WISCONSIN DEPARTMENT of HEALTH SERVICES

# HCBS Minimum Fee Schedule

September 13, 2024

# Topics for Today

- About the minimum fee schedule
- Assumptions
- Tiers
- Timeline
- Details based on provider type
- Next steps

# Opening Remarks

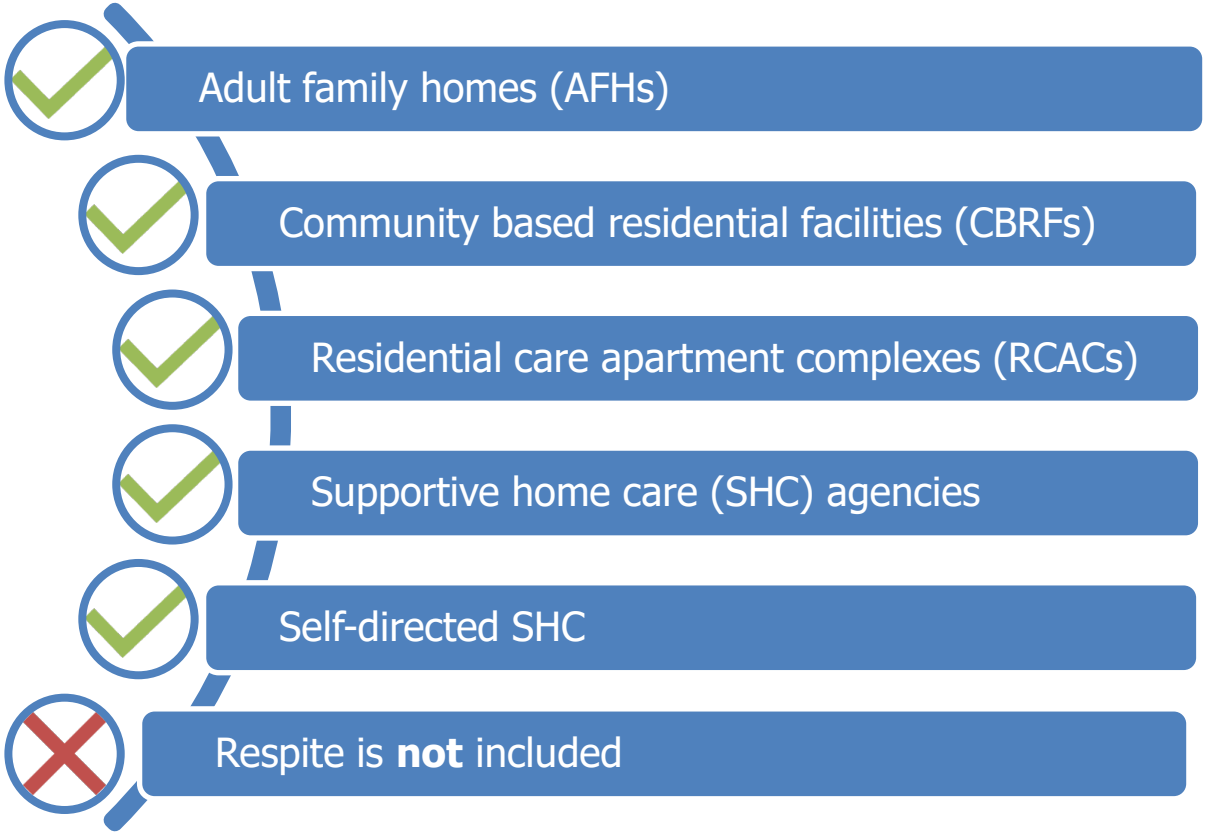
Medicaid Director Bill Hanna

# What is the HCBS Minimum Fee Schedule?

- Establishes minimum rates managed care organizations (MCOs) must pay providers for certain adult long-term care services
- Funded with $258 million already designated for home and community-based services (HCBS)
- MCOs still required to negotiate provider rates above the minimum rates when necessary to meet a member's care needs
- Minimum rates only for care and supervision. Providers would also receive at least the member's obligation for room and board.

