

DEVELOPMENTAL DISABILITIES DIVISION  
PRESENTS



DECEMBER 8, 2021 | 10 AM TO 11 AM



# ARPA Rate INCREASES

# AGENDA

- I. ARPA Facts
- II. Rate Information
- III. Billing Information for Most Services
- IV. Billing Information for:
  - ResHab – Adult Foster Home
  - Consumer Directed
- V. Reporting Requirements
- VI. Questions

# ARPA FACTS

- Signed into law by President Biden on March 11, 2021
  - Provides \$1.9 trillion in federal funding to respond to COVID-19 and the resulting economic fallout
- Section 9817 provides states with a temporary 10% increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS)
  - Temporary FMAP increase effective April 1, 2021 – March 31, 2022
  - States have until March 31, 2024 to spend the funds generated by the temporary FMAP increase



## OVERVIEW OF DDD'S AMERICAN RESCUE PLAN ACT OF 2021 SPENDING PLAN



to enhance, expand, and strengthen the 1915(c) HCBS Waiver

# SECTION 9817 of ARPA

- Funds must be used to expand, enhance, or strengthen HCBS systems
- Hawaii has received approval from CMS to begin claiming FMAP per ARPA Spending Plan
- Spending Plan provides for a temporary increase in rates (through March 31, 2023)



## OVERVIEW OF DDD'S AMERICAN RESCUE PLAN ACT OF 2021 SPENDING PLAN



to enhance, expand, and strengthen the 1915(c) HCBS Waiver

# DDD-ARPA SPENDING PLAN

Covers five priorities

1. Supports for participants and families
2. Strengthen provider capacity and system infrastructure (including rate increases)
3. Workforce development
4. Improve protections for health, safety, and well-being
5. Strengthen system infrastructure and accountability

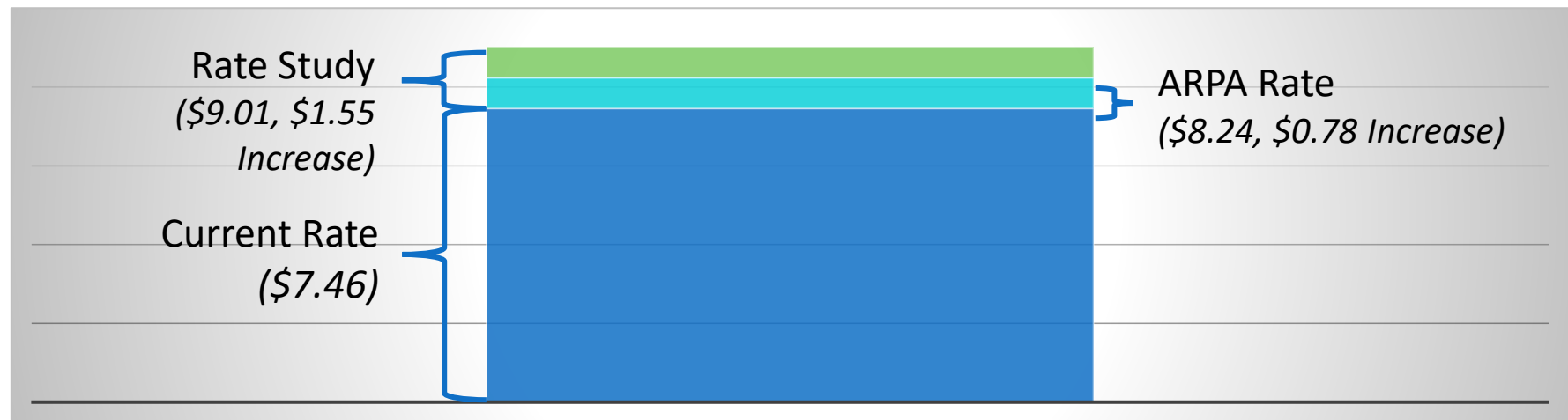


# RATE STUDY BACKGROUND

- DDD, with its contractor Burns & Associates, conducted a comprehensive rate study
  - Based on review of service requirements, a provider survey, and other published data sources
- Proposed rate increases for most services
  - Rate increases have not been implemented due to statewide budget challenges resulting from the COVID-19 pandemic
- View previous rate webinar please visit -  
<https://health.hawaii.gov/ddd/provider-training/rate-study-update/>

# ARPA-FUNDED RATE INCREASE

- DDD will be using funds made available through ARPA to partially implement the rate increases recommended by the 2020 rate study *(pending approval by CMS through Appendix K)*
  - Rates will be increased by 50% of the difference between the current rate and the recommended rate
- PAB example



- Proposed rate reductions will not be implemented at this time

# TIME PERIOD

Retroactive to

- July 1, 2021

ARPA funds to support through

- June 30, 2023

Maintaining increases after June 2023 contingent upon additional state funding



# INDIVIDUAL SUPPORTS BUDGET (ISB)

- Individual Support Budget (ISB) ranges will be adjusted to account for the rate increases
  - New amounts will be updated in INSPIRE on January 1, 2022
  - Does not affect the number of service units authorized

