

HCFA Widens Consumer-Directed Personal Care Options

In October, the Health Care Financing Administration (HCFA) issued additional revisions to its **State Medicaid Manual** materials concerning personal care services. The revisions are contained in State Medicaid Manual transmittal number 73. In January 1999, HCFA substantially revised and reissued the Manual materials concerning personal care (see *Perspectives*, May 1999 for more detail).

Background. In the Omnibus Budget Reconciliation Act of 1993, Congress added a section to the Social Security Act formally recognizing that states could offer personal care services under their state Medicaid plans. Under prior law, coverage of personal care had been allowed under the Secretary's authority to add services not specifically spelled out in the Act. In making the addition, Congress intended to give states more flexibility in providing personal care services under their state Medicaid plans. Specifically, Congress authorized the provision of such services outside a person's residence and eliminated the requirement that services be prescribed exclusively by physicians. In 1997, HCFA updated its regulations to reflect the 1993 provisions.

The latest revision makes it clear that consumer directed personal care services may be furnished to any individual who has the ability and desire to manage their own care. The January 1999 materials had limited the provision of consumer directed personal care services to individuals who are not cognitively impaired and thereby seemed to preclude people with mental retardation and other developmental disabilities from utilizing such services.

The October 1999 revision also provides that con-

sumer directed personal care services may be furnished through the use of "surrogates" (e.g., family members or other individuals). Specifically, the revised Manual materials concerning consumer-directed services now read:



Consumer-Directed Services - A State may employ a consumer-directed service delivery model to provide personal care services under the personal care optional benefit to individuals in need of personal assistance, including persons with cognitive impairments, who have the ability and desire to manage their own care. In such cases, the Medicaid beneficiary may hire their own provider, train the provider according to personal preferences, supervise and direct the provision of personal care services and, if necessary, fire the provider. The State Medicaid Agency maintains responsibility for ensuring the provider meets State provider qualifications ... and for monitoring service delivery. Where an individual does not have the ability or desire to manage their own care, the State may either provide personal care services without consumer direction or may permit family members or other individuals to direct the provider on behalf of the individual receiving services.



While these provisions concern personal care services furnished as a Medicaid state plan service, they also can be applied to home and community-based waiver programs.