



INTERIM COMMISSIONER
Jon Weizenbaum

September 11, 2009

To: Consumer Directed Services Agencies (CDSAs)

Subject: Information Letter No. 09-128
Consumer Directed Services (CDS) Budget Workbook Revisions to Accommodate
Rate Changes

The purpose of the letter is to provide direction to CDSAs for updating CDS employers' budgets to accommodate the recent rate changes.

The Health and Human Services Commission (HHSC) has adopted new rates effective August 1, 2009 to adjust for federal minimum wage increase for the following services/programs:

Personal Assistance Services - Community Based Alternatives (CBA)
Habilitation - Community Living Assistance and Support Services (CLASS)
Residential Habilitation and Intervener – Deaf Blind with Multiple Disabilities (DBMD)
Respite and Adjunct provided by an attendant - Medically Dependent Children Program (MDCP)
Primary Home Care (PHC)

Rates effective August 1, 2009, can be found in information letter 2009-123 at <http://www.dads.state.tx.us/providers/communications/2009/letters/IL2009-123.pdf>.

In addition, HHSC adopted new rates for physical therapy, occupational therapy and speech, hearing therapy effective September 1, 2009. This increase applies only to the CDS option for CBA and CLASS.

Rates effective September 1, 2009 can be found in information letter 2009-118 at <http://www.dads.state.tx.us/providers/communications/2009/letters/IL2009-118.pdf>.

Specific information about implementation of CDS rate changes in the CARE system for the Home and Community-based (HCS) and TxHmL programs will be forthcoming in a separate letter.

New Service Authorizations

DADS has instructed case managers and service coordinators to adjust the rates for the CDS services with rate increases and authorize that service at the new rate for the remainder of the service plan year. Service plan adjustments will occur through November 30, 2009, the final deadline. The communications sent to case managers for each program with the CDS option are attached to this letter.

Budget Workbook Adjustment for On-going Service Plans

To streamline this process, the CDS employer will not be required to complete a new budget workbook to adjust for the August 1, 2009 rate increase. Once the CDS employer and CDSA receive authorization from the case manager or service coordinator, the employer or CDSA may write in the *authorized* changes on the current budget workbook. On page 2 of the budget workbook, mark through the old rate and write in the new rate and the amount remaining for that service in the current year budget workbook. Both the employer and the CDSA representative must sign a new approval page (page 1). Write "rate increase" on the new approval page.

Please remember to complete a new Form 1730, Wage and Benefits Plan, if there is an increase in an employee's hourly pay or benefits.

2010 Budget Workbooks for Service Plan Renewals and CDS Option Initiation

For service plan renewals and those individuals starting the CDS option after September 1, please use the 2010 budget workbooks, which can be found at: <http://www.dads.state.tx.us/providers/CDS/handbook.html>. The workbooks have been updated with the new approved rates.

If you have additional questions, please contact the CDS Coordinator at (512) 438-4855 or e-mail elizabeth.jones@dads.state.tx.us. If you have additional questions regarding the CDS rates, please contact Sarah Hambrick with HHSC Rate Analysis at sarah.hambrick@hhsc.state.tx.us or (512) 491-1431.

Sincerely,

[signature on file]

Tommy Ford, Director
Community Services

TF:ss

Attachments



INTERIM COMMISSIONER
John Weizenbaum

Memorandum

To: LTSS Regional Directors
LTSS Program Managers

From: Carol Y. Sloan
Section Manager
Regional and Local Services

Subject: Community Based Alternatives (CBA) and Integrated Care Management
Waiver (ICMW) Rate Changes Effective August 1, and September 1, 2009

Date: September 3, 2009 RLS 09 –09 – 004

The Health and Human Services Commission (HHSC) has approved rate changes effective August 1, and September 1, 2009, for Community Based Alternatives (CBA) and Integrated Care Management Waiver (ICMW). Rate charts are attached. One chart shows the rates effective August 1. The other charts, which also include rate changes that were effective August 1, 2009, contain the remaining rates effective September 1, 2009. The new rates will be available on the HHSC Rate Analysis website: <http://www.hhsc.state.tx.us/medicaid/programs/rad/LtcSvs.html>.

