#06-25-05

Bulletin

September 14, 2006

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

OF INTEREST TO

- County Directors
- Social Services Supervisors and Staff
- County Public Health Nursing Services
- Administrative Contacts: LTCC, EW and AC programs
- Tribal Directors
- Managed Care Organizations

ACTION/DUE DATE

Implement service agreement changes by October 1, 2006.

EXPIRATION DATE

The policies in this bulletin are effective through September 30, 2007.

DHS Issues Monthly Service Case Mix Caps for the Alternative Care (AC) and Elderly Waiver (EW) Programs

TOPIC

Cost-effectiveness limits for the AC and EW programs including:

- AC/EW monthly individual service caps increase case mix limits,
- MMIS service agreement COLA processing instructions,
- Assisted Living, Adult Foster Care, and Residential Care services limits for EW, and
- AC/EW Consumer-Directed Community Support budgets.

PURPOSE

Notify lead agencies and administrative contacts of individual client monthly service cap changes effective October 1, 2006.

CONTACT

AC policy questions: Denise Kolb at 651 431-2567 or denise.kolb@state.mn.us
EW policy questions: Libby Rossett-Brown at 651 431-2569 or libby.rossett-brown@state.mn.us
Service Agreement questions: Lynn Glockner at 651 431-2572 or lynn.glockner@state.mn.us

LOREN COLMAN
Assistant Commissioner
Continuing Care Administration

I. MONTHLY SERVICE CAPS

The Elderly Waiver (EW) and Alternative Care (AC) service caps for FY07 are shown in Attachment A. Service caps are increased annually based on the greater of the legislated increase in home and community based service rates or the average annual increase in the nursing home payment rate. This year service caps were increased 3.2% reflecting the annual change in average nursing facility payment rates for 10/1/05 to 10/1/06. Use these new limits to determine cost effectiveness of community support plans written on or after Oct 1, 2006.

Elderly Waiver Program

For EW clients who do not participate in a managed care Pre-Paid Medical Assistance Plan (PMAP - now replaced by the Minnesota Senior Care Plus MSC+) or Minnesota Senior Health Option (MSHO), the cost of all state plan home care and EW services including extended medical supplies and equipment, skilled nursing, home health aide, and personal care services paid by Medical Assistance (MA) are included when determining cost effectiveness of EW community support plans.

For managed care clients eligible for and receiving EW services, state plan home care services are delivered and billed through their managed care provider organization. For MSHO program clients enrolled with Blue Plus, South Country Alliance, and Ucare Minnesota* a service agreement is entered into MMIS for the EW and extended services. The state plan services should be listed on the service agreement using x5609 instead of the MA procedure codes and their value should be included in determining the cost effectiveness of the EW community support plan. *See Attachment D to determine which counties of service is contracted with Ucare Minnesota to enter the service agreements into MMIS.

Certain persons receiving EW services may access a higher monthly service cap – called a Conversion Rate. If an EW eligible person is a resident of a certified nursing facility and has lived there for 30 consecutive days or more a request for a higher monthly service cap may be submitted to the Department of Human Services (DHS) for approval. Please see bulletin 06-25-02 *Annual Increase for Maintenance Needs Allowance and Elderly Waiver Conversion Rates* for additional instructions an approval form.

Elderly Waiver recipients living in Corporate AFC homes on November 30, 2004 can qualify for a rate increase under Elderly Waiver equal to the amount of their Group Residential Housing (GRH) Rate 3. A rate exception request must be made to DHS for any persons in this group whose total waiver services costs exceed their case mix cap. Please see bulletin 04-56-09 *Implementation of 2003 Legislative Changes to Group Residential Housing Rates and Wavier Services* for additional instructions and approval form. The request to increase the Elderly Waiver Cap must be submitted at each recertification as long as the person resides in the same residence and the need for the increased EW cap continues. Attachment E is the updated request form to submit to DHS for approval.

II. SERVICE RATE LIMITS FOR EW ASSISTED LIVING PLUS, FOSTER CARE, ASSISTED LIVING and RESIDENTIAL CARE SERVICES

The rate limits for Assisted Living Plus and Foster Care is the person's monthly cap as described above. Additional services which do not duplicate any of the services provided by the Assisted Living Plus or Foster Care service package may be added to the person's community support plan and authorized for payment if the total cost of services does not exceed the person's monthly service cap. However, costs of all authorized services including case management must be included within the person's monthly service cap. The payment made for Assisted Living Plus is individually determined by the person's need for each service in the package, how frequently each service is delivered, and the ability and willingness of the provider to deliver the needed service.

