

Janemarie Sowers  
 Senate Finance Committee  
 Interested Party Testimony, HB 33  
 May 25, 2023

Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, Members of the Senate Finance Committee thank you for the opportunity to provide Interested Party testimony on HB 33.

My name is Janemarie Sowers and attached is a picture of my daughter, Kendra. As you can see, she is on a ventilator and has significant disabilities that limit all aspects of her life. She is dependent on others for all aspects of daily living. Kendra lives at home with me. Living at home, in the community, surrounded by her family and friends is what she deserves as a human being. It is the least restrictive environment and the most cost effective as it is 1/6 the cost of institutionalization.

Kendra is on the Ohio Home Care Waiver Program (OHCW) which is supposed to provide her with medically necessary services and supports including 112 hours of skilled nursing care per week. The Ohio Home Care Waiver Program looks amazing on paper. In reality, it sucks and good luck getting services and supports.

Currently Kendra receives 42.75 hours a week of skilled nursing care from a paid provider. The rest falls on me. Medicaid does not pay me to care for my daughter. We have a Nursing Crisis! Today, there is a fraction of the nurses enrolled as Medicaid Independent Providers as there were in 2007 when my daughter was placed on OHCW Program. One of the main problems for the shortage of nurses in Medicaid programs is the ridiculously low reimbursement rate for Private Duty Nursing (PDN). The charts show Ohio Medicaid's current Private Duty Nursing reimbursement rate, surrounding state's reimbursement rates, and the rate we (Ohio Nursing Crisis Advocacy Committee) are requesting Ohio increase the PDN reimbursement rate too. This increase will allow for retention of current nurses, the recruitment of additional nurses, and the recruitment of ICU level care nurses that my daughter and others like her require.

TABLE IS STATES THAT REIMBURSE \$/15 MINUTES

STATE	IP RN	IP LPN	AGENCY RN		AGENCY LPN	
OHIO CURRENT	\$7.46	\$6.24	\$9.25		\$7.82	
MICHIGAN	\$13.18	\$11.21	\$14.46		\$12.29	
WEST VIRGINIA	*	*	\$11.02		\$11.02	
PENNSYLVANIA	**	**	\$19.07	\$24.12 E	\$13.77	\$17.28 E
NORTH CAROLINA	\$11.25	\$11.25	\$11.25		\$11.25	
KENTUCKY	\$9.00	\$9.00	\$9.00		\$ 9.00	

\* Does not at allow Independent Providers for PDN

\*\*Unknow if allowed

E Enhanced payment

TABLE IS STATES THAT REIMBURSE \$/HOUR

STATE	IP RN	IP LPN	AGENCY RN	AGENCY LPN
INDIANA	**	**	\$48.97	\$34.78

\*\*Unknown if allowed

OHIO REQUESTED	IP RN	IP LPN	AGENCY RN	AGENCY LPN
\$/15 MIN	\$11.50	\$9.63	\$13.00	\$11.50
\$/HR	\$46.00	\$38.52	\$52.00	\$46.00

As you can see Ohio reimburses substantially less than surrounding states. Director Corcoran said in her testimony that the feedback they (Medicaid) are receiving from all their Stakeholders is a need for a 30% - 50% increase in reimbursement and that she cannot ask you for that. But I can. I'm asking you to increase funding to Medicaid so Medicaid can increase reimbursement rates for Private Duty Nursing (PDN) to the requested amount. Our nurses deserve a significant rate increase! Not the chump change they have had tossed at them over the last 12 years. I've done the math, Senators. For example, PDN IP LPNs received a Base Rate (1<sup>st</sup> hour) cut of \$10.11 on July 01, 2015 and a Unit Rate (4units = 1 hour) cut of \$0.12. Currently, those providers are NEGATIVE \$6.53 on the Base Rate and positive \$0.55 on the Unit Rate since October 1, 2011. 12 years and all these Nurses have received is a \$2.20 increase per hour and a Base Rate cut of \$6.53. That doesn't even keep up with C.O.L.A.!!!

