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COMMUNITY ALTERNATIVES PROGRAM (CAP) MEDICAID ELIGIBILITY

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**MA-3260 COMMUNITY ALTERNATIVES PROGRAM (CAP)**

**REVISED 10/01/12-CHANGE NO. 10-12**

**I. INTRODUCTION**

**A. General**

1. Community Alternatives Programs (CAP)

The CAP programs are Medicaid home and community-based services waivers granted by the Center for Medicare and Medicaid Services (CMS).

2. At Risk of Institutionalization

a. The CAP programs allow North Carolina to use Medicaid funds to provide home- and community-based services to Medicaid recipients who require institutional care (placement in a nursing facility), but for whom care can be provided cost-effectively and safely in the community with CAP services. CAP participants must meet all Medicaid eligibility requirements.

b. Institutional care for CAP is defined as follows:

- (1) CAP for Children (CAP/C): at the Nursing Facility (NF) level, and hospital level.
- (2) CAP for Disabled Adults (CAP/DA): ICF and SNF levels.
- (3) CAP/Choice: at the ICF and SNF levels.
- (4) CAP for Persons with Mental Retardation/Developmental Disabilities (CAP-MR/DD, **Innovations in MCO counties**): Intermediate care for the mentally retarded (ICF-MR) level.

3. Services

The CAP programs provide for both medical and non-medical home and community-based services to prevent or delay institutionalization. The programs involve an assessment process, development of a plan of care, and ongoing monitoring of service delivery by a case manager. CAP recipients are also eligible to participate in the Money Follows the Person (MFP) demonstration grant. See MA-2280, Community Alternatives Program (CAP) of the Aged, Blind and Disabled Medicaid Manual for further details.

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## 4. Costs

Each CAP program has a cost limit that is related to the cost of comparable institutional care. The total potential Medicaid cost of home and community services for a CAP participant may not exceed the cost limit. These cost limits are sent out as memoranda from the CAP unit to County Directors.

**B. Available CAP Programs**

North Carolina has 4 CAP waivers to provide services to a limited number of persons in specific groups within the state:

## 1. CAP for Children (CAP/C)

- a. CAP/C is a statewide program which provides an alternative to nursing facility and hospital care for individuals:
  - (1) Under age 21,
  - (2) Who live in a primary private residence, and whose health, safety and wellbeing can be maintained in their primary residence
  - (3) Who are medically high risk children and who would be institutionalized in a nursing facility or hospital without the Medicaid payment for the home care available through CAP/C,
  - (4) Who can have their needs met through the monthly cost limit,
  - (5) Who require Medicaid coverage through CAP/C services in addition to CAP/C case management to remain safely in their primary residence,
  - (6) Who have been ruled disabled by Disability Determination Services (DDS).
- b. The CAP Unit of DMA determines whether medical necessity has been established and if an individual may participate.
- c. CMS determined the number of individuals the state may serve each year. The program serves individuals statewide.
- d. Policy for this program is contained in MA-2280, Community Alternatives Program of the Aged, Blind, and Disabled Medicaid Manual.

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2. CAP for Disabled Adults (CAP/DA)

a. CAP/DA provides an alternative to nursing facility care for persons who are:

- (1) Age 18 and older, and
- (2) Live in a private residence.

b. Number of Participants

- (1) CMS determines the number of individuals the state may serve each year.
- (2) DMA allots a portion of the state's limit to each CAP/DA county.

c. County Participation

The Board of County Commissioners in each county must decide if the county will participate in the program.

d. Lead Agency

- (1) The lead agency, selected by the Board of County Commissioners, may be either:
  - (a) The county department of social services (dss),
  - (b) The county health department,
  - (c) The county agency for the aged, or
  - (d) A hospital within the county.
- (2) A list of CAP/DA lead agencies is published annually in the Medicaid Provider Bulletin.

e. Policy for this program is contained in MA-2280, Community Alternatives Program of the Aged, Blind, and Disabled Medicaid Manual.

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3. CAP for Disabled Adults, Consumer Directed Care (CAP/Choice)
  - a. CAP/Choice is similar to CAP/DA.
  - b. The allotments are part of the CAP/DA allotment for each county.
  - c. The eligibility requirements are the same as CAP/DA in MA-2280, Community Alternatives Program Medicaid Eligibility of the Aged, Blind, and Disabled Medicaid Manual.
  - d. Follow procedures in MA-2280, Community Alternatives Program Medicaid Eligibility of the Aged, Blind, and Disabled Medicaid Manual.
  