The monthly service rate limit for Assisted Living and Residential Care Services is the non federal share of the greater of the average monthly medical assistance case mix payment for nursing facility care statewide OR within the geographic group where the services are delivered. Additional services, which do not duplicate any of the services provided by the Residential Care or the Assisted Living Service package, may be added to the person's community support plan and authorized for payment if the total cost of the services does not exceed the person's monthly service cap.

III. MMIS COLA PROCESS

MMIS partially adjusted EW and AC service agreement line items affected by the service rate increase include MA home care line items. The conversion was combined with Phase 2 of the HIPAA Conversion to accommodate agencies not having to adjust service agreements twice during the same time frame. Bulletin 06-56-02 *Phase 2 Conversion to National HIPAA Procedure Codes for Home Care, Waiver, AC Programs, and DT &H (including ICF/MR)* addresses the conversion for HIPAA Phase 2 codes.

Because the service caps for Elderly Waiver Assisted Living, Assisted Living Plus, Foster Care, and Residential Care services were not available at the time of the MMIS service agreement conversion on July 21, case managers will now need to determine the rate of the line item for these services that begins October 1 or later. You may increase authorized payment rates up to the new rate limits in accordance with your provider contracts and schedule. In addition, all services must follow the legislative instructions regarding application of increases to compensation of certain staff (Bulletin 06-25-04).

The MMIS conversion affected the service agreements for these services by:

Line items that start before 10/1/06 and end after 10/1/06

Line items that were approved, pending, or suspended which started before 10/1/06 and ended after 10/1/06 were:

- split so the lines end on 9/30/06;

- a new suspended line was added with the Approved Rate and Requested Rate fields left blank beginning 10/1/06;
- units were split between the two lines;
- the new line ended on the date that the previous line ended; these services were manually priced, so "MM" was added to the Source field. Edit 277 (Approved Rate Must be > than 0) will post if the Approved Rate field is left blank .
- reason code 499 was added; and
- edit 380 (Auto Rate Increase Suspended) posted on the old and new line item.

Action Needed: Check and adjust as needed the number of units left on the old and new line items. Add the new rate to the line item as appropriate. Re-approve the new line item. Change the header status back to "A".

Line items that begin 10/1/06 or greater
Approved line items that begin 10/1/06 or greater were changed to a status of suspend. Reason code 499 was added and edit 380 posted.
Action Needed: Change the rate as appropriate. Re-approve the line items. Change the header status to "A".

Line items that end after 9/30/06 with no unpaid units or total dollars left
If the line item's requested units matched the used units or the requested total amount matched the total amount used, the line just ended on 9/30/06.
Action Needed: None, unless the service is continuing beyond 9/30/06. Then, a new line item beginning 10/1/06 must be added with the new rate as appropriate.

Exceeding the Service Cap
It is possible that the rate increases will cause the total amount encumbered to exceed the client's service cap for the entire service agreement period. Edit 672 (Total Authorized Amount is Excessive) will post. The units or total amount on one or more line items must be reduced in order to bring the amount in the Total Authorized Amount field to be equal to or less than the Total Cap Amount field on the ASA1 screen.

The service caps for EW and AC were increased in MMIS in August 2006. If edit 672 does post on a service agreement, the Total Authorized Amount may be increased by entering a LTC screening document using Activity Type 05 and Assessment Result 98 and dates of October 1 or greater. When the screening document is approved and saved, re-edit the service agreement.

Service Agreement Letters
When the new line items are re-approved, a letter to the case manager and all providers on the service agreement will be generated. **Providers must wait until receiving an MMIS service agreement letter with the updated information to bill for October services at the new rate.**

Conversion Report
Report PWMW941A-R2083A (Service Agreement/Procedure Code Rate Increase Report) was placed on Infopac July 26 so county and tribal staff can see which service agreements were

affected. Note: This report will include both the lines that are split for COLA (that were HIPAA Phase 1) and the lines that are split due to HIPAA phase 2. In order to determine if the line has been split due to COLA or HIPAA, refer to the reason code on the line. Reason codes 984-986 are used for HIPAA whereas reason code 499 will display if the line was split due to COLA.

After the automation process, staff may use the above report to review the units that were split between the old and new line items. If there are not enough units to cover the period of the new line item, the provider has billed too many of the authorized units prior to October 1, 2006. You must notify the provider to initiate a replacement claim (credit) against the old line item. However, many waiver and AC plans are made and services authorized on an annual basis. Annual service agreement line items may have been entered by the case manager with the understanding that, to address the needs of the client, particular providers may bill more heavily in one period of the service agreement than another. Case managers may review these situations and make the appropriate line item unit adjustments.