THE MATH: PDN IP LPN

TIME FRAME	BASE RATE (1 <sup>ST</sup> HOUR)	UNIT RATE (4 UNITS=1 HR)
10-01-2011 to 06-30-2015	\$41.76	\$5.69
07-01-2015 to 12-31-2016	\$31.65	\$5.57
	PAY CUT \$10.11	PAY CUT \$0.12
07-01-2015 to 12-31-2016	\$31.65	\$5.57
01-01-2017 to 10-31-2021	\$33.20	\$5.88
	Increase \$ 1.55	Increase \$0.31
01-01-2017 to 10-31-2021	\$33.20	\$5.88
11-01-2021 to current	\$35.23	\$6.24
	Increase \$2.03	Increase \$0.36
Overall		
10-01-2011 to 06-30-2015	\$41.76	\$5.69
11-01-2021 to current	\$35.23	\$6.24
	-\$6.53	+\$0.55

THE MATH: PDN IP RN

TIME FRAME	BASE RATE (1 <sup>ST</sup> HOUR)	UNIT RATE (4 UNITS=1 HR)
10-01-2011 to 06-30-2015	\$41.76	\$5.69
07-01-2015 to 12-31-2016	\$38.60	\$6.96
	PAY CUT \$3.16	Increase \$1.27
07-01-2015 to 12-31-2016	\$38.60	\$6.96
01-01-2017 to 10-31-2021	\$38.95	\$7.03
	Increase \$ 0.35	Increase \$0.07

01-01-2017 to 10-31-2021	\$38.95	\$7.03
11-01-2021 to current	\$41.33	\$7.46
Increase	\$3.38	Increase \$0.43
Overall		
10-01-2011 to 06-30-2015	\$41.76	\$5.69
11-01-2021 to current	\$41.33	\$7.46
	-\$0.43	+\$1.77
\$0.43 LESS in 2023 than in October 2011	Only \$1.77 increase over 12 years!	

Would you stick around if your job paid you like this?! Huge pay cuts, waiting years for pay increase, then that increase only being pocket change. No, you wouldn't. You'd be walking out the door. That's where we are at. That's what we are hearing from Nursing providers. Nurses are ready to walk if they do not receive a substantial pay rate increase. It's not all about the money. Nurses don't want to leave, but they have bills to pay also. If they can't get paid what they are worth as a Medicaid provider, doing what they love, then they will leave. If that happens, Medicaid will have programs with thousands of enrollees requiring PDN services and NO Nurses! Then what? No services, no supports, no providers leaves me, a single parent left to provide 24/7 ICU level care to my ventilator dependent daughter who has a hypoxic brain injury, seizures, autonomic system disorder, Cerebral Palsy, seizures, hypertension, Liddle's Syndrome, G-tube, osteopenia, sporadic super ventricular tachycardia. When I am the only one caring for her how am I supposed to get groceries and household items, pick up her prescriptions, attend my doctor appointments and physical therapy, mow the grass, take a shower, or sleep? At the requested rates listed above it would cost Ohio Medicaid between \$616.32 - \$832.00 per day for her authorized 16 hours a day of PDN services. That's a hell of a lot cheaper than what the hospital charges. Since my daughter is on a ventilator, when she is admitted to Dayton Children's she can only go to the ICU or the TCU. Most of the time the Trach unit is full holding kids that can not go home because they have no home nursing and the family is new to this life. So my daughter ends up in the ICU at a cost of \$39,142.86 to the Ohio Dept of Medicaid. If by chance there is room for her in the TCI that cost the Ohio Dept. Of Medicaid \$15,285.71 a day. Which one do you want to pay for? Private Duty Nursing in the home or the hospital bill? You all love to talk "cost containment" with Medicaid well here is your chance to contain Medicaid cost. Give Medicaid the funding to increase PDN rates to the requested amount so we can recruit Nurses and get and keep our kids home instead of paying tens of thousands of dollars for our kids to sit in the hospital because Medicaid does not have enough nursing providers. The requested amounts increase IP Nursing rates by 54%, agency RN rates by 41%, and agency LPN by 47%.

DoDD is asking for \$20 per hour for DSP's which is a 46% increase. Let me remind you Nurses are NOT DSP's. Medicaid providers have increased cost imposed on them by HB 110 which enacted a \$250 application fee to the Ohio Dept. Of Health, Licensing and certification requirements, and a surety bond requirement. DoDD providers were carved out of all of these requirements. Below is DoDD's payment breakdown chart. The of \$13.76 is what they want to increase to \$20 per hour. Medicaid Providers do NOT get any of these add ons.

