DATE: July 29, 2018

TO: Interested Parties

FROM: Michelle Probert, Director, MaineCare Services


The Department of Health and Human Services (“the Department”) finally adopts this major substantive rule to increase the rates of reimbursement for rehabilitative and community support services pursuant to Public Law 2017, ch. 460, An Act Making Certain Appropriations and Allocations and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government (the “Act”).

The Act requires the Department amend its rules for reimbursement rates for rehabilitative and community support services provided under the provisions of 10-144 C.M.R. Ch. 101, MaineCare Benefits Manual, Chapter III of Section 28, Allowances for Rehabilitative and Community Support Services for Children with Cognitive Impairments and Functional Limitations. Specific changes are as follows:

- Part C of the Act directs the Department to amend the rates of reimbursement to providers of Section 28 services to reflect the final rates modeled in the April 24, 2017 report: Rate Study for Behavioral Health and Targeted Case Management Services: Final Proposed Rates for Formal Rulemaking prepared for the Department by Burns & Associates, Inc. Those rate changes were made.

- Part D of the Act directs the Department to increase the rate of reimbursement for all services by two percent. Sec. D-1 and D-2 specifically require the increase in reimbursement be applied to the wages and benefits of employees providing direct services. The two percent rate increase was made to the rates as changed by the Burns study.

- This rulemaking added a new procedure code, for BCBA Services (Proc. Code G9007), pursuant to the Act, which required the Department to “establish new reimbursement rates” in accordance with the 2017 Burns Rate Study.

P.L. 2017, ch. 460, Part C, Sec. C-1 directed that rulemaking authorized by the Sec. C-1 law would be a “major substantive” rule. Sec. C-1 provided for certain rate increases, and rulemaking, for Section 28 services.

Through the Act, the Legislature determined that “these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety.” As such, the Act requires the Department to implement “immediate rate increases,” effective July 1, 2018. However, the Act did not become law until July 9, 2018, following a Legislative override of the Governor’s veto.

Because the Act involves MaineCare reimbursement, these rule changes are also governed by federal Medicaid law. 42 C.F.R. § 447.205(d) requires that public notice of changes in reimbursement for State Plan services must “be published before the proposed effective date of the change.” The Department published its notice of
reimbursement methodology change for the Section 28 rates on July 31, 2018. Upon the advice of the Office of
the Attorney General, the increased rates were effective August 1, 2018; this effective date comports with the
federal law requirement. Pending approval of the proposed changes to the Section 28 State Plan Amendment
that were submitted to the Centers for Medicare and Medicaid Services, the increased rates were implemented
with an August 1, 2018 effective date.

The retroactive application comports with 22 M.R.S. § 42(8), which authorizes the Department to adopt rules
with a retroactive application (where there is no adverse impact on providers or members) for a period not to
exceed eight calendar quarters.

To remedy the difference between the July 1, 2018 effective date set forth in the Act, and the August 1, 2018
date that is permissible pursuant to federal Medicaid law, the Department has recalculated the annual
appropriation of funds for this service into a temporary eleven month rate. As such, providers will, over the
course of eleven months, receive equivalent aggregate payments as would have been received under a twelve
month rate. Beginning on July 1, 2019, rates will be annualized (based upon a twelve month appropriation).
This is not an effective rate decrease, but rather a redistribution of the annual appropriation over twelve
months, rather than eleven months.

In addition to the above, this final adopted rule amends the base rate of policy prior to August 1, 2018 to be
compliant with the increase required via An Act to Increase Payments to MaineCare Providers that are Subject
to Maine’s Service Provider Tax, P.L. 2015, ch. 477 (eff. Apr. 15, 2016). The Department paid claims at
increased rates but did not initiate rulemaking at that time.

The Department previously implemented these same changes through emergency major substantive
rulemaking, effective as of November 8, 2018 to comply with P. L. 2017, ch. 460, An Act Making Certain
Appropriations and Allocations and Changing Certain Provisions of the Law Necessary to the Proper
Operations of State Government. On April 26, 2019 the Department provisionally adopted these rules.
Subsequently, the Department submitted the provisionally adopted rules to the Maine State Legislature for its
review, in accordance with 5 M.R.S. § 8072.

The Maine State Legislature authorized the final adoption of these rules. Resolves 2019, ch. 40, was signed by
Governor Mills on May 30, 2019.

These final adopted rules make the permanent changes to these rules as required by the Legislature. These final
major substantive rules shall become effective thirty days after filing with the Secretary of State’s Office. 5
M.R.S. § 8072(8).

Rules and related rulemaking documents may be reviewed at and printed from MaineCare Services
website at http://www.maine.gov/dhhs/oms/rules/index.shtml or, for a fee, interested parties may request a
paper copy of rules by calling 207-624-4050. For those who are deaf or hard of hearing and have a TTY
machine, the TTY number is 711.

A concise summary of the adopted rule is provided in the Notice of Agency Rulemaking Proposal,
which can be found at http://www.maine.gov/sos/cec/rules/notices.html. This notice also provides
information regarding the rulemaking process.
If you have any questions regarding the policy, please contact Provider Services at 1-866-690-5585 or
TTY users call Maine relay 711.
Notice of Agency Rule-making Adoption

AGENCY: Department of Health and Human Services, Office of MaineCare Services

CHAPTER NUMBER AND TITLE: 10-144 C.M.R., Chapter 101, Section 28, Chapter III, Allowances for Rehabilitative and Community Support Services for Children with Cognitive Impairments and Functional Limitations

MAJOR SUBSTANTIVE FINAL ADOPTION

ADOPTED RULE NUMBER:

CONCISE SUMMARY:

The Department of Health and Human Services (“the Department”) finally adopts this major substantive rule to increase the rates of reimbursement for rehabilitative and community support services pursuant to Public Law 2017, ch. 460, An Act Making Certain Appropriations and Allocations and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government (the “Act”).