IV. RELATED BULLETINS

04-56-09 Implementation of 2003 Legislative Changes to Group Residential Housing Rates and Waiver Services
06-25-02 Annual Increase for Maintenance Needs Allowance and Elderly Waiver Conversion Rates
06-25-04 Legislative Action Increases Alternative Care and Elderly Waiver program Service Rates

V. ATTACHMENTS

Attachment A – EW and AC Case Mix Cap Limits (includes EW Assisted Living Plus and Foster Care)
Attachment B – EW Assisted Living and Residential Care Services Charts
Attachment C – EW and AC CDCS Budgets
Attachment D – UCare Minnesota Chart
Attachment E – Elderly Waiver Service Cap Increase for Group Residential Housing (GRH)

VI. ALTERNATIVE FORMATS

This information is available in other forms to people with special needs by contacting us at 651 431-2500 or 1-800-882-6262; or through the Minnesota Relay Service at 7-1-1 or 1-800-627-3529 (TDD) or 1-877-627-3848 (speech-to-speech relay service).

ATTACHMENT A

Elderly Waiver Program Monthly Service Caps for 10/1/06 – 09/30/07

Elderly Waiver	
Case Mix	Monthly Cap as of 10/1/06
A	$2,170
B	$2,470
C	$2,897
D	$2,993
E	$3,301
F	$3,401
G	$3,510
H	$3,960
I	$4,064
J	$4,332
K	$5,049

NOTE: The above caps are used to determine the EW Assisted Living Plus and Foster Care monthly rates.

Alternative Care Program Monthly Service Caps for 10/1/06 – 9/30/07

Alternative Care	
Case Mix	Monthly Cap as of 10/1/06
A	$1,627
B	$1,852
C	$2,172
D	$2,245
E	$2,476
F	$2,551
G	$2,633
H	$2,970
I	$3,049
J	$3,250
K	$3,786

ATTACHMENT B

Elderly Waiver Service Rate Limits for Assisted Living (T2030) and Residential Care (T2032) by Case Mix Classification

Case Mix	Statewide EW Monthly Limits	Group 1 Limits for EW Clients	Group 2 Limits for EW Clients	Group 3 Limits for EW Clients
	10/01/06 – 9/30/07	**10/1/06 – 9/30/07**	**10/1/06 – 9/30/07**	**10/1/06 – 9/30/07**
A	$1086	$991	$1017	$1183
B	$1234	$1099	$1133	$1302
C	$1448	$1250	$1311	$1562
D	$1589	$1349	$1381	$1650
E	$1650	$1465	$1491	$1803
F	$1700	$1525	$1525	$1833
G	$1755	$1581	$1621	$1929
H	$1979	$1772	$1806	$2180
I	$2041	$1824	$1874	$2238
J	$2164	$1921	$1973	$2397
K	$2524	$2225	$2248	$2734

NURSING HOME GEOGRAPHIC GROUPS

GROUP 1
Beltrami
Big Stone
Cass
Chippewa
Clearwater
Cottonwood
Crow Wing
Hubbard
Jackson
Kandiyohi
Lac qui Parle
Lake of the Woods
Lincoln
Lyon
Mahnomen
Meeker
Morrison
Murray
Nobles
Pipestone
Redwood
Renville
Rock
Swift
Todd
Wadena
Yellow Medicine

GROUP 2	
Becker	Nicollet
Benton	Norman
Blue Earth	Olmsted
Brown	Ottertail
Chisago	Pennington
Clay	Pine
Dodge	Polk
Douglas	Pope
Faribault	Red Lake
Fillmore	Rice
Freeborn	Roseau
Goodhue	Sherburne
Grant	Sibley
Houston	Stearns
Isanti	Steele
Kanabec	Stevens
Kittson	Traverse
LeSeuer	Wabasha
Marshall	Waseca
Martin	Watonwan
McLeod	Wilkin
Mille Lacs	Winona
Mower	Wright

GROUP 3
Aitkin
Anoka
Carlton
Carver
Cook
Dakota
Hennepin
Itasca
Koochiching
Lake
Ramsey
Scott
St. Louis
Washington