<b>2022 Breakdown of the DODD "Statewide Average" IP Hourly Rate of: <u>\$21.45</u> (rounded)</b>	
• <b>Base Rate =</b>	<b><u>\$ 13.76</u></b>
• <b>Employee Related Expenses =</b>	<b><u>\$ 4.40</u></b> (Payroll taxes, Workers' Compensation, Health care, retirement, and *paid time off for direct care support)
• <b>Productivity =</b>	<b><u>\$1.88</u></b> (ISP & Staff meetings, Travel time, etc.)
• <b>Administration/Training =</b>	<b><u>\$ 1.40</u></b>
• <b>Potential Hourly Add-ons =</b>	
✓ <b>Complex Care =</b>	<b><u>\$2.52</u></b> ; <b>Behavior =</b>
	<b><u>\$2.52</u></b> ; <b>Medical Assistance =</b>
	<b><u>\$0.48</u></b> (Note: You can combine Complex Care & Medical Assistance for \$3.00 p/h <b>OR</b> Behavior & Medical Assistance for \$3.00 p/h but you cannot combine Complex Care & Behavior.)
✓ <b>Competency/Longevity =</b>	<b><u>\$1.56</u></b>
• <b>"Statewide Average" Hourly Rate with Overtime =</b>	
<b><u>\$13.76 + \$6.88 + 4.40 + \$1.88</u></b>	
<b><u>+ \$1.40 = \$31.32</u></b>	
* paid time off: Per the Ohio General Assembly December 9, 2015, IPs are not State employees. As such, the State does not recognize this as a "true" benefit.	

I am asking you to show the disabled community that you care about them. Invest in Nurses and services and supports for Medicaid and Medicaid HCBS. Increase Medicaid's funding so the Private Duty Nursing Reimbursement Rates can be increased to the requested rate.

