

**South Carolina Department of Health and Human Services  
Medical Care Advisory Committee  
Item for Committee Advisement**

**PREPARED BY:** Sam Waldrep

**PRESENTED BY:** Sam Waldrep

**DATE:** August 21, 2014

**SUBJECT:** Amendment of the three 1915(c) Medicaid Home and Community-Based Service (HCBS) Waivers operated by the Community Long Term Care (CLTC) Program

**OBJECTIVE:** Through amendments to these waivers, dual eligible beneficiaries age 65+ will be able to receive HCBS while participating in a second phase of transitioning these services to a managed and coordinated approach under the Healthy Connections Prime Program.

**BACKGROUND:** The South Carolina Department of Health and Human Services (SCDHHS) proposes to file amendments with the Centers for Medicare and Medicaid Services (CMS) to three (3) of its HCBS waivers operated through the CLTC Program. These waivers are: HIV/AIDS, Community Choices, and Mechanical Ventilator Dependent.

These changes will enable SCDHHS to implement a second phase of transitioning HCBS as a part of a joint Medicare-Medicaid demonstration program known as Healthy Connections Prime. Through Healthy Connections Prime, people age 65 and older who receive both Medicare and Medicaid and meet other eligibility criteria will receive all of their care, including primary care, behavioral health and long term care services, from a Coordinated and Integrated Care Organization (CICO). In Phase 1 of Healthy Connections Prime, the CICOs began serving waiver participants, but did not develop care plans for waiver services. These Phase 2 amendments will allow CICOs to develop participants' care plans, drawing on the knowledge of the participants' health needs both within and beyond the waiver services they receive and make these care plans subject to state review and approval. The CICO will also prior authorize waiver services and develop contractual oversight of waiver providers. Waiver participants will have access to an appeals process and the Healthy Connections Prime Advocate to assist in disputes.

There will be substantive and technical changes to sections of each waiver document to allow this, but no adverse changes are anticipated for participants who are enrolled in both Healthy Connections Prime and a CLTC waiver. Enrollment in Healthy Connections Prime is totally voluntary.

**BUDGETARY IMPACT:** During its three years of operation, CMS requires that Healthy Connection Prime operates at 1%, 2% and 3% savings over the traditional fee for service option.

**EXPECTED OUTCOMES:** Waiver participants in Healthy Connections Prime will be able to receive HCBS as authorized through a plan of care.

**EXTERNAL GROUPS AFFECTED:** Healthy Connections Prime beneficiaries, providers, and the four (4) CICOs selected to participate in Healthy Connections Prime will be impacted by this action. Notification of the intent to file these amendments has been circulated to the listserv of interested parties maintained by SCDHHS who have requested notification of waiver amendments and renewals. These amendments will also be presented in conjunction with four public meetings scheduled in late November and early December focusing on the upcoming HCBS final rule changes. Copies of these amendments will also be posted to the SCDHHS website at the time they are filed with CMS.

**RECOMMENDATION:** To request from CMS amendments to the Community Choices, HIV/AIDS and Mechanical Ventilator Dependent Waivers to allow for Phase 2 of the transition of HCBS as a part of the Healthy Connections Prime demonstration.

**EFFECTIVE DATE:** The changes are proposed to be effective May 1, 2015, which is the date that Phase 2 of the transition of HCBS under the Healthy Connections Prime demonstration project begins.