

MONTANA DEVELOPMENTAL DISABILITIES PROGRAM MANUAL OF SERVICE REIMBURSEMENT RATES AND PROCEDURES

**Developmental Disabilities Case Management Services For
Persons with Developmental Disabilities Who Are 16 Years
Of Age Or Older or Who Reside in a DD Children's
Community Home.**

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STANDARD RATE FOR REIMBURSEMENT OF CASE MANAGEMENT SERVICES

I. Introduction

This section presents the methodology for the calculation of the standard rate of reimbursement by the Montana Department of Public Health and Human Services(DPHHS), Developmental Disabilities Program(DDP) for the provision of case management services to persons with developmental disabilities 16 years of age or older or who reside in a DD children's group home. DDP provides both state-operated and contracted case management services.

II. Reimbursable Targeted Case Management Services

Medicaid Reimbursable Targeted Case Management Services

Case management services delivered in accordance with the federal authorities governing targeted case management services as an optional service under a Medicaid state plan are reimbursable with Medicaid monies. Montana has implemented targeted case management services for persons with developmental disabilities who are 16 years of age or older or who reside in a DD children's group home. A person with developmental disabilities must be Medicaid eligible before the state may use Medicaid monies to reimburse any of the case management services provided to that person.

Those case management services that are reimbursable with Medicaid monies fall within the following core activities: 1) assessment/evaluation of service needs, 2) development of the care plan to address the service needs, 3) referral and linkage to service providers to address the needs identified in the care plan, and 4) monitoring/follow-up to ensure the needs are being met.

III. Availability of Case Management Services Reimbursement and the Maximum Billable Amount

Reimbursement for case management services is available to a TCM provider for any fifteen minute unit in which a case management service is delivered to the person up to the yearly maximum billable amount. At such time as the Contractor has billed for the maximum units equivalent to the total reimbursement performance of the Contractor, the Contractor, having been fully compensated for the delivery of all case management services during the fiscal year under the rate reimbursement methodology, must continue until the close of the current fiscal year to deliver services to all person(s) being served and to be served by the Contractor in service for case management services.

IV. Methodology for the Calculation of the Case Management Services Fifteen Minute Reimbursement Rate:

The standard Medicaid rate of reimbursement for the provision of case management services was developed and implemented effective July 1, 2013. The manual has been modified to remove specific provider detail; however, the methodology remains the same.

The Montana Developmental Disabilities Program (DDP) has two types of targeted case managers (TCM) for person(s) with developmental disabilities age 16 and over or who reside in a DD children's group home.

Some case managers are employees of the state of Montana, and the cost of providing state plan TCM services by the state employed case managers are charged at actual cost to Medicaid. The methodology below does not apply to state plan case management provided by state employees.

Most TCM providers are private contracted providers, paid on a fee for services basis. The Department uses the following methodology for initially calculating and then periodically re-basing the 15 minute standardized rate for case management services provided to person(s) with developmental disabilities age 16 and over or who reside in a DD children's group home:

A. General Overview:

1. The Montana DDP rate setting follows the rate setting methodology proposed and or recommended by the Center for Medicaid and Medicare Services (CMS).
2. This methodology will be utilized for the initial rate setting calculation and then utilized periodically for re-basing the rate.
3. DDP requires the contracted TCM providers to give DDP their most recent annual TCM costs which DDP uses to develop the Cost Pool.
4. TCM costs incurred by the contracted case management providers are analyzed to determine the weighted average cost per TCM FTE. The cost pool may be increased by an inflation factor.
5. Actual billing experience from the previous fiscal year is used to calculate the expected number of billable 15 minute units per FTE. This calculation includes an adjustment to more heavily weight higher utilization.
6. The weighted average cost pool per TCM FTE is divided by the number of expected billable 15 minute units per FTE to determine the 15 minute rate.

B. Annual Billable Unit Cap at or less than the caseload cap:

If the average caseload per TCM FTE stays at or below the caseload cap, then the maximum compensation to the Contractor for the full year cannot exceed a dollar amount equal to: the expected billable units per year per TCM FTE *TIMES* the number of TCM FTE *TIMES* the 15 minute rate.

C. Annual Billable Cap at caseloads above the caseload cap:

If the average caseload is greater than the caseload cap and a provider delivers units of service in excess of the units included in this billing cap then the additional units are to be compensated at the standard rate per unit.

V. Calculation of Rate Reductions Due to Insufficient Funding

If funding is insufficient to support the above calculated rate, then the rate will be decreased until the rate is at a level that can be funded sufficiently.

VI. Effective July 1, 2015, the case management rate will be \$17.04 per 15 minute unit.