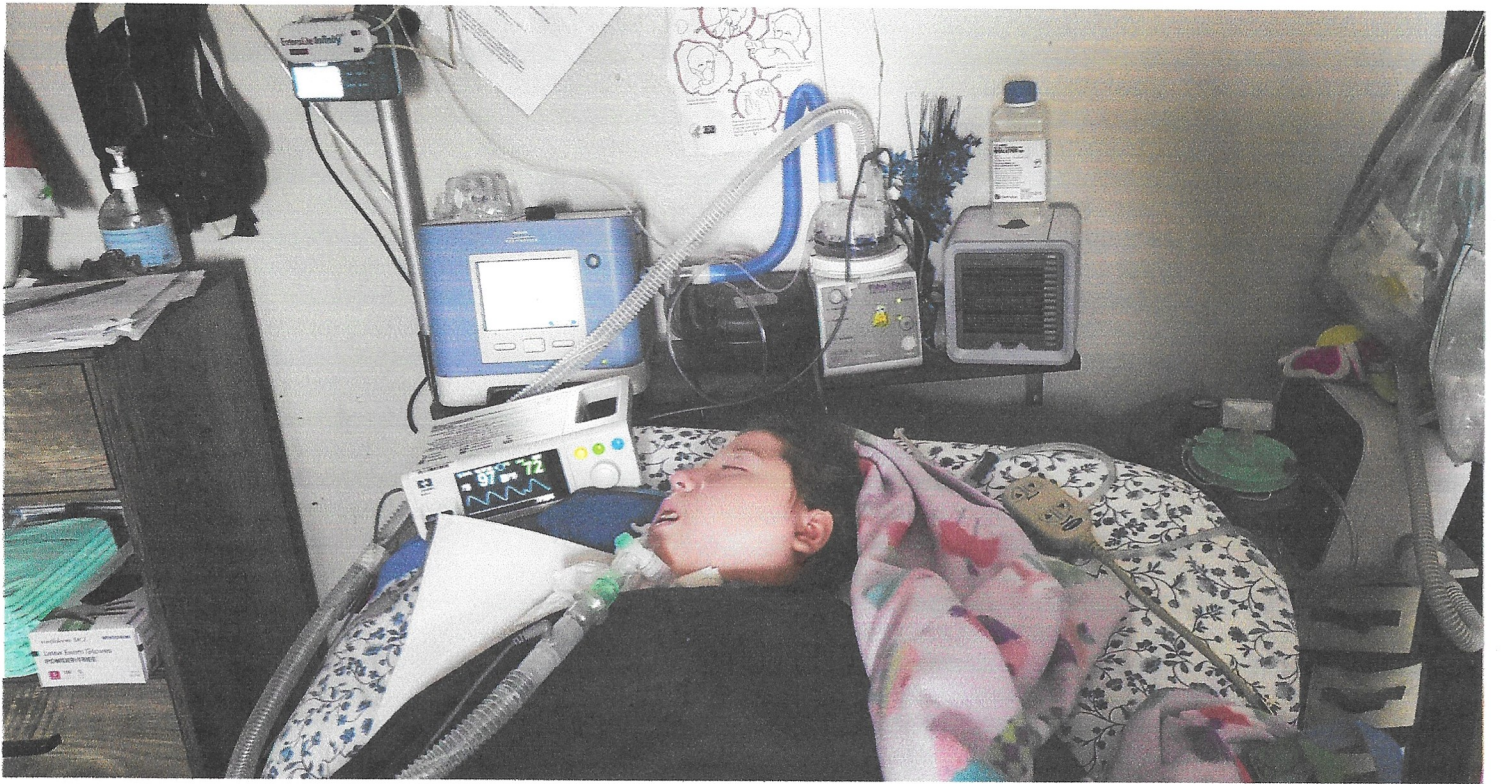
Thank you for your time and attention,



Janemarie Sowers

**APPENDIX DOCUMENTS:**

- Picture of Kendra Sowers
- OAC 51-60-12-06 Appendix A
- Michigan PDN Pay Rate Document
- Pennsylvania PDN Rate Document
- North Carolina PDN Rate Document
- Kentucky PDN Rate Document
- West Virginia PDN Rate Document
- Indiana PDN Rate Document



## Appendix A

ODM codes and billing rates for private duty nursing service(s) provided on and after November 1, 2021.

Code	Description	Base Rate	Unit Rate
T1000	Private Duty Nursing, Agency Registered Nurse (RN) Provider	\$50.29	\$9.25
T1000	Private Duty Nursing, Non-Agency Registered Nurse (RN) Provider	\$41.33	\$7.46
T1000	Private Duty Nursing, each 15 minutes Agency Licensed Practical Nurse (LPN) Provider	\$43.13	\$7.82
T1000	Private Duty Nursing, Non-Agency Licensed Practical Nurse (LPN) Provider	\$35.23	\$6.24
T1000	Private Duty Nursing, Non-Agency Registered Nurse (RN) Provider - Overtime	\$53.92	\$10.62
T1000	Private Duty Nursing, Non-Agency Licensed Practical Nurse (LPN) Provider - Overtime	\$45.62	\$8.84

ODM codes and billing rates for private duty nursing service(s) provided on and after January 1, 2017 through October 31, 2021.

Code	Description	Base Rate	Unit Rate
T1000	Private Duty Nursing, Agency Registered Nurse (RN) Provider	\$47.40	\$8.72
T1000	Private Duty Nursing, Non-Agency Registered Nurse (RN) Provider	\$38.95	\$7.03
T1000	Private Duty Nursing, each 15 minutes Agency Licensed Practical Nurse (LPN) Provider	\$40.65	\$7.37
T1000	Private Duty Nursing, Non-Agency Licensed Practical Nurse (LPN) Provider	\$33.20	\$5.88
T1000	Private Duty Nursing, Non-Agency Registered Nurse (RN) Provider - Overtime	\$50.82	\$10.01
T1000	Private Duty Nursing, Non-Agency Licensed Practical Nurse (LPN) Provider - Overtime	\$43.00	\$8.33

1 unit = 15 minutes

## Appendix A

ODM codes and billing rates for private duty nursing service(s) provided on and after January 1, 2017.

Code	Description	Base Rate	Unit Rate
<b>T1000</b>	Private Duty Nursing, Agency Registered Nurse (RN) Provider	\$47.40	\$8.72
<b>T1000</b>	Private Duty Nursing, Non-Agency Registered Nurse (RN) Provider	\$38.95	\$7.03
<b>T1000</b>	Private Duty Nursing, each 15 minutes Agency Licensed Practical Nurse (LPN) Provider	\$40.65	\$7.37
<b>T1000</b>	Private Duty Nursing, Non-Agency Licensed Practical Nurse (LPN) Provider	\$33.20	\$5.88
<b>T1000</b>	Private Duty Nursing, Non-Agency Registered Nurse (RN) Provider –Overtime	\$50.82	\$10.01
<b>T1000</b>	Private Duty Nursing, Non-Agency Licensed Practical Nurse (LPN) Provider – Overtime	\$43.00	\$8.33

ODM codes and billing rates for private duty nursing service(s) provided on and after July 1, 2015 to December 31, 2016.

