APPENDIX F NON-CASE MIXED MEDICAL AND REMEDIAL FACILITIES Established 6/11/90
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1000 INTRODUCTION

1010 Purpose. The purpose of this Appendix is to define the payment mechanism for Title XIX funds in medical and remedial services facilities under Section 97, Chapter II, Private Non-Medical Institution (hereinafter PNMI) Services of the MaineCare Benefits Manual, that are exempt from Appendix C. It shall be the prerogative of the Commissioner of the Department of Health and Human Services to impose a ceiling on all or a portion of reimbursement for PNMIs provided by their Departments. These regulations identify those costs that are covered under this Section and the method of payment.

1020 Authority. The authority of the Maine Department of Health and Human Services to accept and administer funds that may be available from private, local, State, or Federal sources for the provision of services set forth in this Appendix is established in Title 22 of the Maine Revised Statutes Annotated, §3, §10, §42, §3273, §7906-A and 7910. The Department of Health and Human Services issues these regulations pursuant to authority granted by Title 22 of the Maine Revised Statutes Annotated §42(1).

1030 Principle. In order to receive reimbursement according to this Appendix, a facility must be licensed as a residential care facility and have a provider contract specifying the conditions of participation in Title XIX as a Private Non-Medical Institution as described in Section 97, Chapter II of the MaineCare Benefits Manual, except for scattered site facilities for persons with mental retardation, which may be licensed either as a residential care facility or as a mental health provider in accordance with The Mental Health Agency Licensing Standards and Rights of Recipients of Mental Health Services, Regulations for Licensing and Certification of Alcohol and Drug Treatment Services." Determination of resident eligibility is made according to Chapter II, Section 97 of the MaineCare Benefits Manual. Residents who are 18-64 years of age and living in Institutions for Mental Diseases are not eligible under this Appendix. However, the cost of covered services to residents of Institutions for Mental Diseases who are 65 years of age or older can be claimed under this Appendix provided they meet all other requirements for eligibility.

The Department will make payment for any eligible member only if the provider obtains the signature of a physician prescribing covered services prior to the first date of service. The provider must maintain this information as part of the member's record.

The Department will not make payment for residents who are family members of the owner or provider staff providing medical and remedial services.

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1000 INTRODUCTION (cont.)

1040 Scope. Level 1 Residential Care Facilities that provide custodial (e.g. supervision, medication administration, and room and board) services to six or fewer residents and do not provide individualized in-home programming to persons with severe physical or functional disability are not eligible for payment under this Appendix. These facilities are paid on a flat rate basis.

2000 DEFINITIONS

2010 Department as used throughout this Appendix refers to either the Maine Department of Health and Human Services.

2020 Member as used throughout this Appendix refers to an individual who is MaineCare eligible.

2030 Room and Board costs are those costs that are not medical and remedial services as defined in this Appendix, and not allowable costs to Title XIX.

2400 ALLOWABILITY OF COST

2400.1 Salaries and Wages for Direct Service Staff

Allowable costs shall include salaries and wages for direct service staff and services, as defined in Chapter II, Section 97, as listed below:

Registered nurses
Licensed practical nurses
Licensed social workers
Personal care services staff
Other qualified medical and remedial staff
Other qualified mental health staff
Clinical consultant services

All staff must meet qualification requirements specified in Chapter II, Section 97.

It is the responsibility of the PNMI to provide and coordinate all covered services performed by direct care staff listed in this Section to assure that members receive the full range of services necessary to meet members' needs without duplication of services. See MaineCare Benefits Manual (MBM), Chapter II, Section 97, Sections 97.04 and 97.05 regarding covered services and non-duplication of services.

2400.2 A program allowance, expressed as a percentage of the allowable costs, as defined in Chapter III, Section 97, Sections 2400 will be allowed in lieu of indirect and/or PNMI related cost.

2400 ALLOWABILITY OF COST (cont.)

2400.3 Personal care services include salaries, wages, benefits, and consultant fees for laundry, housekeeping, and dietary services.

The personal care services component is determined by inflating the most recent audited costs for these services to the facility's fiscal year ending after July 1, 2002. This becomes the PNMI's facility-specific personal care cap. The personal care cap is deducted from the facility's routine costs as of July 1, 2002. The actual allowable personal care services costs will be settled at audit up to this facility-specific cap.

