



# Iowa Department of Human Services

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## INFORMATIONAL LETTER NO.1688

**DATE:** July 5, 2016

**TO:** Iowa Medicaid Integrated Health Homes (IHH), Clinical Social Workers, Case Managers (CM), Targeted Case Managers (TCM), Habilitation Providers and Managed Care Organizations (MCOs)

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** Home- and Community-Based Services (HCBS) Habilitation

**EFFECTIVE:** April 1, 2016

Effective for dates of service on or after April 1, 2016, the IME is only responsible for coverage of Medicaid funded mental health and substance abuse services for the Fee-For-Service (FFS) population. This letter provides guidance for IHH Care Coordinators requesting Habilitation services and entering service plan into the Individualized Services Information System (ISIS) for FFS members approved for Habilitation services.

### Requesting Habilitation Services for FFS Members:

Member Status- New	TCM/IHH Role	IME Medical Services Unit (MSU) Reviewer Role
	<p><b>Step One:</b></p> <p>Open a pending case in ISIS. Complete instructions for opening a Habilitation case in ISIS are located in the <a href="#">IME Habilitation Provider Manual</a>.<sup>1</sup></p>	
<p><b>The Medicaid member is applying for Habilitation services for the first time.</b></p>	<p><b>Step Two:</b></p> <p>Submit the Comprehensive Functional Assessment or interRAI, and Social History to the IME MSU for determination through the Iowa Medicaid Portal Access (IMPA) system in accordance with the instructions provided in <a href="#">Informational Letter NO. 1618</a><sup>2</sup> to the IME MSU.</p>	<p><b>Step One:</b></p> <p>Review the information submitted and request additional information, as needed, to make a determination.</p>

<sup>1</sup> <http://dhs.iowa.gov/sites/default/files/Habilitation.pdf>

<sup>2</sup> [https://dhs.iowa.gov/sites/default/files/1618\\_Submission\\_Process-CMH\\_Waiver\\_HabilitationLevelofCareReviews.pdf](https://dhs.iowa.gov/sites/default/files/1618_Submission_Process-CMH_Waiver_HabilitationLevelofCareReviews.pdf)

	<p>To ensure timely review and Notice of Decision (NOD) receipt, please fill-out all applicable information on the IMPA Upload cover sheet and provide current and accurate contact information:</p> <ul style="list-style-type: none"> <li>• contact name</li> <li>• direct telephone number</li> <li>• email address</li> <li>• submission rationale</li> </ul>	
<b>Member Status- New Continued.</b>	<b>TCM/IHH Role</b>	<b>IME MSU Reviewer Role</b>
	<p><b>Step Three:</b> Respond to any email requests or ISIS milestones requesting additional information as applicable.</p>	<p><b>Step Two:</b> Based on the information submitted, the IME MSU Reviewer determines if the person meets the non-financial eligibility criteria for Habilitation.</p>
	<p><b>Step Four:</b> The NOD is received, via email, from the IME MSU.</p>	<p><b>Step Three:</b> The IME MSU Reviewer emails a NOD to the TCM or IHH by the third business day of receipt of the request unless waiting for additional information extends this timeline.  *This concludes the MSU Reviewer activities.</p>
	<p><b>Step Five:</b> The IHH or TCM sends the member the NOD for Habilitation eligibility determination with the member's appeals rights.</p>	
	<p><b>Step Six:</b> If the member is approved for Habilitation, schedule and facilitate the member's Person Centered Planning meeting with the member, their chosen participants and key service providers to develop the comprehensive service plan/</p>	

	treatment plan for the member.	
<b>Member Status-Renewal.</b>	<b>TCM/IHH Role</b>	<b>IME MSU Reviewer Role</b>
<b>The Medicaid member is currently receiving Habilitation and their annual Habilitation non-financial eligibility review is due during the next 30 to 45 days.</b>	Same process as noted above. Note that the Social History is only required during annual review if there has been a significant change in the past 12 months.	Same process as noted above with the exception of step three.  For annual reviews of FFS members, those not enrolled with an MCO, the IME MSU Reviewer emails a NOD to the TCM or IHH by the 5th business day unless waiting for additional information extends this timeline.
<b>Member Status-Terminated.</b>	<b>TCM/IHHCC Role</b>	<b>IME MSU Reviewer Role</b>
<b>The member's eligibility for Habilitation has lapsed for more than 30 days and wishes to restart services.</b>	Same process as noted above for a member applying for Habilitation for the first time.	Same process as for a member who is applying for Habilitation for the first time.

