

Habilitation Services Criteria Utilization Management Guidelines

Iowa | Wellpoint | Iowa Health Link

Subject: *Wellpoint Habilitation Services*

Status: Active

Current effective date: July 1, 2022

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Description

Habilitation Services is a program designed to provide home- and community-based services (HCBS) for Iowa residents with the functional impairments typically associated with chronic mental illnesses. The federal *Deficit Reduction Act of 2005* permitted states to offer HCBS as a state plan option effective January 1, 2007. Using this option, a program was designed to meet the service needs of residents with the functional limitations typically associated with chronic mental illness. Habilitation services are designed to assist participants in acquiring, retaining, and improving the self-help, socialization, and adaptive skills necessary to reside successfully in home- and community-based settings.

Services are available to members that meet the habilitation financial- and needs-based eligibility criteria. A comprehensive functional assessment identifies the individual's functional impairments and need for services.

https://dhs.iowa.gov/sites/default/files/Attachment_3.1_C_pages_1_77.pdf?062920211936

Habilitation services include:

- Home-based habilitation.
- Day habilitation.
- Prevocational habilitation.
- Supported employment habilitation.

Member eligibility is based on assessed behavioral health needs meeting identified psychiatric risk factors along with the identified need for assistance that affects the member's ability to function independently in the community.

Members receiving habilitation services must be enrolled in Integrated Health Home (IHH) or Long-Term Services and Supports, which includes the provision of case management services. Nonfinancial eligibility for habilitation services is determined after July 1, 2022, by an assessment with the state specified tool "Level of Care Utilization System" (LOCUS) or child equivalent "CALOCUS" or other

approved state assessment. Person-centered plans devised to include habilitation services will be revised no less often than every year including use of the LOCUS/CALOCUS or other approved state assessments. Person-centered plans should also be revised when there is significant change in the member's circumstances or needs or at the request of the member.

Home-based habilitation tier level after July 1, 2022, is determined by the LOCUS/CALOCUS actual disposition score and community psychiatric support and treatment are managed with the *Wellpoint Habilitation Services Criteria Utilization Management Guidelines*.

Clinical indications

Member eligibility

To be eligible to receive HCBS, a member shall meet all of the following criteria:

- LOCUS/CALOCUS actual disposition: the member has a LOCUS/CALOCUS actual disposition of level one recovery maintenance and health management or higher on the most current LOCUS/CALOCUS assessment completed within the past 30 days.
- Risk factors: the member has at least one of the following risk factors:
 - Member has a history of inpatient, partial hospitalization, or emergency psychiatric treatment more than once in the member's life; **OR**
 - Member has a history of continuous, professional psychiatric supportive care other than hospitalization; **OR**
 - Member has a history of involvement in the criminal justice system; **OR**
 - Services available in the member's community have not been able to meet the member's needs.
 - Member has a history of unemployment or employment in a sheltered setting or poor work history; **OR**
 - Member has a history of homelessness.
- Need for assistance: member has a need for assistance or member is likely to need assistance related to functional impairment arising out of a mental health diagnosis typically demonstrated by meeting at least two of the following criteria on a continuing or intermittent basis for at least 12 months:
 - Member is unemployed, is employed in a sheltered setting, or has markedly limited skills and a poor work history, and the member is currently receiving employment services or the member has a need for employment services to obtain or maintain employment.
 - Member requires financial assistance to reside independently in the community or may be homeless or at risk of homelessness if unable to procure this assistance without help.
 - Member shows significant inability to establish or maintain a personal social support system.

- Member requires help in basic living skills such as self-care, money management, housekeeping, cooking, and medication management.
- Member exhibits social behavior that puts the member's safety or others' safety at risk, which results in the need for service intervention which may include crisis management or protective oversight.
- Income: countable income used to determine Medicaid eligibility does not exceed 150% of the federal poverty level.
- Needs assessment: the LOCUS/CALOCUS tool has been completed and entered online in the Deerfield Solutions website using said company's online algorithm to derive the actual disposition score based on completion of the Comprehensive Assessment and Social History (CASH). The CASH is completed by the integrated health home (IHH) or community-based case manager (CBCM) during a face-to-face interview with the member and the member's representative, as applicable. Based on information submitted on the information submission tool and other supporting documentation, as relevant, the Iowa Medicaid medical services unit has determined that the member is in need of home- and community-based habilitation services. The designated case manager or integrated health home care coordinator shall:
 - Arrange for the completion of the LOCUS or CALOCUS, before services begin and annually thereafter, and more frequently if significant observable changes occur in the member's situation, condition, or circumstances.
 - Use the information submission tool and other supporting documentation as relevant to develop a comprehensive service plan as specified in subrule 78.27(4) and 441 — paragraph 90.4(1)“b” before services begin and annually thereafter, and when there is a significant observable change in the member's situation, condition, or circumstances.

Comprehensive service plan

Home- and community-based habilitation services included in a comprehensive service plan or treatment plan that has been validated by Iowa Medicaid or the member's managed care organization shall be considered approved by the department. Home- and community-based habilitation services provided before approval of a member's eligibility for the program cannot be reimbursed:

- Home- and community-based habilitation services included in a comprehensive service plan or treatment plan that has been validated by the Iowa Medicaid or the member's managed care organization shall be considered approved by the department. Home- and community-based habilitation services provided before approval of a member's eligibility for the program cannot be reimbursed.
- For members receiving home-based habilitation, the service plan shall include the following:
 - LOCUS/CALOCUS actual disposition
 - LOCUS/CALOCUS composite score
 - Each individual domain score for each of the six LOCUS/CALOCUS domains

- The member's habilitation services shall not exceed the maximum number of units established for each service in 441 — subrule 79.1(2).
- The cost of the habilitation services shall not exceed unit expense maximums established in 441 — subrule 79.1(2).

Requirements for services

HCBS shall be provided in accordance with the following requirements:

- The services shall be based on the member's needs as identified in the member's comprehensive service plan.
- The services shall be delivered in the least restrictive environment appropriate to the needs of the member.
- The services shall include the applicable and necessary instruction, supervision, assistance, and support required by the member to achieve the member's life goals.
- Service components that are the same or similar shall not be provided simultaneously.
- Service costs are not reimbursable while the member is in a medical institution, including but not limited to a hospital or nursing facility.
- Reimbursement is not available for room and board.
- Services shall be billed in whole units.
- Services shall be documented. Each unit billed must have corresponding financial and medical records as set forth in rule 441 — 79.3(249A).

