

## Policy 4.8

<b>POLICY TITLE:</b>	<b>PROVISIONAL APPROVAL TO PROVIDE RESIDENTIAL AND NON-RESIDENTIAL SERVICES</b>	<b>POLICY # 4.8</b>	<b>REVIEW DATES</b>	
<b>Topic Area:</b>	<b>Provider Network Management</b>	<b>ISSUED BY:</b> Chief Executive Officer	10/1/2018	10/9/2020
<b>Applies to:</b>	LRE, Member CMHSPs and Contractual Providers		12/16/2021	
<b>Developed and Maintained by:</b>	CEO and Designees			
<b>Supersedes:</b>	N/A			
		<b>APPROVED BY:</b> Chief Executive Officer		
		<b>Effective Date:</b> October 1, 2017	<b>Revised Date:</b> 12/16/2021	

### I. PURPOSE

To ensure that the settings in which new providers wish to provide services to HCBS participants are in full compliance with the Federal HCBS Rule.

### II. POLICY

The Lakeshore Regional Entity (the "Entity") will ensure that member Community Mental Health Service Programs (CMHSPs) and Contractual Providers of Residential and Non-residential Home and Community Based Services (HCBS) are compliant with the Federal Home and Community Based Services Final Rule by all new providers.

Effective October 1, 2017, the Entity network must not enter into new contracts with new providers of services covered by the Federal HCBS Rule (42 CFR Parts 430, 431, 435, 436, 440, 441 and 447) unless the provider has obtained provisional approval status through completion of the HCBS New Provider Survey, demonstrating that the provider does not require heightened scrutiny.

Provisional approval allows a new provider or an existing provider with a new setting or service to provide services to HCBS participants pending the full survey process. Providers and participants will receive the comprehensive HCBS survey within 90 days of the individual's plan of service. Providers will complete the HCBS survey and cooperate with the Entity to demonstrate 100% compliance with the Federal HCBS rule and State requirements as promulgated by the Michigan Department of Health and Human Services (MDHHS) and documented in the Michigan Statewide Transition Plan.

Failure to complete the provisional approval process and the ongoing compliance assessments will result in the exclusion from participating in Medicaid or Healthy Michigan Plan funded HCBS services. The Entity and CMHSPs must monitor their provider panel annually for ongoing compliance with the HCBS rule and implement a system to remove providers from the regions network due to failure to meet requirements of the rule. The

Entity and/or CMHSPs must maintain documentation of this annual review and/or removal from its provider network. The Entity must make all HCBS provider network status collected data available to the State and, upon request, to CMS.

### III. APPLICABILITY AND RESPONSIBILITY

This policy applies to Entity Operations, Member CMHSPs and Residential and Non-Residential Services Providers to individuals on the Habilitation Supports Waiver.

### IV. MONITORING AND REVIEW

This policy will be reviewed by the CEO and designee on an annual basis.

### V. DEFINITIONS

**IPOS:** Individual Plan of Service

**HCBS:** Home and Community Based Services

**MDHHS:** Michigan Department of Health and Human Services

**New Provider:** A new provider is one who does not have a contractual agreement to provide services to the MSHN region prior to October 1, 2017. **PIHP:** Prepaid Inpatient Health Plan

**Provisional Approval:** Providers may receive provisional approval to provide HCBS services based upon the satisfactory completion of a provisional approval application and the review of applicable policies and procedures in place to comply with the HCBS rule. This approval status remains in place until the provider and the individual receiving services complete the HCBS survey as outlined in the Entity Procedure. Completion of the provisional approval process is required of all new HCBS providers effective 10.01.2017.

### VI. RELATED POLICIES AND PROCEDURES

- A. HCBS Provisional Approval Procedure
- B. Service Delivery Policies and Procedures

### VII. REFERENCES/LEGAL AUTHORITY

- A. MDHHS Medicaid Specialty Supports and Services Contract
- B. 42 CFR Parts 430, 431, 435, 436, 440, 441, and 447
- C. Michigan Medicaid Provider Manual
- D. MSA Bulletin 17-31 Compliance with Federal Home and Community Based Services (HCBS) Final Rule by New Providers

### CHANGE LOG

Date of Change	Description of Change	Responsible Party
12/16/2021	Updated language	CEO and Designees