4. CAP for the Mentally Retarded/Developmentally Disabled (CAP/MR-DD, **Innovations in MCO counties**)
  - a. CAP-MR/DD provides an alternative to care in an ICF-MR facility for individuals of all ages who require ICF-MR care and who reside:
    - (1) In a private residence, or
    - (2) In a domiciliary care facility.
  - b. CAP-MR/DD, **Innovations in MCO counties**:
    - (1) Is tiered waivers utilized statewide:
      - (a) The two waivers are the Supports Waiver (C2) and the Comprehensive Waiver (CM). **Recipients in the MCO counties have code "IN"**.
      - (b) The assigned waiver is based on the cost of care for an individual per year. Services are limited, to a set maximum dollar amount.
      - (c) The approved waiver, C2 or CM, will be indicated on line 11, Recipient Level of Care, of the MR-2.
    - (2) Is administered at the local level by area mental health programs, and
  - c. CMS determines the specific number of individuals the state may serve each year.

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- d. The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) is the state lead agency for CAP-MR/DD. The Division of Mental Health (DMH):
  - (1) Allots a portion of the state's limit to each area program,
  - (2) Determines which individuals may participate in the program, and
  - (3) Is responsible for the program's operation, with oversight provided by DMA.
- e. Policy for this program is contained in MA-2280, Community Alternatives Program Medicaid Eligibility of the Aged, Blind, and Disabled Medicaid Manual.

### C. Where To Get Assistance With CAP Programs

1. Refer to the CAP program manuals for detailed information and instructions about the various services and requirements of the CAP waiver programs.
2. Use section MA-2280, Community Alternatives Program Medicaid Eligibility of the Aged, Blind, and Disabled Medicaid Manual for information regarding eligibility requirements for the various CAP programs.
3. For assistance in other than eligibility matters with the CAP for Children (CAP/C) program, contact the DMA CAP Unit at 919/855-4380.
4. For assistance in other than eligibility matters with the CAP for Disabled Adults (CAP/DA) program, contact the local CAP/DA lead agency.
5. For assistance in other than eligibility matters with the CAP for the Mentally Retarded and Developmentally Disabled (CAP-MR/DD) program, contact the area mental health, developmental disabilities, and substance abuse program. **Contact the MCO for Innovations.**
6. For assistance in other than eligibility matters with the CAP/Choice program, contact the local CAP/DA lead agency.

## II. POLICY RULES - APPLICABLE TO ALL PROGRAMS

### A. Aid Program/Categories

To receive CAP, the a/r must be eligible in the Aged, Blind, and Disabled aid program/categories, EXCEPT:

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1. Children in CAP/C may also be in I-AS or H-SF,
2. Children in CAP-MR/DD or **Innovations (MCO)** may also be in I-AS or H-SF,
3. Adults in CAP-MR/DD or **Innovations (MCO)** may also be in S-AAD.
4. Adults (anyone 18 years or older) may participate in CAP/Choice.
5. Recipients with living arrangement codes of 16 (incarcerated) or 17 (Institution for Mental Disease) who are in suspension status for Medicaid are not eligible for CAP.

### B. County transfers

When a CAP recipient moves to another county, it does not affect his eligibility for CAP services. Refer to MA-2280, Community Alternatives Program Medicaid Eligibility of the Aged, Blind, and Disabled Medicaid Manual for county transfer procedures.

**Innovations counties refer to FC Manual Section 3262.**

### C. CAP hearings

Appeal requirements apply to CAP cases just as with any other Medicaid case.

1. For appeals (FL-2/MR-2 issues) on level of care, the client first appeals to the DMA Hearing Office at 2501 Mail Service Center (MSC), Raleigh, North Carolina 27699-2501. Further appeal will go to the Office of Administrative Hearings (OAH).
2. For appeals regarding denial of CAP services, termination of CAP services, or reduction in CAP services, hold a local hearing at the county dss. If further appeal is required, hold a state appeal through the Division of Social Services Hearing and Appeals. See MA-3430, Notice and Hearings Process.

**NOTE: See MA-3262 for MCO.**

- D. See MA-2280, Community Alternatives Program Medicaid Eligibility and MA-3262, Managed Care Organizations for Behavioral Health, MCO of the Aged, Blind, and Disabled Medicaid Manual for further details.