August 25, 2014

ATTN: Home and Community-Based Services Residential Settings Providers

RE: Home and Community-Based Services (HCBS) Settings Final Rule

To Whom It May Concern:

On January 16, 2014, the Centers for Medicare and Medicaid Services (CMS) released a final rule regarding Home and Community-Based Services (HCBS) setting requirements. The final rule establishes an outcome-oriented definition of home and community-based settings, as opposed to previous definitions that were based solely on a setting’s location, geography or physical characteristics. The intent of this is to ensure individuals in Medicaid’s HCBS waiver programs receive services and supports in the most integrated setting and have full access to the benefits of community living.

We know providers in South Dakota already deliver quality services to South Dakota’s elderly and disabled populations through the four Home and Community-Based Services Waivers operated in our state. We believe that many of our HCBS services and settings already meet the intent of the Final Rule. The Departments of Social Services and Human Services formed an internal workgroup and worked collaboratively to review the HCBS setting final rule requirements. DSS is required to submit a transition plan describing how HCBS residential settings will come into compliance with the new federal rules. We look forward to building on our strong partnership and working closely with providers to ensure a smooth transition and continued compliance with the new rules.

The final rule requires that all home and community-based residential settings meet certain qualifications including:

- Community Integration and Access
- Ensure Individual Rights of Privacy, Dignity, and Respect
- Freedom from Coercion and Restraint
- Optimized Autonomy and Independence
- Individual Choice

South Dakota Medicaid has scheduled a webinar to provide an overview of the final rule and answer questions about the rule from HCBS providers. Since implementation
of the final rule is mandated by CMS, we encourage you to join us on either date below:

**HCBS Settings Informational Webinar**
**Friday, August 29, 2014**
2:00 – 3:00 PM CT

**HCBS Settings Informational Webinar**
**Tuesday, September 2, 2014**
11:00 AM – 12:00 PM CT

This communication will be followed by an email containing a link to the webinars. The link to the webinar will also be posted on our website: [http://dss.sd.gov/sdmedx/hcbs/](http://dss.sd.gov/sdmedx/hcbs/)

South Dakota Medicaid encourages you to review the final rule and the guidance published by CMS. CMS Guidance can be found online at: [http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Home-and-Community-Based-Services/Home-and-Community-Based-Services.html](http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Long-Term-Services-and-Supports/Home-and-Community-Based-Services/Home-and-Community-Based-Services.html)

We look forward to working with you to ensure individuals served by South Dakota’s HCBS waiver programs continue to receive quality supports and services in the community. If you have questions regarding this letter, please contact the Division of Medical Services at 605-773-3495.

Sincerely,

Kirby L. Stone
Medicaid Director
Medical Services Division Director
South Dakota Department of Social Services