2400.4 Tax and Benefit Costs

Allowable costs include, in addition to salaries and wages, the taxes and benefit costs described in Chapter III.

2400.5 Staffing Approvals

The Department shall approve staffing based on the services necessary to carry out individualized service plans at an accepted standard of care. In the case of services that were created as a result of a competitive bidding (request for proposal) process, the provider must deliver the services accepted and approved by the Department during that process. The Department will use the description of the PNMI services, and any additional information from onsite review or surveys of the facility, including payroll information, as the basis for reviewing/approving staff.

2400.51 Additional Requirements for Staffing Approvals

Staffing approvals may, at the discretion of the Department, be accompanied by requirements with regard to admission, discharge and service provision, non-discrimination, reasonable accommodation, dispute resolution procedures, quality improvement practices, access to departmental consultants, training, and other areas as may be required to provide members with a person centered service plan.

2400.52 Audit of Approvals

All approvals are subject to audit. Those staffing hours not utilized for the purpose approved by the Department will be disallowed at audit, either in whole or in part.

2400.6 Consultation Services

Consultation services referred to in this Appendix may be considered as part of the allowable per diem cost, with the prior approval of the Department, in accordance with the following:

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2400 ALLOWABILITY OF COST (cont.)

2400.61 Pharmacy Consultants. Pharmacy consultant services are allowable to the extent required by the applicable licensing regulations.

2400.62 R.N. Consultants. R.N. consultant services are allowable to the extent required by the applicable licensing regulations for residential care facilities. If a provider employs an R.N. as part of approved direct care staffing, the provider shall submit written justification when seeking approval for consultant services.

2400.63 Dietary Consultants. Dietary consultant services shall be allowed for the development of therapeutic diets prescribed by a physician and when necessary to monitor and address specific nutritional problems.

2400.64 Procedure for Requesting Approval of Staffing/Consultant Costs Providers must make written requests for staffing approvals to the Department. The request must explain the circumstances that justify the request and the total cost to implement the request, including wages, taxes and benefits; financial information; specifics related to resident needs; operational costs; and other information as requested by the Department.

2400.65 Denials. Requests will not be approved if they are intended to circumvent limitations established by the Department. All approvals are subject to audit and a test of reasonableness and necessity. Those not utilized for the purpose approved by the Department will be disallowed at audit, either in whole or in part.

2400.7 Department Approved Training

Department-approved training is an allowable cost.

2400.8 Medical Supplies

Medical supplies are an allowable cost.

2400.9 Costs Related to Accreditation

If the Department requires a provider to maintain an accredited status with a recognized accreditation organization, then the costs related to accreditation are allowable.

2400.10 Allowable costs will also include the contract fee paid for use of exchange fellows in lieu of direct service staff as defined in the applicable appendix. Contract fees must be prior-approved by Department. The contract fee paid cannot exceed the normal salary plus benefits and taxes for comparable direct service staff within the provider agency.

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2400 ALLOWABILITY OF COST (cont.)

2410 State-Mandated Service Fee

As of July 1, 2004, allowable costs shall include a State-mandated service tax. The State-mandated service tax is a 5% tax on the value of PNMI services.

2450 Program Allowance

A program allowance, expressed as a percentage of the allowable costs in Sections 2400 through 2410 will be allowed in lieu of indirect and/or PNMI related cost. The program allowance, as set forth in Chapter III, Section 97, is a percentage specific to this Appendix and is applicable to all facilities covered under this Appendix. The program allowance will be 35%.

2500 NON-ALLOWABLE COSTS

Non-allowable costs include room and board costs, as well as all costs not approved under this Appendix.

3000 METHOD OF PAYMENT

3010 Per Diem Rates

For services provided on or after July 1, 2001, the MaineCare per diem rates for existing facilities will be adjusted to add the program allowance and any applicable accreditation costs. The Department will base the rates on an occupancy level that is the greater of actual or 90% of licensed capacity for facilities greater than 6 beds, and the greater of actual or 80% for facilities with 6 or fewer beds. Once the per diem rates are established, this becomes the facility's cap. This cap will be adjusted at time of audit on State-mandated service tax expense, as defined in Chapter III, Section 2410. See MBM, Chapter III, Section 97 regarding inflation adjustments.

