



## Missouri Department of Health and Senior Services

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INFO 07-24-01

July 1, 2024

### MEMORANDUM FOR HOME AND COMMUNITY BASED SERVICES STAFF AND STAKEHOLDERS

FROM: Melanie Highland, Director *Melanie Highland*  
Division of Senior and Disability Services

SUBJECT: Level of Care Transformation Update

This memorandum is to update Home and Community Based Services (HCBS) staff and stakeholders on full implementation of the Nursing Facility Level of Care (LOC) Transformation timeline.

The LOC Transformation began in 2019 with the goal to review all aspects of the HCBS assessment process to ensure the right services are provided to the right individuals at the right time. The criteria had not been updated since 1982, and with many medical advancements and changes, the criteria had become dated and was no longer capturing those at risk of nursing facility placement. After research, release of a multiple draft iterations and stakeholder feedback, the Nursing Facility LOC Regulation was updated in October 2021 with the new Transformed criteria.

Since the regulation update in 2021, the state has been using both the Standard and Transformed LOC criteria to determine Nursing Facility LOC to comply with the Maintenance of Effort (MOE) requirements of the 9817 American Rescue Plan Act (ARPA). However, the regulation states upon final expenditure, the standard algorithm will sunset, and the transformed algorithm will become the sole algorithm used for program determination.

To date, all 9817 ARPA funds have been expended and close out documents were filed with the Centers of Medicaid and Medicaid Services (CMS) on June 28, 2024. Before lifting the MOE requirements, the state must receive approval of close out from CMS. The state is estimating this will take approximately 30-90 days; however, CMS is not held to a specific time parameter for this action.

Once the state receives the formal close out notification, DSDS will issue a final 30-day notice to HCBS staff and stakeholders prior to sunsetting the Standard LOC criteria. After the 30-day notice, all initial and reassessments will be completed using only the Transformed LOC criteria. Reassessments will occur at the participant's normally scheduled timeframe.

Providers are encouraged to inform and prepare current participants of the upcoming change, especially those participants who may no longer meet LOC. While this may be a transition for some, it is important

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to reiterate the purpose of the HCBS program as an alternative to nursing facility placement and assist in directing them to other community resources.

We appreciate your partnership as we move to the final steps of the LOC Transformation. More information will be coming soon regarding training opportunities for Type 27 Provider Reassessors.

Any questions may be directed to [LOCTransformation@health.mo.gov](mailto:LOCTransformation@health.mo.gov)

MH

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