2014 to address the Statewide Transition Plan (STP) in response to the HCBS new regulations. This workgroup continues to meet throughout the implementation of the STP.

In accordance with CMS-2249-F/2296-F, (iii), Illinois provided a 32-day public notice and comment period with two statements of public notice, one non-electronic and one electronic with several methods to inform and engage the public in providing the State with feedback on the draft Statewide Transition Plan. In addition, Illinois informed and sought feedback from our representative of the Tribal Authority or First Nation. The Plan reflects input received and has been modified accordingly.

Illinois' strategies to comply with public notice and input are detailed in Illinois Statewide Transition Plan to Comply with the Department of Health and Human Services Centers for Medicare and Medicaid (CMS) 2249-F and 2296-F Regarding Home and Community-Based Services (HCBS) Settings Rules in Illinois' 1915c Waivers which was submitted to federal CMS on March 16, 2015 and can be found at: <http://www2.illinois.gov/hfs/MedicalPrograms/HCBS/Transition/Pages/default.aspx>.

In addition, Illinois hosted six public listening forums at which 175 stakeholders signed attendance sheets and a webinar in which 265 individuals participated.

The input that was received was incorporated into the Transition Plan or there was indication in the Plan of either the inability of the State to respond or how the State intends to respond to comment in the future.

- J. Notice to Tribal Governments.** The State assures that it has notified in writing all federally-recognized Tribal Governments that maintain a primary office and/or majority population within the State of the State's intent to submit a Medicaid waiver request or renewal request to CMS at least 60 days before the anticipated submission date is provided by Presidential Executive Order 13175 of November 6, 2000. Evidence of the applicable notice is available through the Medicaid Agency.
- K. Limited English Proficient Persons.** The State assures that it provides meaningful access to waiver services by Limited English Proficient persons in accordance with: (a) Presidential Executive Order 13166 of August 11, 2000 (65 FR 50121) and (b) Department of Health and Human Services "Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" (68 FR 47311 - August 8, 2003). **Appendix B** describes how the State assures meaningful access to waiver services by Limited English Proficient persons.

## 7. Contact Person(s)

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- A.** The Medicaid agency representative with whom CMS should communicate regarding the waiver is:

Last Name:

Holden

First Name:

**Title:**

**Agency:**

**Address:**

**Address 2:**

**City:**

**State:** **Illinois**

**Zip:**

**Phone:**  Ext:   TTY

**Fax:**

**E-mail:**

**B.** If applicable, the State operating agency representative with whom CMS should communicate regarding the waiver is:

**Last Name:**

**First Name:**

**Title:**

**Agency:**

**Address:**

**Address 2:**

**City:**

**State:** **Illinois**

**Zip:**

**Phone:**

(217) 782-4139 Ext:   TTY

Fax:

(217) 558-2799

E-mail:

Stephanie.Leach@illinois.gov

### 8. Authorizing Signature

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This document, together with the attached revisions to the affected components of the waiver, constitutes the State's request to amend its approved waiver under §1915(c) of the Social Security Act. The State affirms that it will abide by all provisions of the waiver, including the provisions of this amendment when approved by CMS. The State further attests that it will continuously operate the waiver in accordance with the assurances specified in Section V and the additional requirements specified in Section VI of the approved waiver. The State certifies that additional proposed revisions to the waiver request will be submitted by the Medicaid agency in the form of additional waiver amendments.

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Signature:

State Medicaid Director or Designee

Submission Date:

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**Note: The Signature and Submission Date fields will be automatically completed when the State Medicaid Director submits the application.**

Last Name:

First Name:

Title:

Agency:

Address:

Address 2:

City:

State: **Illinois**

Zip:

Phone:  Ext:   TTY

Fax:

E-mail:

teresa.hursey@illinois.gov

**Attachments****Attachment #1: Transition Plan**

Check the box next to any of the following changes from the current approved waiver. Check all boxes that apply.