Level	Participants in Licensed/ Certified Homes				Participants in Family Homes				Participants Living Independently			
	Big Island		Other Islands		Big Island		Other Islands		Big Island		Other Islands	
	Lower End	Calc. Budget	Lower End	Calc. Budget	Lower End	Calc. Budget	Lower End	Calc. Budget	Lower End	Calc. Budget	Lower End	Calc. Budget
1	\$20,768	\$27,690	\$17,933	\$23,910	\$38,223	\$50,964	\$33,419	\$44,559	\$45,227	\$60,302	\$38,606	\$51,474
2	\$22,064	\$29,418	\$19,073	\$25,430	\$52,150	\$69,534	\$45,486	\$60,649	\$56,529	\$75,372	\$48,398	\$64,530
3	\$27,387	\$36,516	\$23,844	\$31,792	\$62,997	\$83,996	\$55,101	\$73,467	\$65,721	\$87,628	\$56,388	\$75,184
4	\$27,387	\$36,516	\$23,844	\$31,792	\$70,145	\$93,526	\$61,281	\$81,707				
5	\$31,100	\$41,466	\$27,243	\$36,324	\$94,180	\$125,574	\$82,288	\$109,717				
6	\$31,928	\$42,570	\$28,158	\$37,544	\$108,130	\$144,173	\$95,287	\$127,050				
7	\$33,075	\$44,100	\$29,007	\$38,676	\$109,523	\$146,031	\$96,031	\$128,042				

# SUPPLEMENTAL DOCUMENT – PROVIDER RATE SHEET

- Identifies new rates
- Updates are reflected highlighted in **YELLOW**
- Sent to Providers via email on 12/7/21
- Will be archived on our website

Medicaid Waiver Services I/DD Waiver Services Schedule of Rates										
HPMMIS Provider Number:										
National Provider Identifier Number:										
Name of Agency										
Address:										
Geographical Service Area:										
Effective Date:								July 1, 2021		Issued 12/21
Event Type	Place of Service	Procedure Code	Modifier	Type of Waiver Service	HPMMIS Procedure	Unit	Rate End Date 6/30/21	Rate Start Date 7/1/21		
HH	12, 99 <sup>1</sup> 21, <sup>1</sup> 31	S5125	U6	Personal Assistance/Habilitation, 1:1 (Phase-in by Cohort)	Personal Care	15 Minute	\$7.46	\$8.24		
HH	12, 99, <sup>1</sup> 21, <sup>1</sup> 31	99509	U6	BI Personal Assistance/Habilitation, 1:1 (Phase-in by Cohort)	Personal Care	15 Minute	\$8.64	\$9.53		
HH	12, 99	S5125	UN	Personal Assistance/Habilitation, 1:2 (Phase-in by Cohort)	Personal Care	15 Minute	\$4.07	\$4.46		
HH	12, 99	99509	UN	BI Personal Assistance/Habilitation, 1:2 (Phase-in by Cohort)	Personal Care	15 Minute	\$4.69	\$5.14		
HH	12, 99	S5125	UP	Personal Assistance/Habilitation, 1:3 (Phase-in by Cohort)	Personal Care	15 Minute	\$2.99	\$3.26		
HH	12, 99	99509	UP	BI Personal Assistance/Habilitation 1:3 (Phase-in by Cohort)	Personal Care	15 Minute	\$3.42	\$3.72		

# REVISED SCHEDULE OF RATES

A	B	C	D	E	F	G	H	I
<b>Event Type</b>	<b>Place of Service</b>	<b>Procedure Code</b>	<b>Modifier</b>	<b>Type of Waiver Service</b>	<b>HPMMIS Procedure</b>	<b>Unit</b>	<b>Rate End Date 6/30/21</b>	<b><sup>5</sup>Rate Start Date 7/1/21</b>

Services delivered prior to July 1, 2021 must be billed at the current rate found in column H labeled “Rate End Date 6/30/2021”.

Services delivered on or after July 1, 2021 may be billed at the new rate in column I labeled “Rate Start Date 7/1/2021”.

# NEW SERVICES & NEW AUTHS

- New service authorizations will not be required for providers to retroactively bill at the new rates
  - *Note: CD services cannot be billed retroactively*
- There have been no changes to codes or modifiers  
*(with the exception of ResHab)*
- For existing authorizations, the new rates will not be reflected in Medicaid online (DMO)

# RETROACTIVE ADJUSTMENTS

- New rates will be live on January 1, 2022
- Providers may amend their previously paid claims to include the rate increase
  - Claims eligible for an adjustment are only for services delivered on or after July 1, 2021
  - Adjusted claims may be submitted electronically or in hard copy.
  - Claims must be submitted within 12 months from the date of service
    - However, the 10% FMAP increase ends March 31, 2022 so all claims paid before that date will produce additional funding to be invested in the system