Continued stay criteria

Home-based habilitation means individually tailored supports that assist with the acquisition, retention, or improvement of skills related to living in the community:

- Individualized supportive services provided in the member's home and community that assist with residence in the integrated setting appropriate to the member's needs.
- Provision of daily living needs of the member and availability as needed during any 24-hour period.
- Support needs for each member that are determined necessary by the interdisciplinary team and identified in the member's comprehensive person-centered plan.

Covered supports identified in the person-centered plan include at least one of the following:

- Adaptive skill development
- Assistance with activities of daily living
- Assistance with symptom management and participation in mental health treatment

- Assistance with accessing physical and mental health care treatment, communication, and implementation of health care recommendations and treatment
- Assistance with accessing and participating in substance use disorder treatment and services
- Assistance with medication administration and medication management
- Assistance with understanding communication whether verbal or written
- Community inclusion and active participation in the community
- Adult educational supports, which may include assistance and support with enrolling in educational opportunities and participation in education and training
- Social and leisure skill development
- Personal care
- Protective oversight and supervision (may be a component of home-based habilitation services but may not comprise the entirety of the service)
- Transportation (acceptable if it supports the acquisition, retention, or improvement of another skill, such as grocery shopping or getting medical care)

Home-based habilitation tiers

The tiers represent the number of hours per day of onsite service needed by the member. For these services to be approved, a member needs to be assigned to a specific tier. A minimum of 15 minutes of service must be rendered to bill one unit. Tier assignment applies to the sections below.

The member must receive on average the minimum number of hours (units of service) identified in the service plan. The tiers recognize that there may be some days when more support is required and other days when less support is required or provided for various reasons. As long as the total number of hours provided over the course of the month averages out to the minimum number of hours identified in the member's service plan (units of service) authorized, the tier remains appropriate. If the total number of hours provided over the course of the month do not average out to the minimum number of hours for the tier authorized, then the member and their interdisciplinary team (IDT) should identify a more appropriate tier of service. Please see the discussion/general information section for exclusions.

Intensive IV

H2016 U7 is authorized for 24 hours of service per day and is the highest level of service offered for home-based habilitation. The purpose of intensive residential services is to serve adults with the most intensive severe and persistent mental illness conditions who have functional impairments and may also have multi-occurring conditions.

Intensive residential services provide intensive 24-hour supervision, behavioral health services and other supportive services in a community-based residential setting. The comprehensive person-centered plan is developed for symptom stabilization.

Member must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level six medically managed residential services
- Has a diagnosis that meets the criteria of severe and persistent mental illness (SPMI) as defined in rule 441 — 25.1(331)
- Has three or more areas of significant impairment in activities of daily living or instrumental activities of daily living
- In need of 24-hour supervised and monitored treatment to maintain or improve functioning and avoid relapse that would require a higher level of treatment
- Has exhibited a lack of progress or regression after an adequate trial of active treatment at a less intensive level of care
- Is at risk of significant functional deterioration if intensive residential services are not received or continued
- Meets one or more of the following 441-25.6(8)c:
 - Has a record of three or more psychiatric hospitalizations in the 12 months preceding application for intensive residential services
 - Has a record of more than 30 medically unnecessary psychiatric hospital days in the 12 months preceding application for intensive residential services.
 - Has a record of more than 90 psychiatric hospital days in the 12 months preceding application for intensive residential services
 - Has a record of three or more emergency room visits related to a psychiatric diagnosis in the 12 months preceding application for intensive residential services.
 - Is residing in a state resource center and has an SPMI.
 - Is being served out of state due to the unavailability of medically necessary services in Iowa
 - Has an SPMI and is scheduled for release from a correctional facility or a county jail.
 - Is homeless or precariously housed.

This level of care should be approved by the member's psychiatrist or other appropriate clinician. Collaboration should be consistent and ongoing with IHH staff, habilitation supervisor, in-home nurse, psychiatrist, and additional team members.

Intensive III

H2016 U9 is authorized for 17-24 hours of service per day. The comprehensive person-centered plan is developed for symptom stabilization. Member must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level five
- Demonstrates an impairment of functioning as a result of a serious mental illness
- Has significant risk of harm to self or others, or disturbances of mood, thought, or behavior which renders him/her incapable of appropriate self-care or self-regulation 17-24 hours a day
- Lacks the ability or capacity to participate in structured or meaningful activity in the community due to significant behaviors that could cause harm to self or others
- Requires significant intervention from staff for 17-24 hours a day
- Shows instability in his or her mental health; needs significant assistance with mood, coping, and other mental health systems
- More than one recent occurrence or isolated incident in the past three months that included a hospital stay, ER visit, use of emergency services, or police intervention

This level of care should be approved by the member's psychiatrist or other appropriate clinician. Collaboration should be consistent and ongoing with IHH staff, habilitation supervisor, in-home nurse, psychiatrist, and additional team members.

Intensive II

H2016 U8 is authorized for 13-16.75 hours of service per day to support the member in completing activities of daily living (ADLs) in order to gain proficiency and to increase independence. The comprehensive person-centered plan is developed with the goal of stabilizing the member's symptoms to maintain a daily routine. Member must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level four.
- Periods free from significant, ongoing self-harm or harm to others that puts self or others at risk for injury.
- Lacks the ability or capacity to participate in structured and meaningful activity outside residence (for example, going to church with a staff member or attending a book club with a staff member).
- Member needs significant support to complete basic living skills such as frequent interventions or hand over hand support for 13-16.75 hours per day.
- Requires significant intervention from staff to remain safe in the community and home for 13-16.75 hours per day.
- Requires significant support from staff to stabilize daily routine, especially during waking hours, and to manage mood, coping, or other mental health symptoms.