- Replacing an approved waiver with this waiver.
- Combining waivers.
- Splitting one waiver into two waivers.
- Eliminating a service.
- Adding or decreasing an individual cost limit pertaining to eligibility.
- Adding or decreasing limits to a service or a set of services, as specified in Appendix C.
- Reducing the unduplicated count of participants (Factor C).
- Adding new, or decreasing, a limitation on the number of participants served at any point in time.
- Making any changes that could result in some participants losing eligibility or being transferred to another waiver under 1915(c) or another Medicaid authority.
- Making any changes that could result in reduced services to participants.

Specify the transition plan for the waiver:

As part of the renewal of the Children's Support Waiver (effective date of July 1, 2017), it was determined that a CAP should be implemented for Service Plan Development. The CAP was to be fully implemented by 9/30/17. All action items of the CAP were met within the requested timeline except the update to the State of Illinois Administrative Rules. The update to the Administrative Rules will be completed by 7/1/18.

In addition, with the Children's Support Waiver, a CAP was developed to remove case management activities from the Service Facilitation service definition and to make changes to the case management sections of the Waiver application. All action items of the CAP were met within the requested timeline except the update to the State of Illinois Administrative Rules. The update to the Administrative Rules will be completed by 7/1/18.

The State will submit a technical amendment to the waiver that incorporates the Administrative Authority (AA) and Health and Welfare (HW) CAP into the waiver program for approval by December 31, 2017.

As a condition of approval for the Children's Support waiver (effective date of July 1, 2017), it was determined that a CAP should be implemented for Administrative Authority and Health and Welfare. The CAP was approved 12/06/17 and is expected to be fully implemented by 12/31/18.

**Attachment #2: Home and Community-Based Settings Waiver Transition Plan**

Specify the state's process to bring this waiver into compliance with federal home and community-based (HCB) settings requirements at 42 CFR 441.301(c)(4)-(5), and associated CMS guidance.

*Consult with CMS for instructions before completing this item. This field describes the status of a transition process at the point in time of submission. Relevant information in the planning phase will differ from information required to describe attainment of milestones.*

*To the extent that the state has submitted a statewide HCB settings transition plan to CMS, the description in this field may reference that statewide plan. The narrative in this field must include enough information to demonstrate that this waiver complies with federal HCB settings requirements, including the compliance and transition requirements at 42 CFR 441.301(c)(6), and that this submission is consistent with the portions of the statewide HCB settings transition plan that are germane to this waiver. Quote or summarize germane portions of the statewide HCB settings transition plan as required.*

*Note that Appendix C-5 HCB Settings describes settings that do not require transition; the settings listed there meet federal HCB setting requirements as of the date of submission. Do not duplicate that information here.*

*Update this field and Appendix C-5 when submitting a renewal or amendment to this waiver for other purposes. It is not necessary for the state to amend the waiver solely for the purpose of updating this field and Appendix C-5. At the end of the state's HCB settings transition process for this waiver, when all waiver settings meet federal HCB setting requirements, enter "Completed" in this field, and include in Section C-5 the information on all HCB settings in the waiver.*

The following represent key components of the Statewide Transition Plan and represent language taken directly from the Plan.

The HCBS regulations require States to ensure that individuals receiving Long-Term Services and Supports (LTSS) have

full access to the benefits of community living and the opportunity to receive services in the most-integrated setting appropriate and that those rights and privileges are comparable to those afforded to Non-Waiver participants in the community.

In the spring of 2014, the Illinois Department of Healthcare & Family Services (HFS) convened an LTSS Inter-Agency workgroup consisting of representatives of: HFS as the State Medicaid Authority responsible to federal CMS for oversight of the State's nine 1915(c) Waivers; the Illinois Department of Human Services (DHS) and its Divisions of Developmental Disabilities (DDD), Mental Health (DMH), Alcoholism and Substance Abuse (DASA), Rehabilitation Services (DRS); the University of Illinois at Chicago Division of Specialized Care for Children (DSCC); and the Illinois Department on Aging (IDoA).

Illinois' Statewide Transition Plan included an assessment of existing State statutes, regulations, standards, policies, licensing requirements, and other provider requirements, including whether waiver settings' comply with the regulations as outlined at 42 CFR 441.301(c)(4)(5) and 42 CFR 441.710(a)(1)(2). Furthermore, the Statewide Transition Plan describes the remediation steps Illinois plans to implement to assure full and on-going compliance with the HCBS settings requirements, with specific timeframes for already-identified actions and deliverables.

