

Cathy Cooper

**Authorized Signature**

**Number: SPD-PT-06-027**

**Issue Date: 06/28/2006**

**Topic: Long Term Care**

**Transmitting (check the box that best applies):**

- New Policy   
  Policy Change   
  Policy Clarification   
  Executive Letter  
 Administrative Rule   
  Manual Update   
  Other: \_\_\_\_\_

**Applies to (check all that apply):**

- All DHS employees                     
  County Mental Health Directors  
 Area Agencies on Aging                     
  Health Services  
 Children, Adults and Families                     
  Seniors and People with Disabilities  
 County DD Program Managers                     
  Other (please specify):

Policy/Rule Title:	Cost of Living HCW Wage and Home Delivered Meals Rate Increases that Effect Client Pay-In		
Policy/Rule Number(s):	OAR 461-160-0610 OAR 461-185-0050 OAR 461-160-0560 OAR 411-040-0000	Release No:	
Effective Date:	07/01/2006	Expiration:	
References:	OAR 411-013-0020 through 411-031-0050, OAR 411-040-0000		
Web Address:	<a href="http://www.dhs.state.or.us/policy/spd/rules/411_031.pdf">http://www.dhs.state.or.us/policy/spd/rules/411_031.pdf</a> <a href="http://www.dhs.state.or.us/policy/spd/rules/411_040.pdf">http://www.dhs.state.or.us/policy/spd/rules/411_040.pdf</a>		

**Discussion/Interpretation:**

In connection with the 2005-2007 Homecare Worker's collective bargaining agreement, Homecare Workers will receive a twenty-five cent per hour wage increase effective July 1, 2006. This includes Homecare Workers, described in OAR 411, division 031, that provide hourly, live-in, Spousal Pay, State Plan Personal Care and Oregon Project Independence services.

This rate increase does not apply to Personal Care Attendants (provider type PA) who

provide services to Developmental Disabilities Services or Health Services clients.

The new hourly rates for Homecare Workers in the Client-Employed Provider Program will be:

Full Assistance ADL Rate \$9.76  
Minimal/Substantial ADL Rate \$9.53  
Self-Management Tasks (Hourly) \$9.53  
Self-Management Tasks (Live-In) \$ 4.05  
24-Hour Availability (Live-in Only) \$ 4.05

The new hourly rate for State Plan Personal Care services provided to seniors and people with physical disabilities will be \$9.76 per hour.

The June 17, 2006 Oregon ACCESS (OA) release will allow different rates for different time periods. This means that the vouchers generated at the end of June will automatically apply the correct rate to the voucher. Case managers do not need to update Homecare Worker rates manually. Information Memorandum (IM) 06-053 describes the changes to OA more thoroughly and the impact on Homecare Worker vouchers.

Hourly rates on the housekeeper payment system (HINQ/HATH) on the mainframe will be also updated centrally.

*CAF Case Managers: Please consider these wage increases when calculating earned income for clients with Homecare wages. Workers must take appropriate action on any increase in earned income for the Food Stamp Program. For other programs administered through Self-Sufficiency offices, take the action required for the specific program.*

### **Home Delivered Meals Cost of Living Increase**

The Home Delivered Meals (HDM) rate is also rising due to a cost of living increase. The increase brings the HDM rate to \$ 6.13.

The new Medicaid rate will be effective in Oregon ACCESS by July 1, 2006. Case managers must still hand calculate the total monthly number of authorized meals multiplied by the new rate and enter this figure on the provider's service summary screen in Oregon ACCESS. See Policy Transmittal 04-020 for more information about manually calculating and entering Home Delivered Meals on OA so the costs are appropriately captured on the Pay-In Calculation Worksheet. After the 6/17/06 OA release, this field name will be changed to "Auth Wages" from "Cost of Services". Once the case manager enters the figure in the "Auth Wages" field, the cost of the home delivered meals will appear correctly on the Pay-In Worksheet, under Other Waivered Services.

*Note: As a reminder, on the provider screen in the Service Summary, the date fields on the bottom left side of the screen show the date that home delivered meal service were authorized under this service plan and when it will end (most often coincides with assessment start and end dates). These fields are NOT to be used for the monthly authorization of meals.*

### **Client Pay-In Cases**

Higher wages and the increase in the HDM rate will increase the client pay-in (liability) for clients who pay in for the exact cost of their care. Some clients only pay the difference between their income and the SSI standard. These clients will not pay any more for the cost of their care.

For all clients who pay in to the Department for the exact cost of their in-home services, send a "Notification of Planned Action" (form SDS 540) to each client informing them that their pay-in will increase. The notice must be sent to the client at least ten calendar days prior to the increase in their pay-in.

