

**“Grandfather” protection for persons enrolled
on December 1, 2004, in one of the
Home and Community Based Services (HCBS)**

HCBS waiver budgets of enrollees who used to receive residual IHSS will not be reduced by the Independence Plus Demonstration Waiver.

The California Department of Health Services (DHS) authorized “Grandfather” protection for persons who were enrolled on December 1, 2004, in one of the Home and Community Based Services (HCBS) waivers administered by the DHS’ In-Home Operations (IHO) and who were also receiving In-Home Supportive Services (IHSS). Waiver enrollees are subject to an individual cost-effective cap that counts all Medi-Cal services including HCBS waiver Medi-Cal services. Not counted against the individual cost effectiveness budget were IHSS services not covered under Medi-Cal: advance pay, parent or spouse provider services, protective supervision. Under the Independence Plus Demonstration Waiver and clarification of services coverable under Medi-Cal outside the demonstration waiver, all of these services are now covered under Medi-Cal. So that HCBS waiver enrollees would not have their IHSS services count against their individual budgets thereby reducing what could be covered as waiver services, DHS agreed to “grandfather” or freeze HCBS enrollees’ budgets.



California
Department of
Health Services

SANDRA SHEWRY
Director

State of California—Health and Human Services Agency
Department of Health Services



ARNOLD SCHWARZENEGGER
Governor

DEC 09 2004

Ms. Marilyn Holle
Protection & Advocacy, Inc.
Los Angeles Legal Office
3580 Wilshire Blvd., Suite 902
Los Angeles, CA 90010

Dear Ms. Holle:

This is in response to your electronic memorandum dated November 21, 2004, in which you requested that the Department of Health Services (DHS) “grandfather” the current waiver budgets for certain Medi-Cal beneficiaries under Home and Community-Based Services (HCBS) waivers administered by the In-Home Operation (IHO) Section. Your request is approved.

DHS is sensitive to the special needs of the populations served under HCBS waivers and the new IHSS Plus waiver. In light of these special needs, we are granting your request to “grandfather” the current waiver budgets for Medi-Cal beneficiaries who: 1) receive services under the new In-Home Supportive Services (IHSS) Plus waiver and receive advance pay or protective supervision by a parent or spouse; or 2) receive protective supervision by a non-parent/spouse under the State plan.

For those beneficiaries who meet the above criteria and were enrolled on an IHO waiver as of December 1, 2004, IHO will calculate a “ceiling cost” budget derived from the sum of the current annual facility alternative costs plus the current annual cost of advance pay or protective supervision. This “ceiling cost” budget is fixed and will not be increased by any future increases in authorization of advance pay or protective supervision hours, or increases in reimbursement rates for services covered under the respective waiver or state plan.

Ms. Marilyn Holle
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Should you have any questions, please contact Ms. Sunni Burns, Chief, Medi-Cal Operations Division, at (916) 552-9115, or Mr. Douglas Robins, Chief, Home and Community-Based Services Branch, Medi-Cal Operations Division, at (916) 552-9233.

Sincerely,



Stan Rosenstein
Deputy Director
Medical Care Services

cc: Mr. Dale Mentink
Protection & Advocacy, Inc.
Sacramento Legal Office
100 Howe Avenue, Suite 235 North
Sacramento, CA 95825-8202

Ms. Sunni Burns, Chief
Medi-Cal Operations Division
Department of Health Services
1501 Capitol Avenue, Suite 3002
Mail Stop 4500
P.O. Box 997419
Sacramento, CA 95899-7419

Mr. Douglas Robins, M.P.H., Chief
Home and Community-Based Services Branch
Medi-Cal Operations Division
Department of Health Services
1501 Capitol Avenue, Suite 3002
MS 4501
P.O. Box 997419
Sacramento, CA 95899-7419