Intensive I

H2016 UD is authorized for 9-12.75 hours of service per day to assist the member in greater independence and community integration as reflected by the comprehensive person-centered plan. The member shows increased participation in the community such as working, volunteering, participating in day habilitation, or other meaningful activities. Members must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level three
- Periods free from any significant, ongoing self-harm, or harm to others
- Without support in the following areas, the member would be at risk for hospitalization, loss of independent living, incarceration, or increase to harm to self:
 - Problem solving
 - Emotional management
 - Coping skills
 - Relaxation/self-regulation
 - Crisis planning and implementation

Medium need

H2016 UC is authorized for 4.25-8.75 hours of service per day as needed, with the goal of increasing participation in the community and regularly participating in meaningful activities. Members must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level two
- The member is transitioning from a more intensive level of care and continues to show improvement in symptoms, or the member needs more structure and support after being in a lower level of care.
- The member has a daily minimal need for support with skills in the following areas:
 - Managing the living environment
 - Performing Activities of Daily Living (ADLs)
 - Employing positive community and social skills
 - Implementing a schedule or daily routine

Recovery transitional

H2016 UB is authorized for 2.25-4 hours of service per day as needed, with treatment goals focused on managing ADLs, interacting within the community, and personally defined goals. Members must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level one

- Greater independence in navigating the community
- Follows a schedule and is able to leave the home for purposeful activity, **OR**
- Engages in meaningful activities at home with assistance from staff members

High recovery

H2016 UA is authorized for 0.25-2 hours of service per day as needed and is the lowest level of care offered under Home-Based Habilitation. Minimal intervention or staff member support is needed. This level of care would be considered a step above independent living. The member continues to show progress towards goals of managing ADLs, interacting within the community, and personally defined goals. There must be at least 15 minutes of service to bill one unit. Members must meet the following criteria:

- Member has a LOCUS/CALOCUS actual disposition of level one
- Navigates the community with little to no assistance

Follows a schedule and is able to leave home for purposeful activities or engages in meaningful activity at home independently. Please see the discussion/general information section on page 17 for exclusions.

Home-based habilitation services for transition-age youth 16-17.5 years of age:

- Members residing in the family home may receive home-based habilitation services as needed, subject to the criteria set forth in this rule.
- Members residing outside the family home may only receive home-based habilitation services in residential settings with 16 or fewer beds licensed by the department of inspections and appeals.
- The proposed living environment must meet HCBS setting requirements in accordance with 441 — subrule 77.25(5).
- Individuals 16 to 18 years of age shall receive 24-hour site supervision and support.
- CALOCUS used to determine tier level for home-based habilitation services.

Additional criteria for receiving home-based habilitation services for transition-age youth 17.5-18 years of age:

- Members residing in the family home may receive home-based habilitation services as needed, subject to the criteria set forth in this rule.
- Members residing outside of the family home may receive daily home-based habilitation in a provider-owned or controlled setting when the following criteria are met:
 - The proposed living environment must meet HCBS setting requirements in accordance with 441 — subrule 77.25(5).

- All providers of the service setting being requested must meet the following additional safety and service requirements for serving youth under the age of 18:
 - Individuals 17.5 to 18 years of age shall receive 24-hour site supervision and support.
 - Individuals under the age of 18 may not reside in settings with individuals over the age of 21.
 - The comprehensive service plan shall specifically identify educational services and supports for individuals who have not obtained a high school diploma or equivalent.
 - For individuals who have obtained a high school diploma or equivalent, the comprehensive service plan shall include supported employment, additional training, or educational supports.
- The member's parent or guardian has consented to home-based habilitation services.
- The member is able to pay room and board costs (funding sources may include, but are not limited to, supplemental security income, child support, adoptions subsidy, or private funds).
- A licensed setting, such as those approved to provide residential-based supported community living, is not available.
- CALOCUS used to determine tier level for home-based habilitation services.

Day habilitation

This also applies to the *Intellectual Disability waiver*.

Day habilitation activities and environments are designed to foster the acquisition of skills, positive social behavior, greater independence, and personal choice. Services focus on supporting the member to participate in the community, develop social roles, and relationships, and increase independence and the potential for employment. Services are designed to assist the member to attain or maintain the member's individual goals as identified in the member's comprehensive service plan. Services may also provide wraparound support secondary to community employment.

Day habilitation activities may include:

- Identification of member's Interests, preferences, skills, strengths, and contributions
- Identification of conditions and supports necessary for full community inclusion and potential for competitive integrated employment
- Planning and coordinating individualized daily day habilitation schedule
- Develop skills and competencies necessary for competitive integrated employment
- Participate in community activities (hobbies, leisure, personal health and wellness, cultural, civic, and religious interests)
- Adult learning opportunities
- Volunteer opportunities

- Training and education in self-advocacy and self-determination
- Assist with behavior management and self-regulation
- Use of transportation and other community resources
- Develop and maintain natural relationships in the community
- Identifying and using natural supports
- Financial literacy and benefits education
- Other activities deemed necessary to assist the member with full participation in the community, developing social roles, and relationships, and increasing independence and the potential for employment.

Day habilitation services take place in a community-based, nonresidential setting separate from the member's residence. When members reside in a residential care facility of more than 16 beds, services are provided in an area apart from the member's sleeping accommodations. Services are provided for four or more hours per day on a regularly scheduled basis for one or more days per week as specified in the member's comprehensive person-centered plan.

Transportation: When transportation is provided to the day habilitation service location from the member's home and from the day habilitation service location to the member's home, the day habilitation provider may bill for the time spent transporting the member. Please see the discussion/general information section for exclusions.

Service requirements for all supported employment services

Community transportation options (for example, transportation provided by family, co-workers, carpools, volunteers, self, or public transportation) shall be:

- Identified by the member's interdisciplinary team.
- Utilized before the service provider provides the transportation to and from work for the member.

If neither of these options are available to a member, transportation between the member's place of residence and the employment or service location may be included as a component part of supported employment services.

Personal care or personal assistance and protective oversight may be a component part of supported employment services and may not comprise the entirety of the service.

Activities performed on behalf of a member receiving long-term job coaching or individual/small group supported employment shall not comprise the entirety of the service.

Concurrent services of a member's individual person-centered plan may include two or more types of nonresidential services (for example, individual supported employment, long-term job coaching,

small group supported employment, prevocational services, and day habilitation). More than one service may not be billed during the same period of time.