3020 New Facilities

For new facilities opening after July 1, 2002, total projected allowable costs approved by the Department will be divided by the estimated annual occupancy, which shall not be less than 90% of the actual licensed capacity for facilities more than 6 beds or 80% in facilities of 6 or fewer beds. The program allowance and costs related to accreditation, if applicable, will then be added to calculate the interim MaineCare rate.

3030 Request for Change

Requests for changes in allowable costs may be made no more often than every 6 months, and only for good cause, except in emergency situations. The Department will not grant retroactive rate adjustments.

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3000 METHOD OF PAYMENT (cont.)

3040 Interim Per Diem Rates

Department personnel set interim per diem daily rates as follows:

3040.1 The Office of MaineCare Services sets interim daily rates for medical and remedial service facilities not participating in the case mix payment system, and funded by the Department of Health and Human Services.

3040.2 The Division of Audit sets interim daily rates for medical and remedial service facilities not participating in the case mix payment system.

3050 Intensive Rehabilitation Services for Individuals with Acquired Brain Injury (ABI)

To be covered under this Appendix, and be exempt from the payment method described in Appendix C, the residential care facility must provide individualized intensive rehabilitative services and supports exclusively to persons with acquired brain injury. The facility must possess characteristics, in terms of staffing, philosophy and physical design, which create a unique unit providing rehabilitative and community support services to ABI residents. Approved staffing shall be reasonable and adequate for an efficiently and economically operated facility.

3050.1 Reimbursement for intensive rehabilitation services is subject to the Request for Proposal (RFP) bidding process and the availability of funding. The Department will approve staffing necessary to carry out the services approved in the bidding process.

3050.2 The provider must acquire and maintain CARF accreditation within 2 years of becoming a MaineCare provider of intensive rehabilitation services under this Section. The cost of CARF accreditation is an additional allowable cost, in accordance with this Section.

3060 Facilities for Persons with HIV/AIDS

To be covered under this Appendix, and be exempt from the payment method described in Appendix C, the residential care facility must provide services exclusively to individuals diagnosed with HIV/AIDS. The facility must possess characteristics, both in terms of staffing, philosophy and physical design, which provides residential support to residents. The provider must have established relationships with home health agencies, hospices and other services for support of individuals.

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3000 METHOD OF PAYMENT (cont.)

3070 Facilities for the Blind

To be covered under this Appendix, the residential care facility must provide services exclusively to individuals who are blind and for whom a comprehensive PNMI facilitates and supports each individual's placement and provides opportunities for skills training that would enable residents to move to a less restrictive setting. The facility must possess characteristics, in terms of staffing, philosophy and physical design, which enable residents to achieve optimal functioning.

3080 Facilities for Persons with Severe and Prolonged Mental Illness

3080.1 To be covered under this Appendix, the provider must serve primarily public wards for whom the Department has a legal responsibility or others with similar programmatic needs. The facilities shall only admit residents with a primary diagnosis of severe and prolonged mental illness. Residents may have functional impairments and behavioral issues. Priorities for admission will be determined in collaboration with the Department. Service plans shall be individualized and person centered.

3080.2 Facilities covered under Section 3080 must have a license as a Mental Health Treatment Facility in addition to a residential care facility license.

3090 Facilities for Persons with Mental Retardation

3090.1 To be covered under this Section, the provider must serve persons who have mental retardation or autism.

3090.2 Facilities must have 4 or more beds and have a MaineCare Provider Agreement with the DHHS.

4000 JUSTIFICATION FOR EXEMPTION

Each provider is required to evidence practices and maintain documentation describing the specialized nature of its services that warrants exclusion from Appendix C. In addition, each provider shall follow a written quality assurance and improvement program that will incorporate feedback from residents, guardians and others.

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5000 AUDIT SETTLEMENTS

Effective 5/15/10 Audit settlements will be made based on Principles of Reimbursement, Chapter III and this Appendix.

5010 Reimbursement will be limited to the total actual allowable costs of the facility, not to exceed the maximum prospective rates approved by the Department, including the medical and remedial rate and the personal care services rate.

5020 The lesser of the cost per bed day, or the maximum prospective rate approved by the Department, shall be multiplied by the number of MaineCare eligible days to determine the total MaineCare cost.

5030 Final settlement consists of allowable costs determined through the audit, compared to the interim payments received by the provider.

6000 INFLATION ADJUSTMENT

Except when there is specific statutory direction, the Commissioner of the Department will determine if an inflation adjustment will be made, the amount of that adjustment, and any performance standards related to that adjustment.