Effective August 1, new rates were approved for Personal Assistance Services (PAS), Assisted Living/Residential Care (AL/RC), AL/RC Out-of-Home Respite, Personal Care III, Consumer Directed Services (CDS) PAS, and CDS Out-of-Home Respite - AL/RC settings. The rates effective August 1 for these services remain in effect September 1, except for the Personal Care III rate.

The approved Personal Care III rate effective August 1 is \$69.82, but the rate change has not been approved for September. Rate analysis has proposed the August Personal Care III rate be approved retroactively for September 1, but commissioner approval is still pending. Currently, the approved Personal Care III rate for September 1 is \$66.31. Case managers must use the approved rates.

Effective September 1, new rates were approved for both CDS and non-CDS Physical Therapy, Occupational Therapy, and Speech Therapy.

Case managers must conduct a desk review of all CDS consumers and process an Individual Service Plan (ISP) change in the Service Authorization System (SAS) within

30 calendar days of when the rates are programmed in SAS and before processing a CDS change in the CBA wizard. Staff will be notified when the new rates are available in SAS. Form 3671-1, Individual Service Plan, and Form 2065-B, Notification of Waiver Services, must be sent to the CDS consumer and CDS agency (CDSA) so the CDS consumer and CDSA can develop new budgets.

Case managers must update the new rates for non-CDS consumers at the next ISP change, unless the ISP is close to the cost limit or the Home and Community Support Services (HCSS) provider requests the rates be updated before the first ISP change is completed.

Refer to Case Manager Community Based Alternatives (CM CBA) Handbook Item 2410, Rates and Service Authorization System (SAS), for details on how to implement the new rates.

Case managers are reminded the CBA SAS wizard automatically inserts the new rate in the appropriate SAS screens for actions involving new CBA applicants and new CBA services added to ongoing individual service plans (ISP) during the ISP year and at annual renewal of the ISP. The CBA SAS wizard does not automatically insert the new rates in SAS wizard screens for any service that is already authorized in the current ISP year.

If you have any questions regarding this memorandum, please have your regional representative contact Linda King at (903) 655-6248.

CYS:lao



INTERIM COMMISSIONER
John Weizenbaum

Memorandum

To: LTSS Regional Directors
LTSS Program Managers

From: Carol Y. Sloan
Section Manager
Regional and Local Services

Subject: Community Care for Aged and Disabled (CCAD) Rate Changes Affecting
Consumer Directed Services

Date: September 2, 2009 RLS 09 –09 – 002

The Health and Human Services Commission (HHSC) approved rate changes based on the increase in the Federal minimum wage, effective August 1, 2009. The new rates issued in August 2009 are available on the HHCS Rate Analysis website:
<http://www.hhsc.state.tx.us/medicaid/programs/rad/LtcSvs.html>.

The new rates will be programmed in the Service Authorization System (SAS). No case manager action is required for CCAD cases except for consumers receiving personal attendant services (PAS) through the Consumer Directed Services (CDS) option.

Consumer Directed Services

For CDS consumers, case managers must re-calculate the annual service plan (ASP) beginning with August 1, 2009 through the remainder of the plan year. Rates for PAS with the CDS delivery option have changed as follows:

Consumer Type	Unit Type	Old Rate	Effective 08-01-09
Non-priority	hour	\$8.81	\$9.61
Priority	hour	\$9.87	\$10.67

Case managers must complete the re-calculations on all CDS cases by September 30, 2009 so the CDS consumer and CDSA can develop a new budget for the remainder of the ASP.

Community Care for Aged and Disabled (CCAD) Rate Changes Affecting Consumer Directed Services

Date

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Please refer to Item 6333.3.2, Rate Change, in the *Case Manager Community Care for Aged and Disabled Handbook* for examples showing the procedures for processing rate changes. The revised ASP must be processed through SAS Wizards and the CDS consumer and Consumer Directed Service Agency (CDSA) notified of the change. The consumer is notified by Form 2065-A, Notification of Community Care Services, and the CDSA is notified by Form 2101, Authorization for Community Care Services.

If you have any questions regarding this memorandum, please have your regional representative contact Duanne Whitehead at (512) 438-4913.

CYS:lao