Integration requirements in the performance of job duties include regular contact with other employees or members of the general public who do not have disabilities unless the absence of regular contact with other employees or the public is typical for the job as performed by persons without disabilities.

Compensation requirements for members receiving these services are:

- Compensation at or above the minimum wage.
- Compensation not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities.
- Supported self-employment member income that is equal to or exceeds the average income for the chosen business.

For small group supported employment, if the member is not compensated at or above minimum wage, the compensation to the member shall be in accordance with all applicable state and federal labor laws and regulations.

Prevocational habilitation

This also applies to Brain Injury and Intellectual Disability waivers.

Services that provide career exploration, learning and work experiences including volunteer opportunities where the member can develop non-job-task-specific strengths and skills that lead to paid employment in individual community settings.

Scope

Prevocational services are provided to persons who are expected to be able to join the general workforce with the assistance of supported employment. Prevocational services are intended to develop and teach general employability skills relevant to successful participation in individual employment.

These skills include but are not limited to the ability to communicate effectively with supervisors, co-workers and customers; an understanding of generally accepted community workplace conduct and dress; the ability to follow directions; the ability to attend to tasks; workplace problem-solving skills and strategies; general workplace safety and mobility training; the ability to navigate local transportation options; financial literacy skills; and skills related to obtaining employment.

Prevocational services are career exploration activities that facilitate successful transition to individual employment in the community. ***Participation in prevocational services is not a prerequisite for individual or small group supported employment services.***

Please see the discussion/general information section for exclusions.

Career exploration

Career exploration activities are designed to develop an individual career plan and facilitate the member's experientially based informed choice regarding the goal of individual employment. Career exploration ***may be provided in small groups of no more than four members*** to participate in career exploration activities that include:

- Business tours.
- Attending industry education events.
- Benefit information.
- Financial literacy classes.
- Attending career fairs.

Career exploration ***may be authorized for up to 34 hours to be completed over 90 days in the member's local community or nearby communities*** and may include but is not limited to the following activities:

- Meeting with the member and the member's family, guardian, or legal representative to
- introduce them to supported employment and explore the member's employment goals and experiences
- Business tours
- Informational interviews
- Job shadows
- Benefits education and financial literacy
- Assistive technology assessment
- Job exploration events

Expected outcome of service:

- The expected outcome of prevocational services is individual employment in the general workforce or self-employment in a setting typically found in the community where the member interacts with individuals without disabilities other than those providing services to the member or other individuals with disabilities to the same extent that individuals without disabilities in comparable positions interact with other persons and for which the member is compensated at or above the minimum wage but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities.
- The expected outcome of the career exploration activity is a written career plan that will guide employment services that lead to community employment or self-employment for the member.

Setting

Prevocational services shall take place in community-based nonresidential settings.

Concurrent services

A member's individual service plan may include two or more types of nonresidential habilitation services (for example, individual supported employment, long-term job coaching, small group supported employment, prevocational services, and day habilitation); however, more than one service may not be billed during the same period of time (for example, the same hour).

Limitations

Time limitation for members starting prevocational services:

For members starting prevocational services after May 4, 2016, participation in these services is limited to 24 calendar months. This time limit can be extended to continue beyond 24 months if one or more of the following conditions apply:

- The member who is in prevocational services is also working in either individual or small group community employment for at least the number of hours per week desired by the member as identified in the member's current service plan, **OR**
- The member who is in prevocational services is also working in either individual or small group community employment for less than the number of hours per week the member desires as identified in the member's current service plan, but the member has services documented in the member's current service plan or through another identifiable funding source (for example, Iowa vocational rehabilitation services IVRS), to increase the number of hours the member is working in either individual or small group community employment, **OR**
- The member is actively engaged in seeking individual or small group community employment or individual self-employment, and services for this are included in the member's current service plan, or services funded through another identifiable funding source (for instance, IVRS) are documented in the member's service plan, **OR**
- The member has requested supported employment services from Medicaid and IVRS in the past 24 months and the member's request has been denied or the member has been placed on a waiting list by both Medicaid and IVRS, **OR**
- The member has been receiving individual supported employment services (or comparable services available through IVRS) for at least 18 months without obtaining individual or small group community employment or individual self-employment, **OR**
- The member is participating in career exploration activities.

Supported employment habilitation

This applies to Brain Injury and Intellectual Disability waivers for all three types listed below:

- Individual supported employment

- Long-term job coaching small group supported employment
- Small group supported employment

Individual supported employment

Individual supported employment involves supports provided to or on behalf of the member that enable the member to obtain and maintain individual employment. Services are provided to members who need support because of their disabilities.

Scope

Individual supported employment services are services provided to or on behalf of the member that enable the member to obtain and maintain an individual job in competitive employment, customized employment or self-employment in an integrated work setting in the general workforce.

Expected outcome of service

The expected outcome of this service is sustained employment or self-employment paid at or above the minimum wage or the customary wage and level of benefits paid by an employer in an integrated setting in the general workforce in a job that meets personal and career goals.

Successful transition to long-term job coaching, if needed, is also an expected outcome of this service. An expected outcome of supported self-employment is that the member earns income that is equal to or exceeds the average income for the chosen business within a reasonable period of time.

Setting

Individual supported employment services shall take place in integrated work settings. For self-employment, the member's home can be considered an integrated work setting. Employment in the service provider's organization (not including a sheltered workshop or similar type of work setting where members are paid for the production of goods or services) can be considered employment in an integrated work setting in the general workforce if the employment occurs in a work setting where interactions are predominantly with co-workers or business associates who do not have disabilities or with the general public.

Individual employment strategies include but are not limited to:

- Customized employment.
- Individual placement and support.
- Supported self-employment.