HFS contracted with the University of Illinois Springfield (UIS) Survey Research Office to assist the LTSS Inter-Agency workgroup with the development of the methodology for the residential and non-residential settings surveys, including the development of survey questions and analysis of survey responses, to provide the State with a non-biased assessment of current practices. The survey questions were reviewed by each State agency, tested with staff from several community-based HCBS waiver residential settings and revised by the workgroup so as to be inclusive of the variety of services offered in Illinois' residential and non-residential HCBS settings. Two versions of the survey were created: one for residential settings and one for non-residential settings providing HCBS waiver services. Completion of the surveys by individual setting/sites was required.

The State held a webinar on February 11, 2015. This webinar was targeted to – HCBS waivers providers and provider organizations and to HCBS waiver participants and their families, guardians and representatives. In addition, six Regional Public Listening Forums were held at accessible locations throughout the State during the 32-day public comment period originally planned for January 15, 2015 - February 15, 2015 and subsequently extended to February 24, 2015. There was no cost to attend. Parking was available at all locations and accommodations were provided when requested to anyone who might need assistance with communication. Attendees were informed of the new HCBS regulations and its implications for HCBS settings and were given the opportunity to provide feedback and to ask questions. Those who commented were asked to submit a written version of their comments at the Forum. All written received and oral comments were transcribed and included in the Transition Plan.

Based upon follow-up site validation visits to provider settings, the State agencies under whose jurisdiction these settings operate along with HFS, will notify providers who are not in compliance with the new regulations. Specific explanations are to be presented to the providers regarding areas of their service setting and practice which do not comply with the new regulations.

The State intends to make a recommendation as to whether Illinois' HCBS settings qualify for "Heightened Scrutiny" on a case-by-case basis.

The State intends to work with HCBS waiver providers to bring their settings into compliance with the new regulations. When remediation actions have failed, it will become necessary to inform participants and their families, guardians or representatives that an alternate compliant setting will need to be selected.

The development of the Illinois Statewide Transition Plan was subject to public input, as required at 42 CFR 441.301(6)(B) (iii) and 42 CFR 441.710(3)(iii) and describes the process Illinois utilized for obtaining initial stakeholder input as well as plans to maintain stakeholder dialogue as the Transition Plan is modified.

Illinois assures that the settings transition plan included with this waiver renewal will be subject to any provisions or requirements included in the state's approved Statewide Transition Plan (STP). The state will implement any required changes upon approval of the STP and will make conforming changes to its waiver when it submits the next amendment or renewal.

All Participants are living in private, family homes. Services are either delivered in these homes or are delivered to support Participants in community settings such as churches, parks, shopping areas, etc. The homes do not include foster care

arrangements. Participants may be served by individuals in professional office locations that are accessed by members of the general population.

### Additional Needed Information (Optional)

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Provide additional needed information for the waiver (optional):

#### Public Input and Process

In accordance with “Policies Concerning Waiver Amendments” page 26 of the Instructions, Technical Guide and Review Criteria, dated January 2015 which states that “the state is required to establish a public input process specifically for HCBS changes that are substantive in nature,” HFS and the DHS - Division of DD sought public comment beginning on May 29, 2015 through June 28, 2015. Public notification of this 30 day comment period with details on how to provide input was posted in the Illinois Register on May 29, 2015. Persons interested in providing input were asked to email feedback to the HFS web portal email address: HFS.SWTransitionPlan@illinois.gov; or mail their input to HFS. In addition, the DHS-Division of DD notified its provider network via e-mail with the same information. The network was asked to share information to all stakeholders, plus DHS-DDD requested that the Independent Service Coordination (ISC) agencies across the State provide the ability to access a hard copy of the proposed waiver renewal application at any of the ISC agencies across the State for persons who may be unable to access the website.

A total of five comments were received during the public comment period. The key points and the State’s response to each are listed below.

