

# TRANSITION PLAN

## For Complying with the CMS Home- and Community-Based Services Medicaid Rule

### FOR THE STATE OF ARIZONA

The CMS-approved Arizona transition plan can be found at:

<https://www.medicaid.gov/sites/default/files/2023-05/az-appvd-plan.pdf>

The CMS-approved Arizona Corrective Action Plan can be found at:

<https://www.medicaid.gov/sites/default/files/2023-04/az-appvd-cap.pdf>

### SITE-SPECIFIC ASSESSMENTS

<b>Types of Settings/ Residents and Funding Authorities</b>	<p>The AHCCCS Arizona Long Term Care System (ALTCS) HCBS program is operated under section 1115 of the Act and CMS requires compliance with those regulations for all long-term care home and community-based settings.</p> <p>Types of settings:</p> <p>Residential:</p> <ul style="list-style-type: none"><li>• Assisted living facilities</li><li>• Group homes</li><li>• Adult and Child Development Homes</li><li>• Acute Behavioral Health Treatment Facilities</li></ul> <p>Non-Residential:</p> <ul style="list-style-type: none"><li>• Adult Day Health Programs</li><li>• Day Treatment and Training Programs</li><li>• Center-Based Employment Programs</li><li>• Group-Supported Employment Program</li></ul>
<b>Compliant/Non-Compliant</b>	<p>Fully compliant Residential Settings:</p> <ul style="list-style-type: none"><li>• 250 ALFs</li><li>• 611 Group Homes</li><li>• 1712 Adult and Child Developmental Homes</li><li>• 16 Individually Designed Living Arrangements</li></ul> <p>Fully compliant Non Residential Settings:</p> <ul style="list-style-type: none"><li>• 37 Adult Day Health Facilities</li><li>• 428 Day Treatment and Training Programs</li><li>• 24 Center-Based Employment Programs</li><li>• 115 Group-Supported Employment Programs</li><li>• 5 Other Employment Programs</li></ul> <p>Residential Settings that can come into compliance:</p>

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	<ul style="list-style-type: none"> <li>• 411 ALFs</li> <li>• 53 Group Homes</li> <li>• 32 Adult and Child Development Homes</li> <li>• 1 Individually Designed Living Arrangements</li> </ul> <p>Non Residential Settings that can come into compliance:</p> <ul style="list-style-type: none"> <li>• 30 Day Treatment and Training Programs</li> <li>• 3 Center-Based Employment Programs</li> <li>• 16 Group-Supported Employment Programs</li> </ul> <p>Not compliant: 0</p>
<p><b>Reasons for Non-Compliance</b></p>	<p>Reasons for non-compliance not listed.</p>
<p><b>Transition plans</b></p>	<p>The State held a public comment period including seven statewide stakeholder forums to provide information on the Transition Plan and subsequent updates. Workgroups were formed to represent each unique setting type to create the assessment tool suite to assess a setting’s compliance. The suite included a provider self-assessment, observations and community interviews, per centered service plan reviews and member surveys.</p> <p>The provider self-assessment served to determine what practices a provider may or may not be doing that are consistent with HCBS rules. The interviews assessed the same as above but also considered the provider’s level of interaction with members receiving services and strategies the provider employs to maximize community engagement. The person-centered plan review examined member case files for fidelity to the person-centered plan. Member surveys were given to validate the provider self-assessment directly from the members regarding member experience with the provider.</p> <p>To determine which settings would meet the Heightened Scrutiny criteria, setting-specific stakeholder workgroups developed criteria and a threshold for flagging a setting that is presumed to have the quality of an institution. A public comment opportunity was presented for responses to the settings determined needing heightened scrutiny. For settings submitted to CMS and determined to be non-compliant, the state will assist in relocating participants to a compliant setting.</p> <p><b>Note:</b> Arizona received approval of its corrective action plan (CAP) on March 17, 2023. The CAP provides updated timeframes for completion of the heightened scrutiny review process. According to the CAP, teams will address heightened scrutiny findings related to CMS’ heightened scrutiny review by 12 months post the date CMS issues a determination and findings to the state. Final compliance statewide</p>