Service activities are individualized and may include any combination of the following:

- Benefits education
- Career exploration (for example, tours, informational interviews, job shadows)

- Employment assessment
- Assistive technology assessment
- Trial work experience
- Person-centered employment planning
- Development of visual/traditional résumés
- Job-seeking skills training and support
- Outreach to prospective employers on behalf of the member (for example, job development; negotiation with prospective employers to customize, create or carve out a position for the member; employer needs analysis)
- Job analysis (for example, worksite assessment or job accommodations evaluation)
- Identifying and arranging transportation
- Career advancement services (for example, assisting a member in making an upward career move or seeking promotion from an existing employer)
- Re-employment services (if necessary due to job loss)
- Financial literacy and asset development
- Other employment support services deemed necessary to enable the member to obtain employment
- Systematic instruction and support during initial on-the-job training including initial on-the-job training to stabilization
- Engagement of natural supports during initial period of employment
- Implementation of assistive technology solutions during initial period of employment
- Transportation of the member during service hours
- Initial on-the-job training to stabilization activity

Please see the discussion/general information section for exclusions.

Self-employment

Individual employment may also include support to establish a viable self-employment opportunity, including home-based self-employment. An expected outcome of supported self-employment is that the member earns income that is equal to or exceeds the average income for the chosen business within a reasonable period of time. Assistance to establish self-employment may include:

- Aid to the member in identifying potential business opportunities.
- Assistance in the development of a business plan, including identifying potential sources of business financing and other assistance in developing and launching a business.

- Identification of the long-term supports necessary for the individual to operate the business.

Long-term job coaching

Long-term job coaching is support provided to or on behalf of the member that enables the member to maintain an individual job in competitive employment, customized employment or self-employment in an integrated work setting in the general workforce.

Scope

Long-term job coaching services are provided to or on behalf of members who need support because of their disabilities and who are unlikely to maintain and advance in individual employment absent the provision of supports. Long-term job coaching services shall provide individualized and ongoing support contacts at intervals necessary to promote successful job retention and advancement.

Expected outcome of service

The expected outcome of this service is sustained employment paid at or above the minimum wage in an integrated setting in the general workforce in a job that meets the member's personal and career goals. An expected outcome of supported self-employment is that the member earns income that is equal to or exceeds the average income for the chosen business within a reasonable period of time.

Setting

Long-term job coaching services shall take place in integrated work settings. For self-employment, the member's home can be considered an integrated work setting. Employment in the service provider's organization (not including a sheltered workshop or similar type of work setting) can be considered employment in an integrated work setting in the general workforce if the employment occurs in a work setting where interactions are predominantly with co-workers or business associates who do not have disabilities or with the general public and if the position would exist within the provider's organization were the provider not being paid to provide the job coaching to the member.

Service activities

Long-term job coaching services are designed to assist the member with learning and retaining individual employment, resulting in workplace integration, which allows for the reduction of long-term job coaching over time. *Services are individualized, and service plans are adjusted as support needs change and may include any combination of the following activities with or on behalf of the member:*

- Job analysis
- Job training and systematic instruction
- Training and support for use of assistive technology/adaptive aids

- Engagement of natural supports
- Transportation coordination
- Job retention training and support
- Benefits education and ongoing support
- Supports for career advancement
- Financial literacy and asset development
- Employer consultation and support
- Negotiation with employer on behalf of the member (for example, accommodations, employment conditions, access to natural supports and wage and benefits)
- Other workplace support services may include services not specifically related to job skill training that enable the waiver member to be successful in integrating into the job setting
- Transportation of the member during service hours
- Career exploration services leading to increased hours or career advancement

Self-employment long-term job coaching

Self-employment long term job coaching may include support to maintain a self-employment opportunity, including home-based self-employment.

Assistance to main self-employment may include:

- Ongoing identification of the supports necessary for the individual to operate the business.
- Ongoing assistance, counseling, and guidance to maintain and grow the business.
- Ongoing benefits education and support.

The hours of support for long-term job coaching are based on the identified needs of the member as documented in the member's comprehensive service plan.

Small group supported employment

Small group supported employment services are training and support activities provided in regular business or industry settings for groups of two to eight workers with disabilities. The outcome of this service is sustained paid employment experience, skill development, career exploration and planning leading to referral for services to obtain individual integrated employment or self-employment for which an individual is compensated at or above the minimum wage but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities.

Scope

Small group supported employment services must be provided in a manner that promotes integration into the workplace and interaction between members and people without disabilities (for example, customers, co-workers, natural supports) in those workplaces. Examples include but are not limited to mobile crews and other business-based workgroups employing small groups of workers with disabilities in employment in integrated business settings and small group activities focused on career exploration and development of strengths and skills that contribute to successful participation in individual community employment.

Expected outcome of service

Small group supported employment services are expected to enable the member to make reasonable and continued progress toward individual employment.

Participation in small group supported employment services is not a prerequisite for individual supported employment services. The expected outcome of the service is sustained paid employment and skill development which leads to individual employment in the community.

Setting

Small group supported employment services shall take place in integrated, community-based nonresidential settings separate from the member's residence.

Service activities

Small group supported employment services may include any combination of the following activities:

- Employment assessment
- Person-centered employment planning
- Job placement (limited to service necessary to facilitate hire into individual employment paid at minimum wage or higher for a member in small group supported employment who receives an otherwise unsolicited offer of a job from a business where the member has been working in a mobile crew or enclave)
- Job analysis
- On-the-job training and systematic instruction
- Job coaching
- Transportation planning and training
- Benefits education
- Career exploration services leading to career advancement outcomes

- Other workplace support services may include services not specifically related to job skill training that enable the waiver member to be successful in integrating into the individual or community setting
- Transportation of the member during service hours

Individual Placement and Support (IPS)

IPS shall include the following activities, which shall be described and documented in the member's employment plan:

- Development of the career profile, including previous work experience, goals, preferences, strengths, barriers, skills, disclosure preferences, career advancement, education, and plan for graduation.
- Integration of IPS team members and the behavioral health team, including routine staffing meetings regarding IPS clients.
- Addressing barriers to employment, which may be actual or perceived. Support may include addressing justice system involvement, a lack of work history, limited housing, childcare, and transportation
- Rapid job search and systematic job development. CESs help members seek jobs directly, and do not provide extensive preemployment assessment and training or intermediate work experiences. The job process begins within 30 days of starting IPS services. This rapid job search is supported by CESs developing relationships with employers through multiple face-to-face meetings. CESs take time to learn about the employers' needs and the work environment while gathering information about job opportunities that might be a good fit for individuals they are working with.
- Disclosure counseling, to assist the member in making an informed decision on disclosure of a disability to a prospective or current employer.
- Identification and implementation of job accommodations and assistive technology supports
- Ongoing benefits counseling. The member must receive information on available work incentive programs, or referral to professional benefits counselors for a personalized work incentives plan for any state or federal entitlement.
- Time-unlimited follow-along supports. These supports are planned for early in the employment process, are personalized, and follow the member for as long as the member needs support. The focus is supporting the member in becoming as independent as possible and involving family members, co-workers, and other natural supports. These supports can be provided on or off the job site and focus on the continued acquisition and development of skills needed to maintain employment.

