

STATE OF ALASKA DEPARTMENT OF HEALTH & SOCIAL SERVICES SENIOR AND DISABILITIES SERVICES POLICY & PROCEDURE MANUAL	SECTION: 3 Waivers	Number: 3-3	Page: 1
	SUBJECT: Requests for Rate Exceptions to Protect Health, Safety or Welfare		
	APPROVED: <i>/s/ Rebecca J. Hilgendorf</i> Rebecca J. Hilgendorf, Director		DATE: 7/21/09

Purpose

To clarify the circumstances for which a provider may request increased reimbursement for services.
 To provide a process for rate exception requests.

Policy

Senior and Disabilities Services (SDS), upon written notice and sufficient justification, will consider a request for an increase in cost per unit of service for providers of residential supported living and residential habilitation services to Home and Community Based Waiver Services recipients. To secure approval of such an increase, the provider must demonstrate that it is necessary to protect the health, safety, or welfare of the recipient

The rate exception requests are processed in two steps. SDS first determines whether the request is justified by recipient health, safety, or welfare considerations, and then forwards a recommendation to the Department of Social and Health Services, Office of Rate Review (ORR) which calculates and assigns a rate when an increase in services has been approved.

Authority

7 AAC §43.1044 Residential supported living services; 7 AAC §43.1046 Residential habilitation services; 7 AAC §43.1058 (r) Reimbursement increase to protect health, safety or welfare.

Definitions

Home and Community Based Waiver Services Program: the Medicaid program which includes the Adults with Physical Disabilities (APD) program, the Children with Complex Medical Conditions (CCMC) program, the People with Developmental Disabilities (DD) program, and the Older Alaskans (OA) program.

Responsibilities

1. The **provider** is responsible for
 - a. requesting and justifying rate exceptions,
 - b. providing additional information to ORR upon request, and
 - c. submitting new requests for continuation of a rate exception.

2. **SDS** is responsible for
 - a. reviewing requests,
 - b. approving increases in services when justified,
 - c. sending request documents and recommendation letters to ORR, and
 - d. authorizing services at the assigned rate when notified by ORR.

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3. **ORR** is responsible for
 - a. reviewing requests and SDS recommendations,
 - b. assigning rates for providers,
 - c. notifying providers and SDS of assigned rates, and
 - d. processing rate reconsideration requests and appeals regarding assigned rates.

Procedures

A. Requests for rate exceptions.

1. The provider submits a request
 - a. when all the following circumstances exist:
 - i. residential supported living services or residential habilitation services are provided to the recipient;
 - ii. an increase in cost per unit of services is necessary to protect the health, safety, or welfare of the recipient; and
 - iii. without the services, the recipient is likely to suffer increased isolation, medical acuity, or immediate hospitalization; and
 - b. only for the following services:
 - i. Family Habilitation,
 - ii. Shared Care,
 - iii. Group Home,
 - iv. Supported Living Services,
 - v. In-home Supports, and
 - vi. Assisted Living.
2. The provider submits to SDS, with the Plan of Care (POC) or POC Amendment, a letter identifying the recipient and describing
 - a. the behavior or medical condition which forms the basis for the request;
 - b. how the behavior/condition impacts the health, safety, or welfare of the recipient;
 - c. the possible consequences to the recipient if services are not increased;
 - d. interventions tried to manage or resolve the behavior/condition;
 - e. how additional funds provided by a rate exception will be used to manage or resolve the behavior/condition; and
 - f. the anticipated costs, detailing type and amount of expenses, of providing additional services.
3. For continuation of a rate exception, the provider submits a new request
 - a. with every POC renewal, or
 - b. with a POC Amendment
 - i. for changes or additions to any residential service, or
 - ii. when a significant change in the condition or circumstances of a recipient alters the justification for the rate exception.

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B. SDS Review

1. Timeframes.

- a. Within 10 business days of receipt, the SDS reviewer evaluates the request and obtains additional information if needed.
- b. Within 3 business days of the evaluation, the SDS program manager forms an ad hoc committee for discussion and analysis of the request.
- c. Within 3 business days following the ad hoc committee discussion, the SDS program manager sends the request letter and recommendation regarding the request to the SDS Operation Integrity Unit (OIU).
- d. Within 1 business day, OIU forwards the request letter and recommendations to ORR.

2. The SDS reviewer determines whether health, safety, or welfare considerations are addressed sufficiently in the request letter and POC/POC Amendment.

- a. If sufficient, the SDS reviewer refers the request letter to the SDS program manager.
- b. If insufficient, the SDS reviewer may
 - i. interview the recipient, recipient representative, and care providers, and/or
 - ii. request additional documentation including, but not limited to:
 - (A) case notes and/or discharge plans,
 - (B) recent evaluations (e.g., functional analysis of behavior, medical/dental summary, or psychological evaluation),
 - (C) 24 hour log and/or 30 day baseline of behavior/condition and needs,
 - (D) behavior/support plans,
 - (E) incident reports involving the recipient,
 - (F) staff training records/summary, and
 - (G) when a rate exception was approved for a prior period, data and progress notes indicating the outcome of the interventions made possible by the increased rate.

3. The SDS program manager, following the initial evaluation by the SDS reviewer, forms an ad hoc committee which consists of the DD/CCMC program manager, the OA/APD program manager, the OIU program manager and the SDS reviewer.

4. The ad hoc committee

- a. evaluates whether the request for rate exception is justified to protect the health, safety, or welfare of the recipient, and
- b. develops a written recommendation.

5. The SDS program manager sends the POC/POC Amendment, the request letter, and the recommendation to OIU for processing and forwarding for rate review.

6. OIU sends the request letter and recommendation to ORR.

C. ORR Review

1. Timeframes.

- a. Within 10 business days of receipt the request letter and recommendations from SDS, ORR
 - i. evaluates the request, and
 - ii. if clarification is required, notifies the provider of the need for additional information.

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- b. Within 15 business days of receipt of all information necessary for a rate decision, ORR
 - i. determines the allowable increase in cost per unit of services;
 - ii. assigns a rate, if an increase in services has been approved; and
 - iii. notifies the provider of the decision to approve or deny the request.
 - c. Within 5 days of approval, ORR adjusts the POC Cost Sheet, and returns it to SDS.
2. Provider notification.
- ORR sends a letter to the provider indicating
- a. the assigned rate or denial of the request,
 - b. the effective date of the assigned rate,
 - c. an explanation of the decision to approve or deny (when necessary, developed in consultation with SDS to ensure appropriate program content), and
 - d. the process for requesting reconsideration of the assigned rate or the denial.
3. ORR processes reconsiderations and appeals of assigned rates and denials with, as necessary, the assistance of the SDS program manager who recommended approval or denial of the request.
- D. Approvals of requests for rate exceptions.
1. The effective date for services at the approved rate is the date the initial request for a rate exception was received and date stamped by SDS.
 2. The rate exception terminates on the following date, whichever comes first,
 - a. the ending date of the current POC year (unless the approved rate is renewed), or
 - b. the date the change in condition or circumstances which justified the rate request is resolved.
 3. SDS prior authorizes services at the approved rate upon receipt of the adjusted POC Cost Sheet from ORR.