### **Service Plan Entry into ISIS:**

The TCM or CC is responsible for service planning and all case management activities. After the Habilitation eligibility decision, ISIS will trigger a new service planning workflow that will allow entry of a service plan into ISIS. The TCM or CC should not enter a service plan into ISIS unless ISIS triggers milestones directing the CM or CC to enter a plan; any plan that is entered for an MCO eligible member will be deleted.

Detailed instructions for completing the service plan entries into ISIS are located in the [IME Habilitation Provider Manual](#)<sup>3</sup>

<sup>3</sup> <http://dhs.iowa.gov/sites/default/files/Habilitation.pdf>

**Authorization for Habilitation Services for FFS Members for Dates of Service on or after April 1, 2016:**

Habilitation services are prior authorized through the service plan development process facilitated by the IHH or TCM. The IHH or TCM must have a person centered service plan in place detailing the services to be received in accordance with 441 IAC 78.27(4)

Comprehensive service plans. The service plan must be signed and dated.

- The service plan must detail the Habilitation provider, provider number, procedure code and applicable modifier, the number of units and the rate for the service to be provided.
- The services must be entered into ISIS. This entry causes the Prior Authorization (PA) process for Habilitation services requiring PA to be completed.
- Once the IME Medical Services Unit has approved the service plan in ISIS, the IHH or TCM will issue a Notice of Decision (NOD) based on the service plan which includes the same information noted above and includes the member’s appeal rights per the department’s policy.
- The Habilitation service provider will bill the IME for those services following the proper billing procedures for that service.
- The staff delivering the service must document the services as required per 441 IAC 79.3 and records must be maintained in accordance with the rule as well.

**Billing the IME for Habilitation for FFS Members:**

When billing the IME for HCBS Habilitation services, a valid ICD-10 diagnosis code must be entered on the claim form in addition to the procedure code and applicable modifier. Claims billed with Z79.89 will be denied.

When billing for Home Based Habilitation (HBH) the applicable U modifier must be used and the place of services (POS) must be the member’s home (POS) 11.

Home Based Habilitation Tier	Hours of supervision and support needed based on the member’s Comprehensive Functional Assessment	Procedure code	Modifier
Intensive III	12- 24 hours per day	H2016	U9
Intensive II	13 to 16.75 hours per day	H2016	U8
Intensive I	9 to 12.75 hours per day	H2016	U7
Medium Need	4.25 to 8.75 hours per day as needed	H2016	U6
Recovery Transitional	2.25 to 4 hours per day as needed	H2016	U5
High Recovery	.25 to 2 hours per day as needed	H2016	U4

Habilitation Service	Level of support and support needed based on the member's Comprehensive Functional Assessment and employment situation	Procedure code	Level II Modifier
Day Habilitation	Daily	T2021	
Day Habilitation	15 min	T2020	
Prevocational	Hourly	T2015	
Career Exploration	Hourly	T2015	U3
Supported Employment - Individual Long Term Job Coaching			
Tier 1	1 Contact /Month	H2025	
Tier 2	2-8 Hrs./Month	H2025	U3
Tier 3	9-16 Hrs./Month	H2025	U5
Tier 4	17-25 Hrs./Month	H2025	U7
Tier 5	26+ Hrs./Month	H2025	UC
Supported Employment - Small Group			
Tier 1	Groups of 2-4	H2023	U3
Tier 2	Groups of 5-6	H2023	U5
Tier 3	Groups of 7-8	H2023	U7
Supported Employment- Individual Supported Employment		T2018	

The IME has detailed claim form instructions for all providers which are found on the DHS [Claim Forms and Instructions](#)<sup>4</sup> web page.

If you have any questions please contact the IME Provider Services Unit at 1-800-338-7909, or email at [IMEproviderservices@dhs.state.ia.us](mailto:IMEproviderservices@dhs.state.ia.us).

<sup>4</sup> <https://dhs.iowa.gov/ime/Providers/claims-and-billing/ClaimsPage>