



Tiered Reimbursement Fee Schedule Rates for Selected Services in the Home and Community Based Services Waiver for Individuals with Intellectual Disabilities

November 27, 2017

Selected Services

- Daily Supported Community Living (SCL)
- Day Habilitation (Day Hab)
- Adult Day Care (ADC)
- Residential Based SCL
- Not applicable to services paid in 15 minute or half day increments

End Goal

- Reimburse ID Waiver services paid on a daily rate based on an objective measure of the severity of the individual's disability – Tiered Reimbursement
 - Reimburse more for services to individuals with more severe disabilities
 - Reimburse less for services to individuals with relatively lesser severe disabilities
- Standardize reimbursement to all providers

Background – Prior to Managed Care and Removing the Responsibility for the Non-Federal Share of Medicaid from Counties

- Reimbursement for these services was only loosely based on an individual's needs, but was primarily driven by provider costs and what the county wanted to pay
- SCL reimbursement was paid by either individual or by residential site.
- Day Hab and ADC were paid at an agency rate
- Reimbursement rates for SCL could change as often as every 3 months if the provider could justify changes
- Reimbursement was not standardized among providers
- There were many exceptions to reimbursement policy

Background – Under Managed Care

- Managed care could not handle the individualized and site based reimbursement or the frequent reimbursement changes
- An aggregate average reimbursement floor rate was established that paid the provider the average amount per person that the provider was paid before managed care
- This was always assumed to be a temporary measure until tiered rates were developed

HF 653

Sec. 93 1. ...the department of human services...shall implement tiered rates for providers of supported community living, day habilitation and adult day services for persons with an intellectual disability under the home and community-based services waiver program. The tiered rates shall be implemented in a phased-in approach to accommodate transition of providers to the revised reimbursement model.

Basics of Tiered Rates

- Individuals are assigned to a tier using scores from a standardized, valid, reliable assessment instrument
- Each service is reimbursed a different rate for each tier

Basis for Tiered Rates

- Daily SCL rates were based on the costs incurred for historically serving individuals in each tier with the following adjustments
 - Added the cost of all transportation. The provider will be responsible for transportation (excluding transportation paid through non-emergency medical transportation (NEMT)).
 - Adjusted the rates to be budget neutral with what was paid in the aggregate average rate
 - Trended the rates forward
- Daily Habilitation was based on the established rates and smoothed based on the distribution of rates for Daily SCL
- Adult Day Care was based on the established rates and smoothed based on the distribution of rates for Daily SCL
- The tiered rates are designed to spend all funds available for these services included in the MCO capitation rates. i.e., In total rates are budget neutral for both the providers and the MCOs

Assessment Instrument

- Supports Intensity Scale (SIS)
- Developed, owned and managed by the American Association on Intellectual and Developmental Disabilities (AAIDD).
- Nationally recognized standard assessment for individuals with an intellectual disability
- Has an established training and quality assurance process
- Is valid and reliable

Inter-Rater Reliability (IRR) for the SIS assessors

- Inter-rater reliability has a three phase, stepwise approach:
 - Initial Training,
 - Recertification, and
 - Quality oversight.

Inter-Rater Reliability (IRR)

- Initial training is conducted using internationally normed, standardized training methods conducted by master trainers from AAIDD.
- The initial training consists of classroom study, homework and role play; and subsequent 'coach-to-pass' sessions with the AAIDD trainer in real assessments until the assessor has passed all elements of proficiency.

Inter-Rater Reliability (IRR)

- Yearly recertification is conducted by AAIDD staff using Interviewer Reliability and Qualification Reviews (IRQR). Each IRQR addresses 38 distinct elements in five domains that each assessor must pass.
- Focus for recertification is on interview techniques, facilitation skills, reviewing core concepts and decision making skills.

Inter-Rater Reliability (IRR)

- Quality oversight is conducted to assure the integrity of the process, the use of the SIS tool and delivery of the interview. Quality oversight reduces variability in all aspects of the SIS process; from initial introductions at the interview, up to and including the final product of the SIS assessment.

Inter-Rater Reliability (IRR)

- Quality oversight also includes active monitoring where a review lead listens in on assessments to assure uniformity in the SIS assessors regarding; setting the scene, consistency of delivery, rhythm and flow of the assessment, scoring decision making and member experience.