Units of service

Reimbursement is made for each outcome achieved for the member participating in the IPS supported employment model. Outcomes are as follows:

- Outcome #1: Completed employment plan
- Outcome #2: First day of successful job placement
- Outcome #3: 45 days successful job retention
- Outcome #4: 90 days successful job retention

Limitations

Support employment services are limited as follows:

- Total monthly costs of supported employment may not exceed the monthly cap on the cost of waiver services set for the individual waiver program.
- In absence of a monthly cap on the cost of waiver services, the total monthly cost of all supported employment services may not exceed \$3,167.89 per month.
- Individual supported employment is limited to 60 hourly units per calendar year.
- Long-term job coaching is limited in accordance with 441 — subrule 79.1(2)
- Small group supported employment is limited to 160 units per week

Coding

Procedure/ HCPCS code	Modifier	Service definition
H2016	UA	Home-based habilitation, 0.25-2 hours
H2016	UB	Home-based habilitation, 2.25-4 hours
H2016	UC	Home-based habilitation, 4.25-8.75 hours
H2016	UD	Home-based habilitation, 9-12.75 hours
H2016	U8	Home-based habilitation, 13-16.75 hours
H2016	U9	Home-based habilitation, 17-24 hours
H2016	U7	Home-based habilitation, 24 hours, IRHS
H2023	U3	Supported employment — tier one small group 2-4, per 15 minutes/per person
H2023	U5	Supported employment — tier two small group (5-6), per 15 minutes/perperson
H2023	U7	Supported employment — tier three small group (7-8), per 15 minutes/per person
H2025	U4	Supported employment — long-term job coaching: tier one = one contact/month
H2025	U3	Supported employment — long-term job coaching: tier two = 2-8 hrs/month
H2025	U5	Supported employment — long-term job coaching: tier three = 9-16 hrs/month

H2025	U7	Supported employment — long-term job coaching: tier four = 17-25 hrs/month
H2025	UC	Supported employment — long-term job coaching: tier five = 26+ hours/month
T2015		Habilitation, prevocational, waiver; per hour
T2015	U3	Habilitation, career exploration
T2018	U3	Individual placement and support (IPS) Outcome 1
T2018	U4	Individual placement and support (IPS) Outcome 2
T2018	U5	Individual placement and support (IPS) Outcome 3
T2018	U6	Individual placement and support (IPS) Outcome 4
T2018	UC	Supported employment Individual Supported Employment
T2020		Day habilitation, waiver; per day
T2021		Day habilitation, waiver; per 15 minutes

Coding

Home-based habilitation exclusions

Home-based habilitation payment shall not be made for the following:

- Room and board and maintenance costs, including the cost of rent or mortgage; utilities; telephone; food; household supplies; and building maintenance, upkeep, or improvement
- Service activities associated with vocational services, day care, medical services or case management
- Transportation to and from a day program
- Services provided to a member who lives in a licensed residential care facility of more than 16 persons
- Services provided to a member who lives in a facility that provides the same service as part of an inclusive or bundled service rate, such as a nursing facility or an intermediate care facility for persons with mental retardation
- Personal care and protective oversight and supervision may be a component part of home-based habilitation services but may not comprise the entirety of the service

Day habilitation exclusions

Day habilitation payment is not to be made for the following:

- Services that are available to the individual under a program funded under Section 110 of the Rehabilitation Act of 1973 or the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.). Documentation that funding is not available to the individual for the service under these programs shall be maintained in the service plan of each member receiving day habilitation services.

- Compensation to members for participating in day habilitation services
- Support for members volunteering in for-profit organizations and businesses
- Support for members volunteering to benefit the day habilitation service provider

Prevocational habilitation exclusions

Prevocational habilitation payment is not to be made for the following:

- Services that are available under a program funded under Section 110 of the Rehabilitation Act of 1973 or the *Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.)*:
 - Documentation that funding is not available for the service under these programs shall be maintained in the file of each member receiving prevocational habilitation services.
- Services available to the individual that duplicate or replace education or related services defined in the *Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.)*
- Compensation to members for participating in prevocational services.
- Support for members volunteering in for-profit organizations and businesses other than for-profit organizations, or businesses that have formal volunteer programs in place (for example, hospitals, nursing homes) and support for members volunteering to benefit the service provider.
- The provision of vocational services delivered in facility-based settings where individuals are supervised for the primary purpose of producing goods or performing services or where services are aimed at teaching skills for specific types of jobs rather than general skills.
- A prevocational service plan with the goal or purpose of the service documented as maintaining or supporting the individual in continuing prevocational services or any employment situation similar to sheltered employment.

Supported employment exclusions

Supported employment services payments shall not be made for the following:

- Services that are available to the individual under a program funded under Section 110 of the *Rehabilitation Act of 1973 or the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.)*:
 - Documentation that the service is not available to the individual under these programs shall be maintained in the person-centered plan of each member receiving individual supported employment or long-term job coaching services.
- Incentive payments, not including payments for co-worker supports, made to an employer to encourage, or subsidize the employer's participation in a supported employment program.
- Subsidies or payments that are passed through to users of supported employment programs.
- Training that is not directly related to a member's supported employment program.

- Services for placing and stabilizing members in day activity programs, work activity programs, sheltered workshop programs or other similar types of vocational or prevocational services furnished in specialized facilities that are not a part of the general workplace.
- Supports for placement and stabilization in volunteer positions or unpaid internships:
 - Volunteer learning and unpaid training activities that prepare a person for entry into the general workforce are addressed through prevocational services and career exploration activities.
- Tuition for education or vocational training
- Individual advocacy that is not related to integrated individual employment participation or is not member-specific.