The Act requires the Department amend its rules for reimbursement rates for rehabilitative and community support services provided under the provisions of 10-144 C.M.R. Ch. 101, MaineCare Benefits Manual, Chapter III of Section 28, Allowances for Rehabilitative and Community Support Services for Children with Cognitive Impairments and Functional Limitations. Specific changes are as follows:

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• This rulemaking added a new procedure code, for BCBA Services (Proc. Code G9007), pursuant to the Act, which required the Department to “establish new reimbursement rates” in accordance with the 2017 Burns Rate Study.

P.L. 2017, ch. 460, Part C, Sec. C-1 directed that rulemaking authorized by the Sec. C-1 law would be a “major substantive” rule. Sec. C-1 provided for certain rate increases, and rulemaking, for Section 28 services.

Through the Act, the Legislature determined that “these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety.” As such, the Act requires the Department to implement “immediate rate increases,” effective July 1, 2018. However, the Act did not become law until July 9, 2018, following a Legislative override of the Governor’s veto.

Because the Act involves MaineCare reimbursement, these rule changes are also governed by federal Medicaid law. 42 C.F.R. § 447.205(d) requires that public notice of changes in reimbursement for State Plan services must “be published before the proposed effective date of the change.” The Department published its notice of reimbursement methodology change for the Section 28 rates on July 31, 2018. Upon the advice of the Office of the Attorney General, the increased rates were effective August 1, 2018; this effective date comports with the federal law requirement. Pending approval of
the proposed changes to the Section 28 State Plan Amendment that were submitted to the Centers for Medicare and Medicaid Services, the increased rates were implemented with an August 1, 2018 effective date.

The retroactive application comports with 22 M.R.S. § 42(8), which authorizes the Department to adopt rules with a retroactive application (where there is no adverse impact on providers or members) for a period not to exceed eight calendar quarters.

To remedy the difference between the July 1, 2018 effective date set forth in the Act, and the August 1, 2018 date that is permissible pursuant to federal Medicaid law, the Department has recalculated the annual appropriation of funds for this service into a temporary eleven month rate. As such, providers will, over the course of eleven months, receive equivalent aggregate payments as would have been received under a twelve month rate. Beginning on July 1, 2019, rates will be annualized (based upon a twelve month appropriation). This is not an effective rate decrease, but rather a redistribution of the annual appropriation over twelve months, rather than eleven months.

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The Department previously implemented these same changes through emergency major substantive rulemaking, effective as of November 8, 2018 to comply with P. L. 2017, ch. 460, *An Act Making Certain Appropriations and Allocations and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government*. On April 26, 2019 the Department provisionally adopted these rules. Subsequently, the Department submitted the provisionally adopted rules to the Maine State Legislature for its review, in accordance with 5 M.R.S. § 8072.

The Maine State Legislature authorized the final adoption of these rules. Resolves 2019, ch. 40, was signed by Governor Mills on May 30, 2019.

These final adopted rules make the permanent changes to these rules as required by the Legislature. These final major substantive rules shall become effective thirty days after filing with the Secretary of State’s Office. 5 M.R.S. § 8072(8).


**AGENCY CONTACT PERSON:** Dean Bugaj, Comprehensive Health Planner  
**AGENCY NAME:** Division of Policy  
**ADDRESS:** 109 State St.  
11 State House Station  
Augusta, Maine 04333-0011  
**EMAIL:** Dean.Bugaj@maine.gov  
**TELEPHONE:** (207)-624-624-4045  
TTY users call Maine relay 711
### SECTION 28 - ALLOWANCES FOR REHABILITATIVE AND COMMUNITY SUPPORT SERVICES FOR CHILDREN WITH COGNITIVE IMPAIRMENTS AND FUNCTIONAL LIMITATIONS

**MAJOR SUBSTANTIVE RULE**

Established: 04/01/10
Final Adoption: 8/29/2019

<table>
<thead>
<tr>
<th>PROC CODE</th>
<th>MODIFIER</th>
<th>DESCRIPTION</th>
<th>UNIT OF SERVICE</th>
<th>*MAXIMUM ALLOWANCE Through 7/31/18</th>
<th>*MAXIMUM ALLOWANCE 8/1/18-6/30/19</th>
<th>*MAXIMUM ALLOWANCE Effective 7/1/19</th>
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<tr>
<td>H2021</td>
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<td>$6.48</td>
<td>$7.47</td>
<td>$7.38</td>
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<td>SPECIALIZED SERVICES FOR CHILDREN WITH COGNITIVE IMPAIRMENTS AND FUNCTIONAL LIMITATIONS (COMMUNITY BASED WRAP AROUND SERVICES) GROUP- UQ four patients served</td>
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P.L. 2017, ch. 460, Part C, Sec. C-1 directed that rulemaking authorized by the Sec. C-1 law would be “major substantive” rules. Sec. C-1 provided for certain rate increases, and rulemaking, for Section 28 services.

Providers must ensure that the 2% increase in reimbursement rates as required via P.L. 2017, Ch. 460 Part D, effective August 1, 2018 is applied in full to wages and benefits for employees who provide direct services. Providers must document compliance with this requirement in their financial records and provide such documentation to the Department upon request.

*The Department is seeking and anticipates receiving CMS approval for this Section. Pending approval, the Department will reimburse providers under the new increased rate retroactively to 8/1/2018 pursuant to P.L. 2017, ch. 460.

Definition of Modifiers
HQ: group
HI: base service
HK: Specialized Services
UN: two patients served
UP: three patients served
UQ: four patients served