



Greg Gianforte, Governor

Charles T. Brereton, Director

July 11, 2023

[Address Block]

Re: Montana Medicaid 1915(c) Home and Community Based Services Waiver Amendments– Comments accepted through August 11, 2023

Dear:

The Montana Department of Public Health and Human Services (DPHHS) is pleased to invite comment from all Tribal Governments, Urban Indian Organizations, and Indian Health Service (IHS) regarding upcoming Montana Medicaid 1915(c) Home and Community Based Services (HCBS) Waiver Amendments effective November 12, 2023. DPHHS will submit these amendments for Centers for Medicare and Medicaid Services (CMS) approval on August 12, 2023.

Under our agreement, DPHHS provides you notice of all Medicaid State Plan and Waiver changes. To aid your review, we have indicated whether there will be a direct impact on reimbursement or coverage for American Indians/Alaska Natives.

Rate Increase Background

In 2022, DPHHS contracted with Guidehouse to conduct a comprehensive Medicaid provider rate review for three DPHHS divisions: Behavioral Health and Developmental Disabilities, Health Resources, and Senior and Long-Term Care. The review utilized a multitude of data sources, survey data collection and stakeholder feedback.

Guidehouse identified benchmark rates based on the average costs for providers to deliver services. The benchmark rates provided a framework that was used by both the Department and State Legislature in determining provider rate increases. Ultimately, the legislature approved an historic increase in Medicaid provider rates. Funding is being applied across all studied rates using the same methodology. To reduce existing disparities in rates, this methodology increases rates by a percentage of the difference between current and benchmark rates.

The Medicaid 1915(c) Home and Community Based Waiver rate increases are effective November 12, 2023, the day after the approved Public Health Emergency Appendix K ends on November 11, 2023. The Appendix K authorizes the waiver rate increases from July 1, 2023 through November 11, 2023, giving DPHHS enough time to hold the statutory 30-day public notice period before submitting all three of Montana's HCBS waivers:

- Big Sky Home and Community Based Waiver
- Home and Community Based Comprehensive Waiver for Individuals with Developmental Disabilities
- Behavioral Health Severe Disabling Mental Illness HCBS Waiver

The proposed Medicaid waiver rate increases **positively impact** Tribes, Urban Indian Health Organizations, and IHS if they offer any of the services indicated in the chart below that are reimbursed outside of the All-Inclusive Rate or Prospective Payment System rate.

Medicaid Rate Increases included in the Guidehouse Study

As a result of the Guidehouse study and the 2023 Legislative appropriation, the **studied** Medicaid waiver provider types will be amended to receive an average of 17.82% rate increase. The specific rate increase for each service is dependent upon the difference between the current rate and the Guidehouse benchmark rate.

The provider types included in the Guidehouse study are:

Provider Type	Weighted Rate Change (FY 24)
DEVELOPMENTAL DISABILITIES PROGRAM	16.04%
BIG SKY WAIVER HOME & COMMUNITY BASED SERVICES	15.20%
SEVERE DISABILING MENTAL ILLNESS (SDMI) HOME AND COMMUNITY BASED WAIVER	18.01%

Medicaid Rate Increases **Not** Included in the Guidehouse Study

Medicaid waiver services and provider types not included in the Guidehouse study will be amended to receive an approximate 4% rate increase appropriated in the 2023 Montana Legislative Session, **except the following:**

Home and Community Based Comprehensive Waiver for Individuals with Developmental Disabilities:

- Environmental Modifications
- Specialized Medical Equipment and Supplies
- Individual Goods and Services
- Personal Emergency Response System
- Remote Monitoring Equipment
- Remote Monitoring
- Supported Employment-Co-Worker Support
- Level II Behavioral Support Services

Other Medicaid Waiver Changes

In addition to rate increases, the following Medicaid waiver changes are proposed effective November 12, 2023:

Home and Community Based Comprehensive Waiver for Individuals with Developmental Disabilities:

- Update Appendix C.2.d. for accuracy of services that allows “legally responsible individuals” as paid caregivers. These services include Individual Goods and Services, Specialized Medical Equipment and Supplies, and Transportation that were previously approved for this allowance by CMS.

- Update plan of care language and goal structure (i.e., replace quarterly reports with mid-year reviews of the plan of care, or Personal Support Plan; initial plan of care is finalized within 45 days of enrollment with an interim service plan).

The proposed amendment **does not impact** for Tribes, Urban Indian Health Organizations, and IHS.

Electronic Visit Verification (EVV)

Montana will implement an EVV solution for all three HCBS waivers on September 18, 2023. This system replaces paper timesheets with the real-time check-in and check-out process. Additionally, the system will pre-validate Medicaid claims for processing to save providers time and resources.

The proposed EVV implementation **positively impacts** tribal providers and tribal members because it replaces the current manual system for better efficiency.

The current Big Sky Waiver fee schedule can be found at <https://medicaidprovider.mt.gov/28#184572515-fee-schedules--elderly-and-physically-disabled-waiver>. The draft amendment is available for review at <https://dphhs.mt.gov/SLTC/csb>.

The current Comprehensive Waiver fee schedule can be found at <https://medicaidprovider.mt.gov/docs/feeschedules/2022FS/July2022/July2022DDPFeeSchedule07252022.pdf>. The draft amendment is available for review at [Medicaid Waivers \(mt.gov\)](https://dphhs.mt.gov/BHDD/DisabilityServices/developmentaldisabilities/ddpmedicaidwaivers) or <https://dphhs.mt.gov/BHDD/DisabilityServices/developmentaldisabilities/ddpmedicaidwaivers>.

The current Behavioral Health Severe Disabling Mental Illness Waiver fee schedule and draft amendment are available for review at [Severe Disabling Mental Illness SDMI Home and Community Based HCBS Waiver Program \(mt.gov\)](https://dphhs.mt.gov/BHDD/DisabilityServices/developmentaldisabilities/ddpmedicaidwaivers).

The state, upon request, will make available hard copies of the waiver amendments.

DPHHS is committed to an extensive public process. We want to provide you the opportunity to review the proposed actions, understand the concepts, and offer comments. We invite your comments and questions on these SPAs and Waiver Amendments emailed or postmarked **from July 13, 2023, through August 11, 2023**. You may direct comments to Mary Eve Kulawik, Medicaid State Plan Amendment and Waiver Coordinator, at (406) 444-2584 or mkulawik@mt.gov; or Director's Office, PO Box 4210, Helena, MT 59604-4210.

Sincerely,

Mike Randol
Medicaid and Health Services Executive Director/State Medicaid Director

c: Health Director
Misty Kuhl, Director, Governor's Office of Indian Affairs
Stephanie Iron Shooter, American Indian Health Director