#### 1. Adopt an emphasis on independent service coordination.

- Currently the State contacts with Independent Service Coordination (ISC) agencies which serve as the single point of entry for all three DD Waiver programs. ISCs determine eligibility and also provide ongoing monitoring of the delivery of services as specified in the Individual Service Plan (ISP). ISC case managers, who are QIDPs, approve the ISP on an annual basis and also conduct quarterly home visits. They currently serve as the participant’s independent advocate for DD Waiver services.
- The State is exploring changes to how case management services are delivered in Illinois. The OA and the MA want to engage stakeholders in a thorough public input process and develop formal recommendations for change. The State will analyze the fiscal impact of recommended changes and plans to submit a Waiver amendment when changes are ready to be adopted. To accomplish this change, the State will work in conjunction with the Life Choices Project and the BIP Uniform Assessment Tool changes currently under development.

#### 2. Provide flexible funding that allows families to acquire needed services to avoid out of home placement.

- The Children’s Support Waiver currently provides flexible funding over the calendar year which allows families to increase supports during times when children are not in school or during other times of increased needs. The CSW also provides temporary increased funding in response to family emergencies when the primary unpaid caregiver is unable to provide family support.

#### 3. Allow the two children’s waivers to function in tandem to provide flexible support to children with significant needs.

- The State currently allows children to move between the two children’s waivers based on their needs. Families currently work with the ISC agency and the OA to obtain authorization for waiver services if needs change. The State can provide additional information to ISC and DD providers to emphasize the existing provisions to transition between waivers as the child and families’ needs change.

#### 4. Collect and share data regarding “aging out” transitions.

- Upon aging out, all children are provided the opportunity to apply for the Adult Waiver. However, the State does not currently post information on the outcomes of children aging out of the Children’s Waiver programs. The State agrees to post information on children transitioning to adult services in the future. If this data determines that young adults are being lost to follow-up, the State will identify the barriers to successful transition to community-based adult services.
- Currently, the number of children in crisis presenting for children’s waiver services absorbs the annual attrition capacities created by the children who “age-out” or otherwise leave the children’s waivers. There is no excess capacity at this time.

#### 5. Strengthen supports for the families of children with I/DD, including affordable childcare to enable parents to work, transportation, safe and affordable housing and increased access to behavioral health services for children who are dually diagnosed.

- It is beyond the scope of these waivers to address all of the needs of low income families caring for children with

developmental disabilities. The OA and MA will continue to advocate for the interests of children and families to the fully extent of the State's existing resources.

6. Eliminate the Children's Support Waiver and instead use the funds for the Adult Waiver programs and specifically young adults aging out of school programs.

- The State is committed to maintaining a Children's Support Waiver to prevent unnecessary institutionalization of children with developmental disabilities. Although a critical source of support, school-based services are sometimes inadequate to fully support children in the family home.

7. Facilitate the transfer of children from the Medically Fragile/Technology Dependent (MFTD) Children's Waiver to the Children's Support Waiver when appropriate (when medical needs decrease). Reserve 5 capacities per year for children from the MFTD Waiver.

- The State agrees that the CSW is a cost-effective alternative to the MFTD waiver while providing needed supports to children and families. The State does not know how many children potentially could transition from the MFTD waiver to the CSW due to reduced Medicaid needs. Children eligible for the MF/TD waiver are also eligible for State Plan Medicaid services and supports from other HCBS waiver, including the Persons with Disabilities Waiver for which there is no waiting list.

8. Allow nurses to be hired to provide respite care for children in the Children's Support Waiver.

- The State will examine the need for this change to the current waiver.

9. Eliminate the waiting list for children with developmental disabilities. And immediately increase capacity of the Children's Support Waiver to 2000 with continued growth in capacity over the next five years.

- Unfortunately, the State is faced with a severe financial crisis and is not in a fiscal position to increase waiver capacity at this time. Through attrition the State is able to continue to meet the needs of families on the waiting list who are in crisis to avoid institutional placement.

10. Change eligibility determination requirements for children who are non-mobile and non-verbal. Eliminate the requirement for psychological testing for these applicants.

- In response to public input, the OA recently made changes to the eligibility process regarding psychological evaluations. In order to streamline the eligibility assessment process, psychological assessments for persons in the severe/profound range of intellectual disability will no longer require a current evaluation (within five years of the application date).

No substantive changes were made to this waiver since posting for public comment. The State did renumber and made other minor changes to Performance Measures. But again, no substantive changes were made.