Additionally, Medicaid funds may not be used to defray the expenses associated with starting up or operating a business.

Intensive Residential Habilitation Services

The purpose of intensive residential services is to serve adults with the most intensive severe and persistent mental illness conditions who have functional impairments and may also have multi-occurring conditions. Intensive residential services provide intensive 24-hour supervision, behavioral health services, and other supportive services in a community-based residential setting.

- Regional coordination. Each region shall designate at least one intensive residential services provider and ensure that intensive residential services are available to the residents of the region consistent with subrule 25.4(9).
 - Regions shall work collaboratively to develop intensive residential services strategically located throughout the state with the capacity to serve a minimum of 120 individuals, with the support of the medical assistance program.
 - Intensive residential services may be shared by two or more regions.
 - Each region shall establish methods to provide for reimbursement of a region when the non-Medicaid-eligible resident of another region utilizes intensive residential services or other non-Medicaid-covered services located in that region.
- Intensive residential services standards. An organization that seeks regional designation as an intensive residential service provider shall meet the following criteria at initial application and annually thereafter. A designated intensive residential service provider shall:
 - Be enrolled as an HCBS 1915(i) habilitation provider or an HCBS 1915(c) intellectual disability waiver supported community living provider in good standing with the Iowa Medicaid.
 - Provide staffing 24 hours a day, 7 days a week, 365 days a year.
 - Maintain a minimum staffing ratio of one staff to every two and one-half residents. Staffing ratios shall be responsive to the needs of the individuals served.

- Ensure that all staff members have the following minimum qualifications:
 - One year of experience working with individuals with a mental illness or multi-occurring conditions.
 - A high school diploma or equivalent.
- Ensure that within the first year of employment, staff members complete 48 hours of training in mental health and multi-occurring conditions. During each consecutive year of employment, staff members shall complete 24 hours of training in mental health and multi-occurring conditions. Staff training shall include, but is not limited to the following:
 - Applied behavioral analysis.
 - Autism spectrum disorders, diagnoses, symptomology, and treatment.
 - Brain injury diagnoses, symptomology, and treatment.
 - Crisis management and de-escalation and mental health diagnoses, symptomology, and treatment.
 - Motivational interviewing.
 - Psychiatric medications.
 - Substance use disorders and treatment.
 - Other diagnoses or conditions present in the population served.
- Provide coordination with the individual's clinical mental health and physical health treatment, and other services and supports.
- Provide clinical oversight by a mental health professional. The mental health professional shall review and consult on all behavioral health services provided to the individual, and any other plans developed for the individual, including but not limited to service plans, behavior intervention plans, crisis intervention plans, emergency plans, cognitive rehabilitation plans, or physical rehabilitation plans.
- Have a written cooperative agreement with an outpatient mental health provider and ensure that individuals have timely access to outpatient mental health services, including but not limited to ACT.
- Be licensed as a substance abuse treatment program pursuant to Iowa Code chapter 125 or have a written cooperative agreement with and timely access to licensed substance abuse treatment services for those individuals with a demonstrated need.
- Accept and serve eligible individuals who are court-ordered to intensive residential services.
- Provide services to eligible individuals on a no reject, no eject basis.
- If funded through HCBS and not licensed as a residential care facility, serve no more than five individuals at a site.
- Be located in a neighborhood setting to maximize community integration and natural supports.

- Demonstrate specialization in serving individuals with an SPMI or multi-occurring conditions and serve individuals with similar conditions in the same site.

Denial

Services shall be denied when it is determined that:

- The member is not eligible for or in need of home- and community-based habilitation services.
- The service is not identified in the member's comprehensive person-centered plan or treatment plan.
- Needed services are not available or received from qualifying providers, or no qualifying providers are available.
- The member's service needs exceed the unit or reimbursement maximums for a service as set forth in 441—subrule 79.1(2)
- Completion or receipt of required documents for the program has not occurred.

Reduction

A particular home- and community-based habilitation service may be reduced when it is determined that continued provision of service at its current level is not necessary.

Termination

A particular home- and community-based habilitation service may be terminated when any of the following apply:

- The member's income exceeds the allowable limit or the member no longer meets other eligibility criteria for the program established by Health and Human Services.
- The service is not identified in the member's comprehensive person-centered plan.
- Needed services are not available or received from qualifying providers, or no qualifying providers are available.
- The member's service needs are not being met by the services provided.
- The member has received care in a medical institution for 120 consecutive days in any one stay:
 - When a member has been an inpatient in a medical institution for 120 consecutive days, Health and Human Services will issue a notice of decision to inform the member of the service termination. If the member returns home before the effective date of the notice of decision and the member's condition has not substantially changed, the decision shall be rescinded, and eligibility for home- and community-based habilitation services shall continue.
- The member's service needs exceed the unit or reimbursement maximums for a service as established by Health and Human Services.

- Duplication of services provided during the same period has occurred.
- The member or the member's legal representative, through the interdisciplinary process, requests termination of the service.
- Completion or receipt of required documents for the program has not occurred or the member refuses to allow documentation of eligibility as to need and income.

Definitions

Adult: a person who is 18 years of age or older.

Assessment: the review of the current functioning of the member using the service in regard to the member's situation, needs, strengths, abilities, desires, and goals.

Benefits education: providing basic information to understand and access appropriate resources to pursue employment, and knowledge of work incentives and the Medicaid for employed persons with disabilities (MEPD) program. Benefits education may include gathering information needed to pursue work incentives and offering basic financial management information to members, families, guardians, and legal representatives.

Care coordinator: the professional who assists members in care coordination as described in paragraph 78.53(2)"b."

Career exploration, also referred to as career planning: a person-centered, comprehensive employment planning and support service that provides assistance for waiver program participants to obtain, maintain or advance in competitive employment or self-employment. Career exploration is a focused, time-limited service engaging a participant in identifying a career direction and developing a plan for achieving competitive, integrated employment at or above the state's minimum wage. The outcome of this service is documentation of the participant's stated career objective and a career plan used to guide individual employment support.

