

Cathy Cooper

Authorized Signature

Number: SPD-AR-08-061
Issue Date: 9/30/2008

Topic: Long Term Care

Due Date:

Subject: Home Delivered Meals (HDM) November Rate Increase

Applies to (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input checked="" type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> Health Services |
| <input type="checkbox"/> Children, Adults and Families | <input checked="" type="checkbox"/> Seniors and People with Disabilities |
| <input type="checkbox"/> County DD Program Managers | <input type="checkbox"/> Other (please specify): |

Action Required:

1. Local offices should not generate Form SDS595, Authorization and Provider Invoice for Home Delivered Meals on **Tuesday, October 21 and Wednesday, October 22, 2008**.
2. Local offices must generate **October, 2008** Home Delivered Meals authorizations **before October 21st**. October authorizations generated after that date will have the wrong rate.
3. Local offices must not issue **November, 2008** Home Delivered Meals authorizations **until October 24th or after**. November authorizations generated before that date will have the wrong rate.

This rate change will affect some client pay-in calculations. Please follow the procedures below:

1. Re-calculate pay-ins for individuals paying the exact cost of their services who are receiving Home Delivered Meals (HDM).
2. Update the pay-in liability screens with the new pay-in amount. Match the effective dates of the notice and the pay-in change.
3. Send a "Notice of Increase in Service Payment" (form [SDS 540P](#)) to individuals whose pay-in has changed. You may also want to include a copy of the Pay-in Calculation Worksheet.
4. Complete updates and issue notices by October 21, 2008 for changes effective November 1, 2008.

Reason for the Action

The Medicaid paid Home Delivered Meal rate is increasing to **\$ 9.54 per meal, effective November 1, 2008**. This rate increase reflects steep increases in food and transportation costs across Oregon.

Central Office staff must enter the new rate on all HDM providers in the rate table. In order to allow time for this work, local offices are requested to refrain from generating SDS 595 forms on October 21 and October 22, 2008.

Local offices must issue October, 2008 authorizations, Form SDS595 before the rate change. October authorizations generated after October 22nd will have an incorrect rate and result in overpayments to providers.

In addition, **local offices must wait until October 24th or after** to generate forms for November authorizations. Forms generated before this date will be created with the old reimbursement rate and will result in underpayments to providers if processed.

For individuals who pay the exact cost of their services, the client pay-in must be recalculated to adjust for the new Home Delivered Meals rate.

Field/Stakeholder review: Yes No

If yes, reviewed by: Operations, SPD Policy Workgroup

If you have any questions about this action request, contact:

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