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ARNOLD SCHWARZENEGGER
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AFL 08-45

TO: Adult Day Health Care Centers

SUBJECT: Updated Licensing Definitions and Medi-Cal Reimbursement Changes

AUTHORITY: Assembly Bill (AB) 572 (Berg, Chapter 648, Statutes of 2008), and AB 1183 (Committee on Budget, Health, Chapter 758, Statutes of 2008).

This letter is being sent to notify you of legislation effective January 1, 2009, which affects services and definitions pertaining to the operation of Adult Day Health Care Centers (ADHCs).

Under the current Interagency Agreement (IA), the California Department of Aging (CDA) has the primary responsibility for Medi-Cal certification of providers for participation in the ADHC program in collaboration with Department of Health Care Services (DHCS). CDA is also responsible for the performance of Medi-Cal certification surveys and review and approval of plans of correction. DHCS has retained the responsibility for financial audits and authorization of ADHC services through treatment authorization requests based on program criteria. The California Department of Public Health (CDPH) has the licensing responsibility for ADHCs, which include the processing of ADHC applications, conducting complaint investigations, reviewing program flexibility requests, completing survey reports, and reviewing submitted plans of correction.

AB 572 (Chapter 648, Statutes of 2008) amended Sections of 1570.2, 1570.7, 1570.9, 1572, 1574.5, and 1578.1 of the Health and Safety Code (HSC) and Sections of 14521, 14528.1, 14550, 14550.5 and added Section 14553.1 to the Welfare and Institutions Code (WIC), and AB 1183 (Chapter 758, Statutes of 2008) amended WIC Section 14526.1, relating to the Medi-Cal Adult Day Health Care Program. The following statutory changes took effect January 1, 2009:

AB 572 amended HSC Section 1570.7 to add the following definitions to the ADHC's requirements to be used for operations and in any regulations promulgated thereunder:

- (c) “Core Staff” includes the positions of program director, registered nurse, social worker, activity director, and program aide.
- (g) “Extended Hours” means those hours of operation prior to or following the adult day health care program hours of services, as designated by the adult day health care center in its plan of operation, during which the adult day health care center may operate an adult day program, or an Alzheimer’s day care resource center, or both.
- (h) “Hours of Service” means the program hours defined and posted by the adult day health care center for the provision of adult day health care services, pursuant to Section 14550 of the Welfare and Institutions Code, which shall be no less than four hours, excluding transportation.
- (k) “Long-term Absence” or “Long-term Vacancy” means an absence or vacancy lasting, or likely to last, more than one month. An adult day health care center’s policies and procedures shall be specific regarding coverage in the situation for long-term absences or vacancies.
- (m) “Program Director” shall be a person with both of the following:
 1. One of the following backgrounds:
 - A person with a bachelor’s degree and a minimum of two years of experience in a management, supervisory, or administrative position;
 - A person with a master’s degree and a minimum of one year of experience in a management, supervisory, or administrative position; or
 - A registered nurse with a minimum of two years experience in a management, supervisory, or administrative position.
 2. Appropriate skills, knowledge, and abilities related to the health, and mental, cognitive, and social needs of the participant group being served by the adult day health center.
- (o) “Short-term Absence” or “Short-term Vacancy” means an absence or vacancy lasting one month or less, and includes sick leave and vacations. An adult day health care center shall ensure that appropriate staff is designated to serve in these positions during the short-term absence or vacancy and that the center’s policies and procedures are specific regarding coverage of short-term absences or vacancies.
- (p) “Social Worker” shall be a person who meets one of the following:
 1. The person holds a master’s degree in social work from an accredited school of social work;
 2. The person holds a master’s degree in psychology, gerontology, or counseling from an accredited school and has one year of experience providing social services in one or more of the fields of aging, health, or long-term care services;
 3. The person is licensed by the California Board of Behavioral Sciences; or

4. The person holds a bachelor's degree in social work from an accredited school with two years of experience providing social services in one or more of the fields of aging, health, or long-term care services.

Various amendments are also made to the requirements for reimbursement under the Medi-Cal program.

Amendments to WIC §14526.1 include:

- Subsection (d) to revise existing medical necessity criteria to exempt participants residing in an intermediate care facility for the developmentally disabled-habilitative (ICF/DD-H) from meeting criteria stated under Subsection (d).
- Subsection (f) to add new criteria pertaining to individuals residing in an ICF/DD-H facility as follows: "For individuals residing in an intermediate care facility/developmentally disabled-habilitative, authorization or reauthorization of an adult day health care treatment authorization request shall be granted only if the resident has disabilities and a level of functioning that are of such a nature that, without supplemental intervention through adult day health care, placement to a more costly institutional level of care would be likely to occur."

Amendments to WIC §14550 include:

- Subsection (d)(1) to revise daily meal requirements to allow exceptions when "the participant declines the meal or medical contraindications exist, as documented in the participant's health record, that prohibit the ingestion of the meal at the adult day health care center."
- Subsection (h) to revise transportation requirements to allow transit times to exceed one hour as follows: "The transportation service may only exceed one hour when necessary to ensure regular and planned attendance at the adult day health care center and when there is documentation in the participant's health record that there is no medical contraindication."
- Subsection (i) to specify that the ADHC center's written policies and procedures must include provisions for dealing with "natural disaster and emergency situations."

Amendment to WIC §14550.5 include:

- Subsection (d) to reflect that one meal per day must be provided "unless the participant declines the meal or medical contraindications exist, as

documented in the participant's health record, that prohibit the ingestion of the meal."

Addition of WIC §14553.1 specifies:

- The adult day health care center's policies and procedures shall include provisions for the following:
 - (a) Designating the staff who will serve in the required positions during a short-term absence or short-term vacancy.
 - (b) Providing coverage for required staff in the event of a long-term absence or long-term vacancy.
 - (c) Ensuring continuity of services for participants during staff absences.

The information in this AFL is a brief summary of portions of AB 572 and AB 1183, relative to the operation of ADHCs. ADHCs are responsible for following all applicable laws. CDPH's failure to expressly notify facilities of legislative changes does not relieve facilities of their responsibility for following all laws and for being aware of all legislative changes. ADHCs should refer to the full text of these statutes to ensure compliance.

If you have any questions regarding this notification related to licensing, please contact your respective L&C District Office. If you have questions or concerns regarding this notification related to Medi-Cal reimbursement, please contact your assigned ADHC Field Team members.

Sincerely,

Original Signed by Kathleen Billingsley, R.N.

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