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Date: June 5, 2015

To: LME-MCOs

From: Kathy Nichols, Lead Waiver Program Manager, Contracts Section, DMA, and Mabel

McGlothlen, LME System Performance Team Leader, DMH/DD/SAS

Subject: Intensive In-Home Service Changes as Related to Session Law 2014-100

The purpose of this bulletin is to address questions regarding implementation of Session Law 2014-100 related to Intensive In-Home Services.

Below is the previously published October 2014 Medicaid Bulletin article that provides the new Fee for Service (FFS) rate. As noted in the article, implementation of the 1:12 ratio will go into effect upon CMS approval of the State Plan Amendment (SPA).

Following the reprint is an option for calculating the 1:8 ratio to provide flexibility.

Previously Published in October 2014 Medicaid Bulletin:

Intensive In-Home Service

To comply with Session Law 2014-100, the N.C. Division of Medical Assistance (DMA) is mandated to modify the service definition for Intensive In-home Service (IIH) for the Medicaid Fee-for-Service (FFS) and N.C. Health Choice (NCHC) programs to reflect a **team-to-family ratio of one IIH team to 12** families.

Due to the increased billing capacity for each team, this change in the service definition results in a decrease in the current per diem reimbursement rate of \$258.20. After completing a rate analysis of this policy change and reviewing stakeholder input, a revised rate of \$239.66 has been established.

The required SPA for this change has been posted to DMA's State Plan web page at www.ncdhhs.gov/dma/plan/. If CMS approves the SPA, the new rate and policy change will go into effect on the CMS approval date.

The Local Management Entities – Managed Care Organizations (LME-MCOs) are responsible for the management and reimbursement of behavioral health services for N.C. Medicaid beneficiaries aged 3 and over and have the flexibility to set reimbursement rates.

Option for calculating the 1:8 Ratio:

As stated above, this policy and fee for service rate change will not be in effect until CMS approves the SPA. Pending CMS approval of the SPA, MCOs may implement the option of allowing providers to change the methodology for calculating the 1 team to 8 children ratio.

This change may be accomplished by counting each child who is titrating out of the service as a .5 full time equivalent beneficiary. For every two children who are being titrated off of the service, one new child could be added to IIH team's caseload, i.e., .5 + .5 = 1 new child. When using this recalculation, the ratio must remain at 1:8, but under a mixed case load with some beneficiaries filling a full time slot, and others, who are titrating off, filling a .5 slot. For future audit purposes, providers should be approved by their MCO to implement this option and maintain ongoing documentation of the composition and status of the each team's caseload.

If you have questions, please contact Catharine Goldsmith: <u>Catharine.goldsmith@dhhs.nc.gov</u> or 919-855-4295.

Previous bulletins can be accessed at: http://jtcommunicationbulletins.ncdhhs.gov/

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