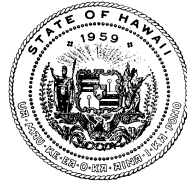


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In reply, please refer to:
File:

Medicaid I/DD Waiver
Memo No.: FY2021-05
Date: October 7, 2020

TO: Medicaid I/DD Waiver Providers

FROM: Mary Brogan, Administrator
Developmental Disabilities Division

SUBJECT: Temporary Rate Adjustment Authorization and Billing Instructions

Last week, we received CMS approval and sent information on a temporary rate increase for certain services provided between **October 1, 2020 and February 28, 2021**.

The following services were approved for temporary rate increases of 12.5 percent (12.5%):

- Personal Assistance Habilitation (PAB)
- Community Learning Services – Individual (CLS-Ind)

The following services were approved for temporary rate increases of 25 percent (25.0%) for the time period specified above:

- Adult Day Health (ADH)
- Community Learning Services – Group (CLS-G)
- Individual Employment Supports (IES) – Job Development and Job Coaching

To avoid the need to eliminate existing authorizations and temporarily raise and then reduce rates attached to existing service codes, new service codes that reflect the increased payment amounts have been established, see Appendix 1. For each unit of service that a provider delivers, they will need to bill both the standard service code at the current rate and the new service code for the increased payment amount. Below are authorization and billing instructions that will be added to the DDD 1915(c) Appendix K Operational Guidelines.

Authorization

1. Separate authorizations will be created for the amount of the temporary rate adjustments for COVID-19 rather than for the entire new rate (see Billing Instructions section).
 - a. Since the rate adjustments are temporary, covering services provided between October 1, 2020 and February 28, 2021, this approach will prevent the need to amend existing authorizations.
 - b. The temporary rate adjustments will not be counted against the limits established by individual supports budgets.
2. An initial set of authorizations will be created centrally and providers will not need to take any action.
 - a. For every existing authorization for a service that will receive a temporary rate adjustment for COVID-19, a corresponding authorization for the temporary rate adjustment will be established.
 - b. The number of units authorized for the temporary rate adjustment will be equal to the number of units originally authorized for the months within the temporary rate period for the service to which the temporary rate adjustment applies.
 - c. Appendix 1 lists the services that will receive a temporary rate adjustment for COVID-19, the new procedure code and modifier for the temporary rate adjustment, and the amount of the temporary rate adjustment.
3. For subsequent authorizations for these services (that is, authorizations for services subject to temporary rate adjustments for COVID-19 that are created after October 1, 2020), case managers will generate accompanying temporary rate adjustment authorizations. Providers will not need to take any action.

Billing Instructions

1. The temporary rates adjustments for COVID-19 may be billed for services provided between October 1, 2020 and February 28, 2021.
2. The temporary rate adjustments for COVID-19 will be billed in addition to the rate for the service to which the temporary rate adjustment applies (see Authorization section).
 - a. For every service with a temporary rate adjustment, there will be two claims for each unit of service provided – one unit for the originally authorized service at the standard rate and one unit for the temporary rate adjustment, which reflects the additional funding.

- b. Appendix 1 lists the services that will receive a temporary rate adjustment for COVID-19, the new procedure code and modifier for the temporary rate adjustment, and the amount of the temporary rate adjustment.
3. If your agency is submitting a claim for a retainer payment in a month in which your agency is also submitting claims for services delivered and the temporary rate adjustment, the billing for the temporary rate adjustment must be counted in the calculation of the retainer (that is, the temporary rate adjustments are included in the determination of the actual billing, which is subtracted from the amount that may be billed for the retainer; see the Updated Billing Instructions for Retainer Payments).

Updated Billing Instructions for Retainer Payments:

Note: Billing for the temporary rate adjustment must be counted in the calculation of retainer payments. Below are updated billing instructions for retainer payments when also billing for the temporary rate adjustment for ADH, CLS-G, and IES-Job Coaching.

1. Providers may bill for retainer payments for 90 percent of the difference between the average amount billed during a baseline period to the actual amount of service billed in the month for which the retainer is being claimed.
 - a. Providers will first determine the amount they billed for services actually provided during the month including any billing for temporary rate adjustments for COVID-19 for the period of October 1, 2020 through February 28, 2021.
 - b. Billing for services actually provided will then be subtracted from the baseline amount, calculated by DDD, for that participant and service. Providers may bill for 90 percent of the difference calculated.

For example, if a provider previously billed ADH for a participant at the baseline amount of \$700 and actually provided \$200 in the current month plus \$50 temporary rate adjustment, the difference between the baseline amount and the actual billing is \$450 ($\$700 - (\$200 + \$50)$). The provider may bill the retainer for \$405 ($\450 multiplied by 90%).

If there are any questions, please feel free to call the Community Resources Branch at (808) 733-2135.

Attachment

c: Jon Fujii, DHS-MQD
Aileen Manuel, DHS-MQD
DDD Management Team