pennsylvania
DEPARTMENT OF HUMAN SERVICES

Preparation for the Upcoming Rate Increases
ODP Announcement 22-007

AUDIENCE:

Agency with Choice (AWC) Financial Management Services (FMS) organizations, Administrative Entities (AEs), Supports Coordination Organizations (SCOs), All Direct Service Providers (Base and Waiver Providers), Other Interested Parties.

Note: This Communication does not apply to Adult Autism Waiver (AAW) Providers

PURPOSE:

Per the final public notice for Fee Schedule Rates and Department-established fees and the AWC FMS Department-established fees rendered through the Consolidated, Community Living (CLW) and Person/Family Directed Support (P/FDS) waivers were published in the Pennsylvania Bulletin.

- The anticipated effective date for the increased Fee Schedule Rates is January 1, 2022; however, the effective date in the Home and Community Services Information System (HCSIS) will be February 15, 2022.

- The anticipated effective date for the Department-established fees for residential ineligible services is July 1, 2022 and HCSIS will reflect the same effective date.

- Both the Fee Schedule Rates and Department-established fees for residential ineligible services will be visible in HCSIS on February 14, 2022.

- On January 6, 2022, the P/FDS cap was increased to $41,000 and the Community Living Waiver cap was increased to $85,000.
- This communication will provide guidance and address Individual Support Plan (ISP) related impacts.

Note: The rate increase will also apply to the Department-established fees under 55 Pa. Code § 4300.115(a) (relating to Department established fees) for base-funded services managed through county programs for individuals with an intellectual disability under the Mental Health and Intellectual Disability Act of 1966 (50 P.S. §§ 4101—4704); 55 Pa. Code Chapter 4300 (relating to county mental health and intellectual disability fiscal manual); and 55 Pa. Code Chapter 6100 (relating to Services for Individuals with an Intellectual Disability or Autism).

DISCUSSION:

ODP Communication **21-095**, issued on December 30, 2021, announced that the proposed public notice for Fee Schedule Rates and Department-established fees were published in the Pennsylvania Bulletin**.**

On January 3 and 4, 2022, ODP communicated, via the AE and SCO listservs, that updated rates for Cost-Based Transportation Trip were loaded onto HCSIS and are visible on Individual Support Plans (ISPs) for the timeframe January 1, 2022 through June 30, 2022.

The new Fee Schedule Rates and Department-established fees are anticipated to be visible on Individual Support Plans (ISPs) in HCSIS on February 14, 2022.

For the most part, services associated with the Fee Schedule Rates should auto-authorize and there should be no need for manual intervention. However, if errors set, see the section of this communication titled "Manual Review Process in HCSIS For a Mass Rate Change", which is found on page 7. Providers are strongly encouraged to review Service

Authorization Notices or the Provider Service Detail report in HCSIS to confirm the new rates were loaded, authorized and that they are billing the increased Fee Schedule Rate before attempting to bill for any services rendered February 15, 2022 and after.

Clean-up Needed for Rates Still Pending from Previous Mass Rate Change

Prior to the rate load, rates that are still in Pending status from previous rate loads will need to be addressed or the new rates will not load. See the section of this communication titled, Manual Review Process in HCSIS For a Mass Rate Change, for guidance.

P/FDS and Community Living Waiver Cap Increases

On January 6, 2022, the P/FDS cap was increased to $41,000 and the Community Living Waiver cap was increased to $85,000. Both cap increases are effective for the entire 2021-2022 fiscal year.

Cap Exclusions: Supports Coordination services will continue to be excluded from the CLW and P/FDS cap calculation and Supports Broker services will continue to be excluded from the P/FDS cap calculation.

Employment Services: For the P/FDS waiver only, Supported Employment and Advanced Supported Employment services will continue to be permitted to exceed the P/FDS cap up to $15,000 to equal a total of $56,000. For example, if the plan budget total for a P/FDS participant is $35,000, up to $21,000 worth of supported and advanced supported employment services are permitted to be added to the ISP. If the ISP contains authorized non-employment services totaling $41,000, the individual may receive authorization for an additional $15,000 worth of Supported Employment and Advanced Supported Employment services in total above the $41,000 cap, which would equal a total of $56,000 of authorized services on the ISP.

P/FDS Cap Exceptions (Existing): Individuals currently approved for a cap exception will continue to be approved and should not experience a cap issue when the new rates are loaded.

Rate Load Causing Cap Limitation to be Exceeded

Although rare, the anticipated rate load may cause the cap to be exceeded for individuals not currently approved for a cap exception. If a cap limitation prevents the new rate from updating, the service will be in a pending authorization status until the plan can be modified or revised or a cap exception is put in place. Plans associated with individuals currently approved for a cap exception should not experience a rate load issue.

For new cap exception requests, please follow the guidance posted on the Pennsylvania Department of Human Service (DHS) webpage. This guidance can be found by using the following hyperlink: **ODP-Waiver Cap Exceptions (pa.gov)**. The existing template on the webpage should be used for any new cap exceptions requests.

Compensation for the Period January 1, 2022 to February 14, 2022

The updated fee schedule rates will not be loaded in ISPs for the period January 1, 2022 through February 14, 2022. Instead, the current rate will remain for that period and ODP will be compensating providers, via gross adjustments, for the difference between the rate billed and the updated fee schedule rate for dates of service rendered during the period January 1, 2022 through February 14, 2022. This is intended to eliminate the provider's effort of voiding and rebilling claims. ODP anticipates processing gross adjustments during the April to May 2022 timeframe to ensure all billing for dates of service January 1, 2022 through February 14, 2022 has been completed. Providers are strongly encouraged to bill in a timely manner to minimize the need for corrections.

