The purpose of this bulletin is to transmit the Office of Developmental Programs' (ODP's) approved Person/Family Directed Support (P/FDS) Waiver, effective July 1, 2007. All Administrative Entities, Supports Coordination Organizations, and other providers of P/FDS Waiver services must comply with the requirements and procedures outlined in the approved P/FDS Waiver.

BACKGROUND:

Home and Community-Based Waiver services provided under Section 1915(c) of the Social Security Act, with the exception of new Waivers, are approved by the Centers for Medicare and Medicaid Services (CMS) for five-year renewal periods. New Waivers are approved for an initial three-year period. The CMS renewal of Waivers is based on the satisfactory performance of Waiver operations during the prior approval period, a written application that outlines the design of the Waiver in a manner consistent with federal regulations, and assurance by the State that federal Waiver requirements will be met.

The P/FDS Waiver was previously approved by CMS for a five-year period that ended on June 30, 2007. During the P/FDS renewal process, CMS identified some issues with the provision of case management for P/FDS Waiver participants. Case management has been provided to P/FDS Waiver participants through the Pennsylvania Medical Assistance State Plan since the Waiver’s inception. As a means of correcting the issues identified by CMS, ODP decided to add case management, as Supports Coordination, to the P/FDS Waiver. CMS extended the P/FDS Waiver, effective July 1, 2007, rather than approving its renewal to provide ODP with additional time to make changes necessary to add Supports Coordination to the P/FDS Waiver.

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

The Appropriate Regional Office
DISCUSSION:

CMS approved ODP’s application for a five-year renewal of the P/FDS Waiver on February 22, 2008. The renewal is effective July 1, 2007 as per the attached letter from CMS to Estelle B. Richman, the Secretary of Public Welfare. The attached approved P/FDS Waiver establishes the design, policies, procedures, and requirements for the provision of P/FDS Waiver services during the renewal period.

Several modifications have been made to the P/FDS Waiver to reflect the central control and oversight of Waiver operations and the change in the administration of case management, most notably:

- Incorporation of Waiver policies, procedures, and requirements to ensure consistent Waiver operations, including a new process to oversee the performance of Administrative Entities.
- Exclusion of individuals residing in Personal Care Homes where 10 or more people live, if the move-in date to the home is July 1, 2008 or after.
- Addition of case management, known as Supports Coordination, as a Waiver service.
- Revision of the individual cost limit to exclude the Supports Coordination service, and to add a cost-of-living increase. The individual cost limit has been increased to $23,200 per person per fiscal year, and applies to all P/FDS Waiver services with the exception of Supports Coordination.
- Incorporation of ODP’s Quality Management Strategy (see Appendix H of the P/FDS Waiver).
- Inclusion of ODP’s detailed work plan (see Addendum 1) to develop policies and procedures to ensure Waiver operations that are consistent with federal Waiver requirements. The work plan includes future commitments to:
  - Contract with a statewide Vendor Fiscal Intermediary Service Organization, also known as Financial Management Services, and ensure statewide access to Vendor Fiscal Financial Management Services in State Fiscal Year 2008/2009.
  - Implement a statewide reimbursement methodology for Waiver services by July 1, 2009.
  - Eliminate the local Administrative Entity and Waiver provider contract, and effective July 1, 2009 pay Waiver providers through Pennsylvania Treasury.
  - Develop and implement a statewide methodology for Waiver enrollment, effective for State Fiscal Year 2009/2010.

The approved P/FDS Waiver includes the role of County Mental Retardation Programs and non-governmental entities as Administrative Entities responsible for many of the day-to-day Waiver operations. Please refer to Appendix A of the P/FDS Waiver for details on these responsibilities. Additional details are incorporated into the Administrative Entity Operating Agreement, which has been executed between ODP and each Administrative Entity.

Any future amendments to the P/FDS Waiver, which are approved by CMS, will be distributed under the ODP bulletin format. Administrative Entities, Supports Coordination Organizations, and other P/FDS Waiver providers are responsible for instituting changes necessitated by such amendments.
All Administrative Entities must retain a copy of the approved P/FDS Waiver, and any future amendments, for the duration of the five-year renewal period. Supports Coordination Organizations and other P/FDS Waiver providers should also retain a copy of the P/FDS Waiver, and any future amendments, during the five-year renewal period.

**OBsolete Bulletins:**

Bulletin 00-02-12, *Person/Family Directed Support Waiver Renewal*

Attachments:
- CMS approval letter to Secretary Richman
- Approved P/FDS Waiver Renewal Application
- Addendum 1, P/FDS Waiver