Affects the nearly **57,000** older adults and adults with disabilities in Family Care, Family Care Partnership, and the Program of All-Inclusive Care for the Elderly (PACE)

# What services are included?



# Minimum Rate Assumptions

DHS based minimum rates on the following considerations:

- Direct care wages
- Agency and residential facility health insurance
- Agency and residential facility retirement contributions
- Agency and residential facility administrative costs
- Staffing ratios based on facility size
- Self-directed SHC rates are lower than agency rates to reflect that self-directed workers do not have the administrative costs that agencies do

# Tiers for Corporate 1-2 Bed AFHs, 3-4 bed AFHs, and CBRFs

- There are 3 tiers for corporate 1-2 bed AFHs, 3-4 bed AFHs, and CBRFs.
  - RCACs have one rate and do not have tiers.
  - Owner-occupied 1-2 bed AFHs are described in a later slide.
- Tiers are member-specific and based on Long-Term Care Functional Screen (LTCFS) selections.
- Member tiers are automatically calculated using LTCFS selections.
- Members are assigned to the highest tier they qualify for.
- Members only need one need from a tier to qualify for that tier.
- Members that do not have needs listed for tier 2 or 3 are assigned to tier 1.
- Tiers correspond to a minimum rate that a provider must be paid.

# Acuity Tier 3

| |
|---|
| Wandering = 2<br>Wanders at night or day and night |
| Self-Injurious Behaviors = 3<br>Self-injurious behaviors require intensive one-on-one interventions more than 2x each day |
| Offensive or Violent Behavior to Others = 3<br>Offensive/violent behaviors that require intensive one-on-one interventions more than 2x each day |
| Uses Mechanical Lift (not a lift chair) selected for Transferring ADL. |
| Tracheostomy Care selection is any of the following:<br>Independent, 1-3x/Month, Weekly, 2-6/Week, 1-2/Day, 3-4/Day, or 5+/Day |
| Tube Feedings selection is any of the following:<br>Independent, 1-3x/Month, Weekly, 2-6/Week, 1-2/Day, 3-4/Day, or 5+/Day |
| Positioning in Bed or Wheelchair every 2-3 hours selection is any of the following:<br>3-4/Day, or 5+/Day |

# Acuity Tier 2

| |
|---|
| Wandering = 1<br>Daytime wandering but sleeps nights |
| Self-Injurious Behaviors = 2<br>Self-injurious behaviors require interventions 2-6 times per week or 1-2 times per day |
| Offensive or Violent Behavior to Others = 2<br>Offensive or violent behaviors that require interventions 2-6 times per week or 1-2 times per day |
| Dressing = 2<br>Help (supervision, cueing, hands-on assistance) needed- helper MUST be present |
| Toileting = 2<br>Help (supervision, cueing, hands-on assistance) needed- helper MUST be present |
| Transferring = 2<br>Help (supervision, cueing, hands-on assistance) needed- helper MUST be present |
| Ostomy – Related Skilled Services selection is any of the following:<br>Independent, 1-3x/Month, Weekly, 2-6/Week, 1-2/Day, 3-4/Day, or 5+/Day |

# Acuity Tier 1

| |
|---|
| Wandering = 0<br>Does not wander |
| Self-Injurious Behaviors = 0<br>No injurious behaviors demonstrated |
| Self-Injurious Behaviors = 1<br>Some self-injurious behaviors require interventions weekly or less |
| Offensive or Violent Behavior to Others=0<br>No offensive or violent behaviors demonstrated |
| Offensive or Violent Behavior to Others = 1<br>Some offensive or violent behaviors that require interventions weekly or less |

# Tier Examples

- Example 1: A member needs full assistance from caregiver to help them dress. Their functional screen value is Dressing=2. They have no needs from tier 3 and have no other needs from tier 2.

  **Tier Result**: Tier 2 because this is the highest tier that they qualify for and only need one criteria from the tier.

- Example 2: A member needs full assistance with toileting (Toileting = 2), which is a criteria for tier 2. They also need to be mechanically lifted for transfers, which is a criteria for tier 3.

  **Tier Result**: Tier 3 because this is the highest tier that they qualify for.

- Example 3: A member does not have needs listed for tier 2 or 3.

  **Tier Result**: Tier 1 because all members will be assigned a tier and the individual does not qualify for a higher one.