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	with HCBS settings rule will take place 12 months post the date CMS issues a heightened scrutiny determination and findings to the state.
<p><b>SETTINGS PRESUMED INSTITUTIONAL</b></p> <p>CMS presumes some settings have qualities that are institutional or isolating in nature. These settings must go through a heightened scrutiny review by CMS.</p> <p>CMS presumes the following types of settings have institutional or isolating qualities:</p> <ul style="list-style-type: none"> <li>• <i>Category 1: Located in a hospital, nursing facility, or other institutional setting.</i></li> <li>• <i>Category 2: Located adjacent to a public hospital, nursing facility, or other institutional setting.</i></li> <li>• <i>Category 3: Have the effect of isolating people from the broader community.</i></li> </ul>	
<p><b>% Presumed Institutional (No. of Residents Affected)</b></p>	<p>Percent of Heightened Scrutiny for the first year of assessments:</p> <p>Residential settings:</p> <ul style="list-style-type: none"> <li>• 7.6% of Assisted Living facilities</li> <li>• 3.0% of Group Homes</li> <li>• 0.2% Adult and Child Developmental Homes</li> <li>• 0.0% Individually Designed Living Arrangements (IDLAs)</li> <li>• Residential Total: 2.4%</li> </ul> <p>Non-Residential Settings:</p> <ul style="list-style-type: none"> <li>• 0.0% Adult Day Health Facilities</li> <li>• 2.6% Day Treatment and Training programs</li> <li>• 0.0% Other Day Programs</li> <li>• 0.0% Center-Based Employment Programs</li> <li>• 1.5% Group-Supported Employment Programs</li> <li>• 0.0% Other Employment Programs</li> <li>• Non-Residential Total: 2.1%</li> </ul> <p>Overall total: <b>2.3%</b></p>
<p><b>Type of Setting/Residents</b></p>	<ul style="list-style-type: none"> <li>• Settings that are located in a building that is also a publicly or privately operated facility that provides inpatient institutional treatment:             <ul style="list-style-type: none"> <li>○ 3 ALFs</li> </ul> </li> <li>• Settings that are in a building located on the grounds of, or immediately adjacent to, a public institution:             <ul style="list-style-type: none"> <li>○ 12 ALFs</li> <li>○ 7 Day Treatment and Training Programs</li> </ul> </li> <li>• Any other settings that have the effect of isolating individuals receiving Medicaid HCBS from the broader community of individuals not receiving Medicaid HCBS:</li> </ul>

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	<ul style="list-style-type: none"> <li>○ 35 ALFs</li> <li>○ 20 Group Homes</li> <li>○ 3 Adult and Child Development Homes</li> <li>○ 5 Day Treatment and Training Programs</li> <li>○ 2 Group-Supported Employment Programs</li> </ul> <ul style="list-style-type: none"> <li>● All settings that met one of the three institutional qualities requiring Heightened Scrutiny have been determined to be able to overcome their institutional presumption based on the assessment and on-site audit.</li> </ul>
<b>Reason for Presumption</b>	Specific reasons for each setting were not presented.
<b>Heightened Scrutiny Process</b>	<p>To determine settings that would meet Heightened Scrutiny criteria, the state re-convened the setting-specific stakeholder workgroups to develop standard criteria and a threshold for flagging a setting that is presumed to have this quality of an institution.</p> <p>For those settings determined to require Heightened Scrutiny, a public comment period will be held.</p>

**NON-COMPLIANCE COMMUNICATION**

<b>% Cannot/Will Not Comply (No. of Residents Affected)</b>	No settings were determined to be non-compliant.
<b>Type of Setting/Residents</b>	Not applicable as no settings were determined to be non-compliant.
<b>Reason for Determination</b>	Not applicable as no settings were determined to be non-compliant.
<b>Communication Strategy</b>	A specific communication strategy was not included in the report.
<b>Assistance to Residents?</b>	A specific plan for assistance to residents was not included in the report.

**ONGOING MONITORING**

<b>Monitoring Procedures</b>	<ul style="list-style-type: none"> <li>● The HCBS Rules Assessment Tool Suite has been formally incorporated into the ongoing quality monitoring process and tools required by the MCOs for HCBS settings. MCOs will be required to assess HCBS Rules compliance during the initial credentialing process to ensure new providers in the network are compliant prior to the onset of delivery of services.</li> </ul>
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	<ul style="list-style-type: none"><li>• Update the State’s mandated Person-Centered Service Plan (PCSP) standards to support the successful implementation and monitoring of the State’s compliance with the HCBS Rules on an individual member level.</li><li>• Community members will have an opportunity to express concerns about a specific setting’s ability to comply with the HCBS rules.</li><li>• AHCCCS will partner with stakeholders to create and disseminate a document that details the changes members can expect to see in their settings as a result of the HCBS Rules implementation.</li></ul>
<b>Quality Assurance Measures</b>	Ongoing quality assurance processes will be established to ensure all settings providing HCBS continue to remain fully compliant with the rule in the future.