The increased wages and the new HDM rate will be reflected on Oregon ACCESS after July 1, 2006, at which time you can issue a new pay-in calculation worksheet to determine your clients' new pay-in amount.

Notices should be sent on or before July 20, 2006 for the increase to become effective on August 1, 2006. In the event that a timely notice was not sent by July 20, 2006, the pay-in increase would become effective on September 1, 2006. See OAR 461-175-0030 for more information about decision notices.

Notices should include:

- The effective date of the pay-in increase
- The applicable Oregon Administrative Rules
- The reason for the increase; and
- The new pay-in amount.

You may also want to include a copy of the Pay-in Calculation Worksheet.

Since there is no drop-down selection for pay-in increase on Oregon ACCESS you will need to select the "reduced" action on the benefits icon - service tab and explain that the action being taken is a pay-in increase.

You must cite Oregon Administrative Rule 461-160-0610 "Client Liability and Spend-Down for Clients in Long-term Care or Receiving Waivered Services." This rule explains that those clients who do not receive SSI, but have countable income under the countable income limit, must apply their adjusted income to the cost of their care or service. If their adjusted income exceeds their cost of care or service, they must pay

the full cost of care.

Please also cite Oregon Administrative Rule 461-185-0050 (1) "Client Pay-in System" which states: "Clients who receive waived in-home services (except clients in the OSIP-IC or OSIPM-IC program) and have countable income above the payment standard for the number in the benefit group must pay to the Division the lesser of the following as a condition of receiving waived in-home services: (a) The difference between their adjusted income and the payment standard for the number in the benefit group; OR (b) The actual cost of the waived service."

OAR 461-160-0560 defines "waived services" and should also be cited in the notice.

For clients who received Home Delivered Meals and who pay the exact cost of their services, also include OAR 411-040-0000(5) "Clients who are required to make a monthly payment under OAR 461-185-0050 in order to remain eligible for Medicaid waiver services must have their home-delivered meal costs calculated in conjunction with their in-home service provider costs."

The SFMU pay-in system will need to be adjusted manually for any increases for those clients who pay in for the cost of their care. Please make sure to enter the new amount on the liability screen. The effective date on the liability screen should match the effective date on the timely notice to the client.

### **Independent Choices (IC) Program Case Records**

The rate increases will result in changes to IC Benefits Calculation. On the SDS 546IC<sup>1</sup>, these changes will affect following fields the:

1. Rate;
2. Authorized Per Month;
3. Amount Authorized;
4. FICA contribution;
5. Federal Unemployment Tax;
6. State Unemployment Tax;
7. Client Pay-In (**may change**); and
8. Net Monthly Benefit<sup>2</sup> (The net benefit amount will increase for persons with excess income.)

Case Managers need to mail a copy of the SDS 546IC that reflects the revised rates to each person receiving IC cash benefits or to their surrogate.

In Oregon Access, case managers should review:

1. "Contacts" Tab: Confirm the surrogate is identified as an authorized representative.
2. In CA/PS: The correct provider name and class combination is, "Independent

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<sup>1</sup> The IC Benefit Calculation form number changed from CA 546IC to SDS 546IC in OA Release V21.20

<sup>2</sup> The Net Monthly Benefit will increase for persons with excess income.

Choices, In-Home Care (CEP); and that the “Live-in rate” authorized in the 546 details is accurate.

Separate Instructions will be sent to local AAA/SPD offices for people who use a contracted home care agency (or “Contracted HK” button).

**Implementation/Transition Instructions:** It is recommended that case managers highly prioritize the re-calculation of costs for clients receiving Independent Choices benefits. These benefits are paid in advance and will need to be edited swiftly. Clients who pay the exact cost of their services should also be prioritized for quick action in order to allow adequate timely notice. Cases without these components may be adjusted when reviewed.

**Training/Communication Plan:** Provide technical assistance as needed.

**Local/Branch Action Required:** Recalculate client pay-in after July 1, 2006 based on HCW wage increases and home delivered meal rate cost of living rate increase. Send notices to those clients who pay in for the exact cost of their care and will have an increased pay-in amount.

**Central Office Action Required:** Homecare Worker wage increases updated on Oregon ACCESS for new records. Update wages on the housekeeper payment system (e.g. HATH/HINQ). Update Home Delivered Meals rate in Oregon ACCESS.

**Field/Stakeholder review:**  Yes  No

**If yes, reviewed by:** SPD Operations Committee, SPD Policy Group  
SPD Provider Payments Unit  
Food Stamp and Independent Choices Program Analysts

**Filing Instructions:**

*If you have any questions about this policy, contact:*

<b>Contact(s):</b>	Mary L. Lang, In -Home Services Program Coordinator Sue Stoner, Independence Choices Program Coordinator Naomi Sacks, Case Management Program Coordinator (including HDM)		
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