# Residential Rates by Tier

| Provider Type | AFH 1-2 Bed (Corporate -Owned) | AFH 3-4 Bed | CBRF 5-8 Members | CBRF 9+ Members | RCAC |
|---|---|---|---|---|---|
| Tier 1 | $373.80 | $203.50 | $141.35 | $100.75 | $67.41 |
| Tier 2 | $406.36 | $220.79 | $158.65 | $115.07 | |
| Tier 3 | $423.65 | $238.08 | $168.31 | $133.38 | |

# When does this begin?

# Initial Process for Residential

1. MCOs generate tiers.
2. MCOs update contracts with providers.
   - List minimum fee per tier.
   - Specify the needs a member must have for each tier.
   - Providers with rates below the minimum will go up to at least the minimum after October 1, 2024.
   - Providers with rates above the minimum will not see changes.
3. Providers sign the contracts.
4. MCOs update authorizations with the member's tier.

Providers should sign the contracts and return to MCOs as soon as possible

# Ongoing process for residential

- MCOs should check tiers for new or recalculated functional screens.
- If member's acuity tier changes, the MCO has 60 days to implement an updated authorization that reflects the new acuity tier and associated minimum payment rate.
  - Calculated as of the date of the functional screen result that caused a change to the member's acuity tier.
  - Rates can decrease if a member goes down a tier.
  - Effective 30 days after the functional screen that changed the member's acuity tier.

**Reminder**

The Family Care contract requires the functional screen to be completed annually at a minimum.

# Owner-Occupied AFHs

- Owner-occupied 1-2 bed AFHs are not subject to the minimum rate tiers.
- The minimum payment rates for owner-occupied 1-2 bed AFHs are to be no less than the equivalent of the 15-minute MCO-directed SHC minimum payment rate ($6.38), multiplied by the 15-minute units of time needed to provide care and direct active supervision to the member as specified in their plan of care.
- DHS will consider that the equivalent 15-minute units of care and direct active supervision provided to more than one member at a time should be divided by the number of members present.

# Supportive Home Care

- MCOs must pay at least the 15-minute unit SHC minimum rate of $6.38 when services are MCO-directed. MCOs must pay SHC daily or hourly rates that are greater than or equal to what the MCO would pay if it was paying the 15-minute unit SHC minimum rate ($6.38) multiplied by the 15-minute units of care and of time needed to provide care and active supervision to the member as specified in their plan of care.

- SHC minimum rates apply to these medical codes when used for SHC services:
  - 15-Minute Codes: S5120, S5125, S5130, S5135
  - Per Diem Codes: S5121, S5126, S5131, S5136

# Active Supervision

- Intervention by an in-person caregiver needed to maintain the health and safety of the member or others
- Generally used during periods of noncompliance or behavioral outbursts that:
  - Cause risk to the health and safety of the member or others
  - Require the caregiver to take action to re-direct the member to stop unwanted behaviors and return to baseline behaviors
- Verbal cues and companionship are not considered active supervision

# Self-Directed Supports (SDS)

- Members who self-direct SHC services must pay their SHC workers at least $4.08 per 15-minute unless the SHC worker voluntarily opts out
- MCOs must increase SDS budgets so members can pay the 15-minute unit self-directed SHC minimum fee rate and an additional $0.48 of state and federal payroll taxes and workers compensation for all SDS SHC
- MCOs shall pay at least $4.56 per 15-minutes for self-directed SHC for the sum of SHC worker wages, state and federal required payroll taxes, and workers compensation
- SDS SHC workers need to complete a DHS form if they voluntarily opt out
  - dhs.wi.gov/forms/f03303.pdf
  - The MCO and the self-directing member must retain the signed form.

# Next Steps

DHS will post this webinar on the minimum fee schedule page on the ForwardHealth Portal: forwardhealth.wi.gov/WIPortal/cms/page/managedcare/HCBSMinimumFee

MCOs will send out provider contract updates and authorizations in the coming weeks if they have not already.

# Points of Contact

Providers should work directly with the MCOs if they have concerns about how the minimum fee schedule is being implemented.

- Community Care: MinimumFeeSchedules@communitycareinc.org
- Inclusa and iCare: WIMarketMFS@humana.com
- Lakeland: NetworkRelationsSupport@lakelandcareinc.com
- My Choice Wisconsin: Nicole.Pagliaro@molinahealthcare.com

If working with the MCO has not been successful and the MCO is implementing rate reductions or inaccurately implementing the minimum fee schedule, providers can contact DHS at DHSMinimumFee@dhs.wisconsin.gov.