

Seniors and People with Disabilities

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Authorized Signature

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Topic: Developmental Disabilities

Subject: Transferring Rates Between Services

Applies to (check all that apply):

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

Message:

This document details the process of transferring funds between and within the County Intergovernmental Agreement for the provision of Developmental Disability Services and its effect on client rates. Specifically, the effect of client rates and:

- I. 2% Vacancy Rates
- II. General Fund Only Services
- III. Provider Rate Increases
- IV. DD Foster Homes (DD 58)

When transferring funds between service elements or contracts the Contract Administration Unit monitors the effect of these transactions on the Legislatively Adopted Budget and compliance with funding rules. This process includes monitoring the removal of funds from the sending contract or service element before awarding the funds to the receiving contract or service element and variation in the way services are funded to ensure a neutral impact on the budget.

I. 2% Vacancy Factor

This is a factor used in the rate determination process for services delineated in "A" below, within the rate tools and can be seen as a separate line item. The 2% Vacancy Factor will continue to be a factor within the budget tools. Effective immediately, the rates transferred between service elements eligible for the Vacancy Factor and not eligible will no longer be adjusted to add or remove the 2% Vacancy Factor awarded through the most current budget tool.

Currently when transferring funds between service elements eligible for the 2% vacancy to a service element that is not eligible for the 2% vacancy factor the Contract Administration Unit decreases the amount to be transferred to remove the 2% vacancy factor. The inverse applies as well; if the Contract Administration Unit receives a request from a non-2% vacancy factor eligible service element to a 2% vacancy factor eligible service element, the Contract Administration Unit increases the funds to be transferred by 2%.

A. Service Elements which include 2% Vacancy Factor in the rate determination process is as follows:

1. Residential Facilities DD 50;
2. Supported Living DD 51;
3. Employment and Community Inclusion Services DD 54;
4. Children's Residential Facilities DD 142; and
5. Proctor Foster DD 143.

B. Service Elements which do not include a 2% Vacancy Factor in the rate determination process is as follows:

1. Crisis Services DD 44;
2. Nursing Facility Specialized Services DD 45;
3. Comprehensive In-Home Support Services for Adults DD 49;
4. Transportation Services DD 53;
5. Rent Subsidies DD 56;
6. Special Projects DD 57;
7. DD Foster Homes DD 58;

8. Family Support Services DD 150; and

9. Room & Board DD 156 (increases based on federal increases).

The Contract Administration Unit will no longer increase or decrease the funds to be transferred based on variations in the rate calculation. The rate awarded to a client for a Medicaid (Title XIX) eligible service will be considered the client's approved budget. The Contract Administration Unit will continue to adjust the rate if the rate moves from a Medicaid eligible service to a non-Medicaid eligible service (a service funded with general funds only and not eligible for Title XIX matching funds.)

When transferring funds, the Contractor should only award the new Client Prior Authorization at the amount necessary to meet the client's needs. If the current rate exceeds the amount required under the new service, and the funds are designated (i.e. Funds were awarded in the current biennial period or previous biennial period through the regional crisis process) the unused portion of the designated award must be removed. Funds that are not designated and exceed the amount of the new Client Prior Authorization are considered Contractor's base funding.

II. General Fund Only Services

The Contract Administration Unit will continue to monitor and automatically adjust the transfer of rates for individuals when the rate is moving from a Medicaid eligible service to a non-Medicaid eligible service.

Requests to transfer funds from a non-Medicaid eligible service to a Medicaid eligible service will be increased as requested as long as the general fund portion of the rate is not increased by the request. The exception to this standard operating procedure is when a client is receiving DD 150 funds and is aging out of the program. In the case of DD 150 clients aging out, these rates will automatically be increased to a total fund rate (general fund and Medicaid matching funds) based on their general fund rate in DD 150. This automatic transfer and increase will be in effect until the Contract Administration Unit has been notified of the client's permanent service and funding level or notification of Brokerage enrollment.

III. Provider Rate Increase

When moving funds to and from a service element eligible for a Provider Rate increase (DD 50, DD 51, DD 54, DD 142, and DD 143) the rate will remain the same, at the currently approved rate. When moving funds between service elements whose rate is derived using different Provider Rate percentages, the rate will remain the same, at the currently approved rate.

IV. DD Foster Homes

If the client is transferring from any service to DD Foster Homes (DD 58) the foster care budget tool must be completed to determine the rate. Contractor's request to add or modify rates for DD 58 should be supported by the foster care budget tool. If the current approved rate is not sufficient to meet the client's funding needs as determined by the foster care budget tool, the Contractor will need to utilize its base funds or request additional funds through the regional crisis process if:

- (a) the situation meets the crisis definition and
- (b) there are no base funds available.

If the exiting rate is greater than what is required under the foster care budget tool and funds are designated (i.e. the funds were awarded in the current biennial period or previous biennial period through the regional crisis process), the unused portion of the designated award must be removed. If the funds are not designated, the funding surplus between the old service and the new DD 58 rate is considered the Contractor's base funding. Counties no longer have an option to authorize an increase to the rate beyond what the DD 58 rate tool generates unless the person is in crisis and has gone through the crisis protocol to obtain an enhancement based on the client's crisis.

If you have any questions about this information, contact:

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