

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health

DEC 21 2006

Estelle B. Richman, Secretary
Department of Public Welfare
P.O. Box 2675
Harrisburg, PA 17105-2675

Re: Renewal of Pennsylvania's Consolidated Home and Community-Based Services Waiver
(CMS Control # 0147.91.R3)

Dear Ms. Richman:

I am pleased to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved Pennsylvania's request, dated December 1, 2006, with subsequent revisions, to renew the Consolidated Home and Community-Based Services Waiver. As requested, this action is effective December 23, 2006. This renewed waiver carries CMS Control # 0147.91.R3. Please refer to this number in all future correspondence regarding this waiver.

The waiver, authorized under the provisions of § 1915(c) of the Social Security Act, will enable the Commonwealth to provide the following services: Home and Community Services, Day and Residential Habilitation, Expanded Habilitation consisting of Pre-Vocational, Supported Employment, and Educational Services, Environmental Adaptations, Transportation, Transitional Work Services, Home Finding Services, Personal Support Services, Homemaking/Chore Services, Adaptive Appliances, Respite Care, Visiting Nurse and Therapies. The waiver is limited to individuals with mental retardation aged 3 and over who would otherwise require the care of an intermediate care facility for the mentally retarded.

This approval is based on the assurances and information you provided including the Department of Public Welfare's assurance that Federal financial participation will not be claimed for room and board in accordance with § 4442.3.B.12 of the State Medicaid Manual, which defines "room" as "hotel or shelter type expenses including all property related costs such as rental or purchase of real estate and furnishings, maintenance, utilities, and related administrative services". The approval is based on the Department of Public Welfare's agreement not to claim the costs of room and board except as explicitly allowed under Federal regulations at 42 CFR §441.310(a)(2). The approval is also subject to the Department's agreement to furnish CMS with quarterly reports on the completion of the agreed-upon work plan activities and timelines.

The Medicare Modernization Act provides several new and important enhancements including a prescription drug benefit and preventive services. For more information, please call the national Medicare information line at 1-800-MEDICARE toll-free or the Philadelphia Regional Office beneficiary hot line at 215-861-4226.

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This approval is subject to your agreement to provide home and community-based services, on an annual basis, to no more individuals than those indicated as the value of "C" in your approved per capita expenditure estimates (shown below). In these estimates, "C" represents the unduplicated number of individuals served under the waiver during each waiver year. "D" and "G" represent the estimated average annual per capita costs of waiver and institutional services, respectively.

<u>Waiver Year</u>	<u>"C" Factor</u>	<u>"D" Factor Estimates</u>	<u>"G" Factor Estimates</u>
1	15,000	\$ 73,550	\$ 131,219
2	15,000	\$ 76,073	\$ 133,843
3	15,000	\$ 77,593	\$ 136,520
4	15,000	\$ 79,148	\$ 139,250
5	15,000	\$ 80,732	\$ 142,035

Please contact Harry Mirach of the Philadelphia Regional Office at (215) 861-4284 if you have any questions.

Sincerely,



Susan Cuerton
Associate Regional Administrator

cc: Kevin T. Casey