Tier Assignment

- SIS scores are used to preliminarily place individuals in one of six tiers based on the total sum of scores in subsections of the SIS
- Some preliminary tier assignments are increased for those with the greatest
 - medical needs
 - behavioral needs
- Members served in large residential care facilities (6 beds or larger) are assigned a single tier
- Members served in RBSCCL facilities are assigned a single tier

Tiered Rate Assignment

The tier scoring matrix is available on the DHS webpage:

https://dhs.iowa.gov/sites/default/files/Scoring-Matrix_for_Placement_into_the_HCBS_ID_Waiver_Tiered_Rates_Fee_Schedule.pdf

SIS Reconsideration

- SIS Assessment - within 30 days of full assessment
- Emergency Needs Assessment – any time there is a significant change in need
- Work with member's case manager to request a reconsideration review

Tiered Rate Participation

- DHS met with a stakeholder workgroup of providers in December 2016 and early spring 2017
- DHS incorporated the stakeholder recommendations where possible
- DHS met with the MCOs in the mid to late summer 2017
- DHS incorporated MCO recommendations where possible
- DHS met jointly with the provider workgroup and MCOs
- DHS and MCOs met with a larger group of providers

Tiered Reimbursement Rates

The following are the procedure codes and tiered rate fee schedule for the ID Waiver, Daily SCL, Day Hab and ADC Services when rates are fully implemented:

Supported Community Living for individuals with an authorized average of 39 or fewer hours of service outside the home per month (i.e., SCL “without” day services).							
Provider that billed H2016-HI or H2016-U3 prior to 12/1/17 will now bill:							
Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	RCF \geq 6 Beds	RBSCCL*
H2016-U1	H2016-U2	H2016-U3	H2016-U4	H2016-U5	H2016-U6	H2016-HI	S5136-UA
\$207.06	\$215.97	\$265.82	\$268.78	\$305.77	\$361.08	\$144.46	\$301.14

* Residential Based Supported Community Living for Children

Supported Community Living for individuals with an authorized average of 40 or more hours of service outside the home per month (i.e., SCL “with” day services)						
Providers that billed H2016-HI prior to 12/1/17 will now bill:						
Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	RCF \geq 6 Beds
S5136-U1	S5136-U2	S5136-U3	S5136-U4	S5136-U5	S5136-U6	S5136-HI
\$184.63	\$193.54	\$214.01	\$216.97	\$253.96	\$309.27	\$122.03

Tiered Reimbursement Rates (cont.)

Day Habilitation					
Providers that billed T2020 prior to 12/1/17 will now bill:					
Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6
T2020-U1	T2020-U2	T2020-U3	T2020-U4	T2020-U5	T2020-U6
\$67.81	\$71.15	\$81.03	\$82.18	\$95.70	\$117.03

Adult Day Care					
Providers that billed S5102 or S5105 prior to 12/1/17 will now bill:					
Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6
S5102-U1	S5102-U2	S5102-U3	S5102-U4	S5102-U5	S5102-U6
\$56.36	\$59.13	\$67.34	\$68.30	\$79.53	\$97.25

Claims and Billing

- Beginning Dec. 1, 2017, ensure:
 - Claims are billed using the new ID tier procedure codes and modifiers
 - Procedure codes and modifiers billed match what is authorized in the member's service plan
 - Dates billed align with the date span of the authorized service plan

Transportation

- Tiered rate reimbursement for Daily SCL includes the cost of all HCBS waiver transportation
 - Does not impact transportation through:
 - NEMT state plan benefit
 - Local school system for members accessing RBSCCL services
 - HCBS waiver transportation cannot be billed separate from Daily SCL

Transportation

- Providers are responsible for the costs of transportation when the need is identified in the member's service plan.
- Providers may charge members for the cost of providing optional transportation that is not identified in the service plan.

Phase In

- To ease the impact of tiered rates for Daily SCL, tiered rates will be phased in beginning 12/1/17
 - Providers that will receive decreased revenues will have their initial tiered rates raised, so their loss will be limited (Estimated 2% - 5%)
 - Providers that receive significant increased revenues will have their tiered rates reduced (Estimated 21%)
 - Providers in the middle (between decrease and increase %) will be paid the tiered rate fee schedule

Phase In Time Periods

- Initial Stage: 12/1/2017 to 6/30/2018
- Second Stage: 7/1/2018 to 6/30/2019
 - The limit on the losses will be increased to an estimated 13%.
 - The limit on the gain will be increased to an estimated 40%.
- Full tiered rates: 7/1/2019

Provider Notice Timeline

- Info letter No, .1846-MC-FFS issued November 2, 2017
- Providers were notified of their tiered rates on November 15, 2017
- Providers were notified of individual member tier assignments on November 15, 2017
- Any provider questions should go through the MCO or IME Provider Services

Cost Reports

No retrospectively limited prospective rate cost reporting required

- Individual member or site reporting is not required
- No limit on indirect costs
- No \$1570 limit

Tiered Rate Rules

- Effective December 1, 2017
- Emergency rule writing authority
- Changes made to IAC 441 Chapters 78, 79 and 83.
- Tiered rates and tier assignment defined in 441-79.1(29)

Questions

Additional questions may be submitted to the IME at hcbswaivers@dhs.state.ia.us.