ATTACHMENT C

Elderly Waiver Program CDCS Budgets for 10/1/06 – 9/30/07

Case Mix	CDCS Monthly Amount	Annual Maximum CDCS Service Budget Amount	Required Case Management: 8 units x 23.70 average monthly units	Required Case Management Annual Maximum Amount	Total: CDCS Service Cap + Required Case Management Maximum	Background Check(s) Maximum Payment
A	$730	$8,760	$189.60	$2,275.20	$11,035.20	$25.00/check
B	$1,092	$13,104	$189.60	$2,275.20	$15,379.20	$25.00/check
C	$1,297	$15,564	$189.60	$2,275.20	$17,839.20	$25.00/check
D	$1,411	$16,932	$189.60	$2,275.20	$19.207.20	$25.00/check
E	$1,825	$21,900	$189.60	$2,275.20	$24,175.20	$25.00/check
F	$1,873	$22,476	$189.60	$2,275.20	$24,751.20	$25.00/check
G	$1,888	$22,656	$189.60	$2,275.20	$24,931.20	$25.00/check
H	$2,473	$29,676	$189.60	$2,275.20	$31,951.20	$25.00/check
I	$2,900	$34,800	$189.60	$2,275.20	$37,075.20	$25.00/check
J	$2,970	$35,640	$189.60	$2,275.20	$37,915.20	$25.00/check
K	$3,061	$36,732	$189.60	$2,275.20	$39,007.20	$25.00/check

Alternative Care Program CDCS Budgets for 10/1/06 – 9/30/07

Case Mix	CDCS Monthly Amount	Annual Maximum CDCS Service Budget Amount	Required Case Management: 8 units x $23.70 average monthly units	Required Case Managed Annual Maximum Amount	Total: CDCS Service Cap + Required Case Management Maximum	Background Check(s) Maximum Payment
A	$720	$8,640	$189.60	$2,275.20	$10,915.20	$25.00/check
B	$974	$11,688	$189.60	$2,275.20	$13,963.20	$25.00/check
C	$1,133	$13,596	$189.60	$2,275.20	$15,871.20	$25.00/check
D	$1,294	$15,528	$189.60	$2,275.20	$17,803.20	$25.00/check
E	$1,524	$18,288	$189.60	$2,275.20	$20,563.20	$25.00/check
F	$1,619	$19,428	$189.60	$2,275.20	$21,703.20	$25.00/check
G	$1,713	$20,556	$189.60	$2,275.20	$22,831.20	$25.00/check
H	$2,110	$25,320	$189.60	$2,275.20	$27,595.20	$25.00/check
I	$2,225	$26,700	$189.60	$2,275.20	$28,975.20	$25.00/check
J	$2,339	$28,068	$189.60	$2,275.20	$30,343.20	$25.00/check
K	$2,660	$31,920	$189.60	$2,275.20	$34,195.20	$25.00/check

ATTACHMENT D

UCare Minnesota Care Coordination and Billing

UCare has a split billing model for waiver services. It is driven by the member's care coordinator. If the member has a county care coordinator the service agreement can be entered into MMIS and can bill the State directly. If the coordinator is UCare, Care system (e.g. Evercare, CPGM, UMP etc) or other contracted entity (MVNA) they have to bill UCare directly. The reason there is a split model is because UCare, Care Systems and other contracted entities do not have access to enter in service agreements into the State's MMIS system.

County List	UCare MSHO Participation	Entity Providing Care Coordination Model I Billing process I	Care Coordination Model 2 Billing process II
Aitkin	Y		Clinic Care System, UCare, or other contracted Entity.
Anoka	Y	County	Clinic Care System, UCare, or other contracted Entity.
Becker	N		
Beltrami	N		
Benton	Y	County	
Big Stone	N		
Blue Earth	Y	County	
Brown	N		
Carlton	Y	County -also does CC for non-Allina clinics in Pine County	
Carver	Y		Clinic Care System, UCare, or other contracted Entity.
Cass	Y	County	
Chippewa	N		
Chisago	Y		Clinic Care System, UCare, or other contracted Entity.
Clay	N		
Clearwater	N		
Cook	N		
Cottonwood	Y	County	
Crow Wing	Y	County	
Dakota	Y		Clinic Care System, UCare, or other contracted Entity.
Dodge	Y	County	
Douglas	N		
Fairbault	Y	County	
Fillmore	Y	County	
Freeborn	N		
Goodhue	N		
Grant	N		
Hennepin	Y		Clinic Care System, UCare, or other contracted Entity.
Houston	Y	County	
Hubbard	N		
Isanti	Y		Clinic Care System, UCare, or other contracted Entity.

