

**BILLING INSTRUCTIONS FOR WAIVER PROVIDERS**  
**Appendix K and American Rescue Plan Act (ARPA)**  
**Increases to Rates**

RETROACTIVE RATE INCREASES:

DDD will be using funds made available through ARPA to partially implement the rate increases recommended by the [2020 rate study](#), pending the Centers for Medicare and Medicaid Services' (CMS) approval of DDD's Appendix K application. Specifically, rates for most Waiver services will be increased by 50 percent of the difference between the current rate and the rate recommended by the rate study. The rates for those services for which the rate study recommended a reduction will not be implemented at this time.

The rate increases will be retroactive to dates of services on and after July 1, 2021 and ARPA funds will be available to support these increases through June 30, 2023. Extending the rate increases beyond this date will be contingent on available funding.

Providers who bill for services at the increased rates will be required to submit quarterly reports indicating how the increased funding benefited their direct support workers. More information on the quarterly statements will be forthcoming.

Individual Support Budget (ISB) ranges will be adjusted to account for the rate increases, as participants' budgets will increase with the changes in rates. The new ISB ranges and the new rates for all eligible services will be updated in INSPIRE on January 1, 2022.

***\*\*Please note that the increase in participants' budgets is directly related to the increase in rates and do not affect the number of service units currently authorized. Service needs will continue to be assessed and addressed at the participant's Individualized Service Plan meeting(s).***

BILLING INFORMATION:

1. Beginning January 1, 2022, Providers may start billing for services at the new rates. Providers may also amend their previously paid claims to include the rate change. *Important reminder that claims eligible for an adjustment are only for services delivered on or after July 1, 2021.*
  - a. Adjusted claims may be submitted electronically or in hard copy.
  - b. Claims must be submitted within 12 months from the date of service.
  - c. Note: Providers are encouraged to submit claims before March 31, 2022, in order for Hawaii to benefit from the 10% increase. Claims submitted before that date will generate additional funds that can be invested in the DDD system.
2. The *I/DD Waiver Services Schedule of Rates Effective 7/1/2021* (Schedule of Rates December 2021) has been revised to include the new rates for eligible waiver services.

- a. Refer to *Column H*, labeled “*Rate end date 6/30/21*”, for the rate that must be used for services delivered prior to July 1, 2021.
  - b. Refer to *Column I*, labeled “*Rate start date 7/1/21*” for the new rate that may be used for services delivered on or after July 1, 2021.
3. New service authorizations will not be required for Providers to bill at the new rates. There have been no changes to codes or modifiers, however, please note that the new rates will **not** be reflected in Medicaid Online.
  4. There will be changes to codes and modifiers for Residential Habilitation (ResHab) services **only**. Please also note that the service authorization for ResHab will now be based on the type of home where ResHab is delivered (i.e., certified home or licensed home).
    - a. Residential Habilitation (ResHab) for certified homes (i.e., Adult Foster Homes) – a new type of waiver service, *Residential Habilitation, Adult Foster Homes*, with new codes, modifiers, and rates, has been added specifically for ResHab services delivered in Adult Foster Homes (AFHs) (see Schedule of Rates December 2021, rows 46-51).
      - 1) Providers may continue to bill using existing service authorizations for *Residential Habilitation, 3 or fewer beds (codes T2016 and T2033 and respective modifiers U1, U4, and U7)*, however, Providers must refer to the rates listed in *Column I for Residential Habilitation, Adult Foster Homes* (Schedule of Rates December 2021, rows 46-51) for the rates for ResHab delivered in AFHs on or after July 1, 2021.
      - 2) Authorizations for the new type of waiver service, *Residential Habilitation, Adult Foster Homes*, will be rolled in over the course of 1 year. Case managers will be able to select the new service, code and modifier for ResHab delivered in AFHs beginning January 1, 2022 for participant plan years that begin on or after April 1, 2022.
    - b. Residential Habilitation (ResHab) for licensed homes (e.g., DD Domiciliary Home and Adult Residential Care Homes) – a new type of waiver service, *Residential Habilitation, Licensed Homes*, with new codes, modifiers, and rates, has been added specifically for ResHab services delivered in licensed homes such as DD Domiciliary Homes (DD Doms) and Adult Residential Care Homes (ARCHs) (see Schedule of Rates December 2021, rows 52-57).
      - 1) Providers may continue to bill using existing service authorizations for *Residential Habilitation, 3 or fewer beds, 4 beds, or 5 or more beds (codes T2016 and T2033 and respective modifiers U1 through U9)*, however, Providers may refer to the rates listed in *Column I for Residential Habilitation, Licensed Homes*, (Schedule of Rates for December 2021, rows 52-57) for the increased rates for ResHab delivered in licensed homes on or after July 1, 2021
      - 2) Authorizations for the new type of waiver service, *Residential Habilitation, Licensed Homes*, will be rolled in over the course of 1 year. Case managers will be able to select the new service, code and modifier for ResHab delivered in licensed homes beginning January 1, 2022 for participant plan years that begin on or after April 1, 2022.
  5. Reminder that Providers that bill for services at the increased rates must submit a quarterly statement to the DDD. More information and instructions will be forthcoming.

CONSUMER DIRECTED (CD) SERVICES:

Rate increases for CD services are not retroactive. Increased CD rates will be available beginning January 1, 2022. If CD employers choose to increase the wages of their employees based on the new wage range, they must work with Acumen.