# CHANGES FOR RESHAB

- There will be changes to codes and modifiers for Residential Habilitation (ResHab) services only
- The service authorization for ResHab will now be based on the type of home where ResHab is delivered vs. number of beds in the home (*i.e., certified home or licensed home*)

# TYPES OF RESHAB HOMES



## CERTIFIED

Adult Foster Homes

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## LICENSED

DD Doms, ARCHs

Comparison

**CERTIFIED**

Adult Foster Homes



**LICENSED**

Adult Foster Homes

**Schedule of Rates Document**

Rows 46-51

Rows 52-57

**Existing Service**

*Residential Habilitation,  
3 or fewer beds*

*Residential Habilitation,  
3 or fewer beds, 4 beds, or  
5 or more beds*

**New Service**

*Residential Habilitation,  
Adult Foster Homes*

*Residential Habilitation,  
Licensed Homes (no difference  
based on home size)*

**Rate Tiers**

Rates continue to be tiered based on SIS-based levels

Rates continue to be tiered based on SIS-based levels

**New Service Available in INSPIRE**

January 1, 2022

January 1, 2022

**For Plan Years**

On or after April 1, 2022

On or after April 1, 2022



# PROVIDER RATE SHEET – RESHAB SECTION

Type of Waiver Service	HPMMIS Procedure	Unit	Rate End Date 6/30/21	<sup>5</sup> Rate Start Date 7/1/21
Residential Habilitation, Tier 1, 5 or more beds	Habilitation, Residential, Waiver	Day	\$89.70	
BI Residential Habilitation, Tier 1, 5 or more beds	Habilitation, Residential, Waiver	Day	\$92.81	
Residential Habilitation, Tier 2, 3 or fewer beds	Habilitation, Residential, Waiver	Day	\$159.04	
BI Residential Habilitation, Tier 2, 3 or fewer beds	Habilitation, Residential, Waiver	Day	\$164.17	
Residential Habilitation, Tier 2, 4-bed	Habilitation, Residential, Waiver	Day	\$140.32	
BI Residential Habilitation, Tier 2, 4-bed	Habilitation, Residential, Waiver	Day	\$144.05	
Residential Habilitation, Tier 2, 5 or more beds	Habilitation, Residential, Waiver	Day	\$129.09	

Type of Waiver Service	HPMMIS Procedure	Unit	Rate End Date 6/30/21	<sup>5</sup> Rate Start Date 7/1/21
<sup>6</sup> Residential Habilitation, Adult Foster Homes, Tier 1 (no bed size requirement)	Habilitation, Residential, Waiver	Day		\$116.27
<sup>6</sup> BI Residential Habilitation, Adult Foster Homes, Tier 1 (no bed size requirement)	Habilitation, Residential, Waiver	Day		\$120.64
<sup>6</sup> Residential Habilitation, Adult Foster Homes, Tier 2 (no bed size requirement)	Habilitation, Residential, Waiver	Day		\$159.04
<sup>6</sup> BI Residential Habilitation, Adult Foster Homes, Tier 2 (no bed size requirement)	Habilitation, Residential, Waiver	Day		\$164.17
<sup>6</sup> Residential Habilitation, Adult Foster Homes, Tier 3 (no bed size requirement)	Habilitation, Residential, Waiver	Day		\$183.00

# CASE MANAGERS

- Beginning January 1, 2022
- For plan years that begin on or after April 1, 2022
- Select new code and modifier for services:
  - *Residential Habilitation, Licensed Homes*
  - *Residential Habilitation, Adult Foster Homes*

# EXAMPLE: CODES TO AUTHORIZE

Starting January 1, 2022	Participant Plan Year	Codes to Authorize
INSPIRE Codes for ResHab (starting January 1, 2022)	NEW Plan Year- Jan to March 2022	Old ResHab Code with number of beds
INSPIRE Codes for ResHab (starting January 1, 2022)	NEW Plan Year - April 2022	New ResHab Code with type of home

# CONSUMER DIRECTED SERVICES (CD)

## Rates

- Rate increases for CD services are not retroactive
- Increased rates beginning January 1, 2022

## CD Employers

- May choose to increase the wages of their employees based on the new wage range
- Must work with Acumen before wages can be increased

# REPORTING REQUIREMENT FOR INCREASED RATES

- ARPA Spending Plan stated rate increases are primarily intended to benefit direct support professionals (DSP)
- To measure the impact, agencies will need to submit quarterly reports
  - Will cover key indicators such as wages and benefits, tenure, and turnover
  - More information on quarterly reports will be forthcoming

# IN CLOSING

- Time period to benefit from the 10% FMAP increase ends March 31, 2022
  - Claims submitted before that date will generate additional funds that can be invested in the system
- The more we work together, the more we can use these funds!



**Any questions?**

**Email:**

**[doh.dddcrb@doh.hawaii.gov](mailto:doh.dddcrb@doh.hawaii.gov)**

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**<https://health.hawaii.gov/ddd>**