Career plan: a written plan documenting the member's stated career objective and used to guide individual employment support services for achieving competitive, integrated employment at or above the state's minimum wage.

Case management: case management services accredited under 441—Chapter 24 and provided according to 441—Chapter 90.

Certified employment specialist: CES is a person who has demonstrated a sufficient level of knowledge and skill to provide integrated employment support services to a variety of client populations and has earned a CES certification through a nationally recognized accrediting body.

Child and Adolescent Level of Care Utilization System or (CALOCUS): the comprehensive functional assessment tool utilized to determine eligibility for the habilitation program and service authorization for the home-based habilitation service for individuals aged 16 to 18.

Comprehensive service plan: an individualized, person-centered, and goal-oriented plan of services written in language understandable by the member using the service and developed collaboratively by the member and the case manager.

Customized employment: an approach to supported employment which individualizes the employment relationship between employees and employers in ways that meet the needs of both. Customized employment is based on an individualized determination of the strengths, needs, and interests of the person with a disability and is also designed to meet the specific needs of the employer. Customized employment may include employment developed through job carving, self-employment or entrepreneurial initiatives, or other job development or restructuring strategies that result in job responsibilities being customized and individually negotiated to fit the needs of the individual with a disability. Customized employment assumes the provision of reasonable accommodations and supports necessary for the individual to perform the functions of a job that is individually negotiated and developed.

Department: Health and Human services.

Emergency: a situation for which no approved individual program plan exists that, if not addressed, may result in injury or harm to the member or to other persons or in significant amounts of property damage.

HCBS: home- and community-based services.

Individual employment: employment in the general workforce where the member interacts with the general public to the same degree as nondisabled persons in the same job, and for which the member is paid at or above minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by persons without disabilities.

Individual placement and support: an evidence-based practice of supported employment this is guided by IPS practice principles outlined by the IPS Employment Center at Westat and is measured by its most recently published 25-item supported employment fidelity scale. The IPS model helps people with mental illness to seek and obtain employment.

Integrated community employment: work (including self-employment) for which an individual with a disability is paid at or above minimum wage and not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by employees who are not disabled, where the individual interacts with other persons who are not disabled to the same extent as others who are in comparable positions, and which presents opportunities for advancement that are similar to those for employees who are not disabled. In the case of an individual who is self-

employed, the business results in an income that is comparable to the income received by others who are not disabled and are self-employed in similar occupations.

Integrated health home services: the provision of services to enrolled members as described in subrule 78.53(2).

Intensive residential service homes or intensive residential services: intensive, community-based services provided 24 hours per day, 7 days per week, 365 days per year to individuals with a severe and persistent mental illness who have functional impairments and may also have multi-occurring conditions. Providers of intensive residential service homes are enrolled with Medicaid as providers of HCBS habilitation or HCBS intellectual disability waiver supported community living and meet additional criteria specified in 441—subrule 25.6(8).

Interdisciplinary team: a group of persons with varied professional backgrounds who meet with the member to develop a comprehensive service plan to address the member's need for services.

Level of Care Utilization System (LOCUS): the comprehensive functional assessment tool utilized to determine eligibility for the habilitation program and service authorization for the home-based habilitation service for individuals aged 19 and older.

Member: a person who has been determined to be eligible for Medicaid under 441—Chapter 75.

Program: a set of related resources and services directed to the accomplishment of a fixed set of goals for qualifying members.

Supported employment: the ongoing supports to participants who, because of their disabilities, need intensive ongoing support to obtain and maintain an individual job in competitive or customized employment, or self-employment, in an integrated work setting in the general workforce at or above the state's minimum wage or at or above the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities. The outcome of this service is sustained paid employment at or above the minimum wage in an integrated setting in the general workforce in a job that meets personal and career goals. Supported employment services can be provided through many different service models.

Supported self-employment: includes services and supports that assist the participant in achieving self-employment through the operation of a business; however, Medicaid funds may not be used to defray the expenses associated with starting up or operating a business. Assistance for self-employment may include aid to the individual in identifying potential business opportunities; assistance in the development of a business plan, including potential sources of business financing and other assistance in developing and launching a business; identification of the supports necessary for the individual to operate the business; and ongoing assistance, counseling, and guidance once the business has been launched.

Sustained employment: an individual employment situation that the member maintains over time but not for less than 90 calendar days following the receipt of employment services and supports.

References

- Coding Source: Home- and Community-Based Services (HCBS) Provider Manual (Health and Human Services, August 1, 2014) and State Fee-Schedule for codes H2016.
- Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition Text Revision (DSM-5-TR). Arlington, VA. 2013. Available at:
<https://dsm.psychiatryonline.org/doi/book/10.1176/appi.books.9780890425787>
- HCPCS Code: 2016 Alpha-Numeric HCPCS File. Downloaded from <https://CMS.gov> — A federal government website managed by the Centers for Medicare & Medicaid Services, 7500 Security Blvd., Baltimore, MD 21244.
- Health and Human Services— Habilitation Services Provider Manual (Accessed 7/25/2022):
<https://dhs.iowa.gov/sites/default/files/Habilitation.pdf?062820212155>
- Health and Human Services - ARC2471C, Amendment to Chapters: 77-79, 83
- Iowa definition of chronic mental illness serious emotional disturbance:
<https://www.legis.iowa.gov/docs/iac/chapter/12-23-2015.441.24.pdf>
- HCBS restraints: <https://www.legis.iowa.gov/docs/ACO/rule/441.77.25.pdf>
- Iowa Administrative Code: Home- and community-based habilitation services:
<https://www.legis.iowa.gov/docs/iac/rule/441.78.27.pdf>
- Iowa Administrative Code: Intensive mental health services:
<https://www.legis.iowa.gov/docs/iac/rule/441.25.6.pdf>

History

Status	Date	Action
NEW	2017	Created
Approval	6/6/2017	State and MOC Approval
Updated	05/17/2019	Medical Operations Committee (MOC)-Approval needed
Approved	6/5/2019	MOC Approved
Updated	12/13/2019	IA Plan request name change
Approved	12/24/2019	MOC Approved name change
Updated	7/25/2022	Revised to incorporate State of Iowa changes in Habilitation Services reflected in IAC.