County List	UCare MSHO Participation	Entity Providing Care Coordination Model I Billing process I	Care Coordination Model 2 Billing process II
Itasca	N		
Jackson	Y	County	
Kanbec	N		
Kandiyohi	Y	County	
Kittson	Y	County	
Koochiching	N		
Lac Qui Parle	Y	County	
Lake	N		
Lake of the Woods	N		
Le Sueur	Y	County	
Lincoln	Y	County	
Lyon	Y	County	
McLeod	N		
Mahnomen	N		
Marshall	Y	County	
Martin	Y	County	
Meeker	N		
Mille Lacs	Y		Clinic Care System, UCare, or other contracted Entity.
Morrison	Y	County	
Mower	Y	County	
Murray	Y	County	
Nicollet	Y	County	
Nobles	Y	County	
Norman	N		
Olmsted	Y	County	
Otter Tail	N		
Pennington	Y	County	
Pine	Y	Split by clinic, Evercare does CC for Allina PCC, County for all other clinics	Split by clinic, Evercare does CC for Allina PCC, County for all other clinics
Pipestone	N		
Polk	Y	County	
Pope	N		
Ramsey	Y		Clinic Care System, UCare, or other contracted Entity.
Red Lake	Y	County	
Redwood	Y	County	
Renville	N		
Rice	Y	Split by clinic, Evercare does CC for Allina PCC, County for all other clinics	Split by clinic, Evercare does CC for Allina PCC, County for all other clinics
Rock	Y	County	
Roseau	Y	County	
St. Louis	Y	Split by clinic, BHS provides CC for all SMDC clinics, County for all other clinics	Split by clinic, BHS provides CC for all SMDC clinics, County for all other clinics
Scott	N		

County List	UCare MSHO Participation	Entity Providing Care Coordination Model I Billing process I	Care Coordination Model 2 Billing process II
Sherburne	Y		Clinic Care System, UCare, or other contracted Entity.
Sibley	N		
Stearns	Y	Split by living arrangement, county provides CC for all community based members, UCare provides CC for all nursing home members	Split by living arrangement, county provides CC for all community based members, UCare provides CC for all nursing home members
Steele	N		
Stevens	N		
Swift	Y	County	
Todd	Y	County	
Traverse	N		
Wabasha	Y	County	
Wadena	Y	County	
Waseca	N		
Washington	Y		Clinic Care System, UCare, or other contracted Entity.
Watonwan	Y	County	
Wilkin	N		
Winona	Y	County	
Wright	Y		Clinic Care System, UCare, or other contracted Entity.
Yellow Medicine	Y	County	

**CC stands for care coordination

**PCC stands for primary care clinic

Model 1, Process 1 billing means that the care coordinator completes the assessment and develops a care plan. The county enters a service agreement in MMIS for EW and extended EW services.

Model 2, Process 2 billing means care coordination is provided by an entity other than the county agency such as Clinic Care System, UCare Clinical Services staff, or other contracted entity. Providers work directly with the care coordination to obtain a service agreement. The provider then bills UCare directly.

Note that the following counties will have process 1 and 2 billing.
Pine – If PCC is Allina the care coordination is done by Evercare. If PCC is any clinic other than Allina, then Carlton County does the care coordination.
Stearns – If the member is community based, Stearns County does the care coordination. If member is in a SNF/NF then UCare does the care coordination.
St. Louis – If the member is assigned to a SMDC clinic then BHS does the care coordination. If the PCC is any clinic other than SMDC then St. Louis County does the care coordination.
Rice - If PCC is Allina the care coordination is done by Evercare. If PCC is any clinic other than Allina, then Rice County does the care coordination.
Anoka – If PCC is Fridley Medical Center, CPMG, or Blaine Medical Center, then care coordination is the clinic care system. If PCC is Allina then care coordination is Evercare. If clinic is Riverway or HealthPartners, then care coordination is Anoka County.

If you have questions regarding who/where to bill UCare MSHO EW services please e-mail *ewquestions@ucare.org*

ATTACHMENT E

ELDERLY WAIVER CONVERSION RATE REQUEST

COUNTY INFORMATION

Contact:	
Address:	
FAX	Telephone:

CLIENT INFORMATION

Recipient:	Date of Birth:
PMI #	Date of Request:
Case Mix	Cost of CarePlan

Nursing facility where client resides:	
(Initial request - Attach the Medical Assistance remittance advice form showing client's NF per diem rate)	
Per diem rate: $_____ X 365 = _____ ÷ 12 =	$_____
Minus current maintenance needs allowance (as of 7/01/05 is $789)	$
Client's monthly cap limit	$

Initial: Approved _____ Denied _____

COLA Increase Approved:_____

Signed: _____ Date _____

Comments:

EW FAX: 651-282-5528
US MAIL ADDRESS: Department of Human Services**,** Aging and Adult Services Division
444 Lafayette Road
St. Paul, MN **GRH**4-56-0955155-3844