



Summary of Heightened Scrutiny Findings

Public Comment Instructions

Nebraska Department of Health and Human Services (DHHS) invites public comment on a Home and Community-Based Services (HCBS) setting undergoing a “Heightened Scrutiny” review under federal regulations. Your feedback will help DHHS assess whether these settings meet the qualities of HCBS and will inform our submission to the Centers for Medicare & Medicaid Services (CMS).

Period: April 8 through May 8, 2026

Email Comments: DHHS.HCBS-FSR@Nebraska.gov

1. Setting Information

- **Name:** Ponderosa Villa
- **Address:** 755 1st St, Crawford, NE 69339
- **Prong(s) in Question:**
 - Prong 1:** Setting located in a building that is also a publicly or privately operated facility that provides inpatient institutional treatment.
 - Prong 2:** Setting is in a building located on the grounds of, or immediately adjacent to, a public institution.
 - Prong 3:** Setting has the effect of isolating individuals receiving Medicaid HCBS from the broader community of individuals not receiving Medicaid HCBS.

2. Policy vs. Practice Review

- Policies align with HCBS criteria.
- Training logs reviewed.
- Supervision protocols reviewed.
- PCP documentation reviewed (choices; modifications by assessed need w/ safeguards).

3. Onsite Observation

- Community access observed (no provider-controlled restrictions).
- Autonomy & daily choice observed (schedules, meals, activities).
- Rights protections observed (lockable units; privacy; visitors).
- Physical environment supports integration (non-segregated, access to public resources).

4. Interviews (aggregate documentation)

- Participants (n=2)—themes: lack of activities just for Assisted Living participants.
- Staff (n=3)—themes: very open to assessments and making any needed improvements.
- Guardians/advocates (n=0).

5. Findings

- **Strengths**
 - Site leadership is very caring and wants to make any needed improvements.
 - The on-site visit was able to validate the information that was provided to use for review with the completed assessment.
- **Identified Gaps and Remediation**
 - **Activities** – Waiver residents can freely avail themselves to the nursing service activities, but do not have an opportunity for activities targeting the assisted living participants. Discussed making sure that the schedules would allow for that quality time for staff to work with the residents on the assisted living side and making them feel appreciated and that they can concentrate on meeting their needs.
 - **Remediation** – The Activity Director has met with waiver residents, and they are most interested in baking activities. Residents will be thinking of other potential small group activities they would like to incorporate.
 - **Attentiveness** – Waiver residents indicated that they sometimes feel left out as the assisted living staff seem to be hurried when working with them to get back to the skilled nursing side. Discussed with the administrator to assure that when staff are scheduled to work on the assisted living side they be focused on that role and not focused on getting back to the skilled nursing side.
 - **Remediation** – The Administrator blocked off in sections of the staff schedule of duties to engage residents in a manner which makes them feel appreciated and that time with them is important.
 - **Training** – Direct care staff do not receive specific training regarding HCBS concepts and requirements.
 - **Remediation** – Administrator instituted an updated schedule of tasks and activities for the assisted living staff. Training materials from DHHS were provided for the administrator to re-train staff regarding HCBS concepts of resident choice, autonomy, and rights.

6. State Determination

Nebraska DHHS attests that this setting **overcomes the presumption** of being institutional-based on the evidence above.

Privacy & Confidentiality Notice (Nebraska DHHS)

DHHS has de-identified individual information consistent with **HIPAA (45 CFR 164.514)** and **Medicaid confidentiality (42 CFR Part 431)**. This summary focuses on setting-level practices, remediation, and monitoring. DHHS does not publish individual case details or open investigative records.