Billing for Services – Date Spanning

Providers who date span when billing should avoid doing so if the services rendered overlap into 2/15/2022 to any date afterwards. This will ensure the rate differences between the periods are processed and applied appropriately. Instead of date spanning, separate date spans into discrete claim detail lines or submit a separate claim that reflects a 2/15/2022 or after date of service. Providers should pay close attention to the billed amount they enter on the claim and ensure it reflects the appropriate rate for the appropriate date. PROMIS*e*™ is designed to apply the lowest rate found. In other words, if the lower old rate is used to calculate the billed amount submitted on the claim for a date of service 2/15/2022 or after, PROMIS*e*™ will assign the lower rate versus the new higher rate when approving payment.

Rate Load Impact on ISPs in Draft and Pending Approval Status

Plans in draft or pending approval status will be updated with the new rates for each of the applicable services. If there are any exceptions that set on the draft or pending approval plan resulting from the rate load, these plans will be "locked" and the AEs must resolve the issue using the View Modifications screen found in the Mass Rate Change tab in HCSIS. To minimize any potential issues that may be caused by the rate load, SCOs and AEs should immediately take steps to address plans currently in Draft or Pending status.

Two Service Segments on ISPs for Services with New Rates

Since the new rates will have a begin date of February 15, 2022, two service/rate segments in authorized status will be present on ISPs, assuming no errors set. One service/rate segment will reflect the period July 1, 2021 to February 14, 2022, or the begin date of the service when it was initially authorized on the plan during Fiscal Year (FY) 2021-2022. The second service/rate segment will reflect the period February 15, 2022 to June 30, 2022.

Authorized units on the first service/rate segment, July 1, 2021 - February 14, 2022, will reflect 62.5% of total authorized units for the FY 2021-2022. The second service/rate segment will reflect 37.5% of total authorized units for the remainder of FY 2021-2022. If an individual requires more than 37.5% of the total annual authorized units for the remainder of FY 2021-2022, a revision to the plan will be necessary to move units from the first service segment to the second service segment on the ISP. For the period July 1, 2021 to February 14, 2022, providers should bill normally for any services rendered. Below are different scenarios to demonstrate the split logic behavior that will be applied to the two service segments on ISPs.

Example of Unit Split Logic on Service Segments in HCSIS for the Fee Schedule Rates				
Total Authorized Units for FY 21/22 to Date	**Utilized Units for FY 21/22 to Date**	**1st Rate/Service Segment 7/1/2021 – 2/14/2022**	**2nd Rate/Service Segment 2/15/2022- 6/30/2022**	**Explanation**
1200	0	1200 x .625 = 750	1200 x .375 = 450	
200	0	200 x .625 = 125	200 x .375 = 75	
210	0	210 x .625 = 131.25 = 131	210 x .375 = 78.75 = 79	Units rounded down in first service segment. Units rounded up in second segment.
214	0	214 x .625 = 133.75 = 134	214 x .375 = 80.25 = 80	Units rounded up in first service segment. Units rounded down in second service segment.
200	121	200 x .625 = 125 will be applied to this service segment.	200 x .375 = 75	The 2 service segments will equal the total authorized units for the FY
200	140	Although 200 x .625 = 125, 140 units will be applied to this service segment.	Although 200 x .375 = 75, 60 units will be applied to this service segment	The 2 service segments will equal the total authorized units for the FY
200	200	200	0	Since all units were utilized for the FY, then zero units will be applied to the 2nd segment.

Manual Review Process in HCSIS For a Mass Rate Change

Once the rate change is initiated, if one or more plans are not updated automatically by HCSIS, AEs may review the errors that set the exception and fix the errors accordingly. AEs may view the impacted service contracts, impacted claims, impacted plans, and exceptions, resulting from a mass rate change, via the *View Modifications* screen in HCSIS. All line items with a status of "Updates in Progress" will need to be addressed by the AE before the rate change is finalized. Please note, if a provider's service location has a service that is authorized with more than one AE, the provider's service location could still show "Updates in Progress" until ALL AEs resolve any outstanding errors. Once the error(s) are corrected and the AE submits the changes by pressing the "Updates Completed" button, the updates are reprocessed by the overnight mass rate change batch and will be finalized the next day, unless another error sets.

For information on how to resolve errors and finalize a mass rate change for records with a status of "Updates in Progress", go to the "Mass Rate Change Tool Tip Sheet (AE Users)" resource in the HCSIS Learning Management System (LMS). Begin with step 6. Although this LMS resource was initially created to explain the steps for AEs to address base rate changes, step 6 and forward also applies to the AE's ability in HCSIS to address waiver rate changes.

Preparations for the 2022-2023 FY Renewal Period

When a FY Renewal is created in HCSIS, all current services for the 2021-2022 fiscal year are copied over to the 2022-2023 FY Renewal plan. However, since there were multiple service segments for the same service in the FY 2021-2022 plan and one of the segments had an end-date before the end of that fiscal year, that service segment will not be copied over into the FY Renewal plan. As a result, the begin date, end date and units for the partial service segment will reflect a five-month period on the FY Renewal plan and will need to be adjusted by the SCO to reflect the anticipated needs of the individual for a full fiscal year before submitting for approval. ODP is strongly recommending that SCOs prepare for this in advance of performing FY Renewal activities.