Code	Description	Base Rate	Unit Rate
<b>T1000-TD</b>	Private Duty Nursing, each 15 minutes Agency Registered Nurse (RN) Provider	\$45.40	\$8.32
<b>T1000-TD</b>	Private Duty Nursing, each 15 minutes Non-Agency Registered Nurse (RN) Provider	\$38.60	\$6.96
<b>T1000-TE</b>	Private Duty Nursing, each 15 minutes Agency Licensed Practical Nurse (LPN) Provider	\$37.90	\$6.82
<b>T1000-TE</b>	Private Duty Nursing, each 15 minutes Non-Agency Licensed Practical Nurse (LPN) Provider	\$31.65	\$5.57

1 unit = 15 minutes

ODM codes and billing rates for home health service(s) provided on and after October 1, 2011 to June 30, 2015.

Code	Description	Base Rate	Unit Rate
<b>T1000</b>	Private Duty Nursing, each 15 minutes Agency Nurse Provider	\$52.20	\$5.69
<b>T1000</b>	Private Duty Nursing, each 15 minutes Non-Agency Nurse Provider	\$41.76	\$5.69

**Appendix A**  
**Private Duty Nursing Service**

Rates effective for dates of service on and after January 1, 2010 to September 30, 2011.

Code	Description	Base Rate	Unit Rate
T1000	Private Duty Nursing, each 15 minutes	\$54.95	\$5.69

1 unit = 15 minutes

Rates effective for dates of service on and after October 1, 2011.

Code	Description	Base Rate	Unit Rate
T1000	Private Duty Nursing, each 15 minutes, Agency Nurse Provider	\$52.20	\$5.69
T1000	Private Duty Nursing, each 15 minutes, Non-Agency Nurse Provider	\$41.76	\$5.69

1 unit = 15 minutes



**MDHHS  
Private Duty Nursing Reimbursement Rates  
October 2022**

Medicaid Enrolled Licensed RNs and LPNs						
HCPCS Code	Short Description	Provider Type	Modifier	Modifier - Additional Patient(s)	Revenue Code	Rate per 15 Minute Unit
T1000	Private duty/independent nsg	Individual	TD			\$13.18
T1000	Private duty/independent nsg	Individual	TD			\$19.77*
T1000	Private duty/independent nsg	Individual	TE			\$11.21
T1000	Private duty/independent nsg	Individual	TE			\$16.82*
T1000	Private duty/independent nsg	Individual	TD	TT		^
T1000	Private duty/independent nsg	Individual	TD	TT		* ^
T1000	Private duty/independent nsg	Individual	TE	TT		^
T1000	Private duty/independent nsg	Individual	TE	TT		* ^
T1000	Private duty/independent nsg	Agency	TD		0582	\$14.46
T1000	Private duty/independent nsg	Agency	TD		0582	\$21.70*
T1000	Private duty/independent nsg	Agency	TE		0582	\$12.29
T1000	Private duty/independent nsg	Agency	TE		0582	\$18.43*
T1000	Private duty/independent nsg	Agency	TD	TT	0582	^
T1000	Private duty/independent nsg	Agency	TD	TT	0582	* ^
T1000	Private duty/independent nsg	Agency	TE	TT	0582	^
T1000	Private duty/independent nsg	Agency	TE	TT	0582	* ^

\* Refers to holiday rate.

**^ TT – Modifier Rate - The total Medicaid reimbursement for multiple beneficiaries is calculated at time-and-one-half for two beneficiaries or 75% of the published base rate for each beneficiary.**

CPT codes, descriptions and two-digit modifiers only are copyright American Medical Association. All Rights Reserved.

The information on this page serves as a reference only. It does not guarantee that services are covered. Providers are instructed to refer to the Michigan Medicaid Provider Manual, MMP Bulletins and other relevant policy for specific coverage and reimbursement policies. This information can be found on the Medicaid Policy, Letters & Forms web page. If there are discrepancies between the information on this page and the Medicaid Provider Manual, such as rate or coverage determinations, they will be resolved in favor of the Medicaid Provider Manual language.

**FEE SCHEDULE RATES FOR COMMUNITY-BASED SERVICES EFFECTIVE  
JANUARY 1, 2022**

The Supports Coordination fee identified below is also applicable to base-funded supports coordination.

Modifier SE is used when billing for Benefits Counseling, Consultative Nutritional Services, or Family Caregiver Support Counseling to identify that the service is an ODP service.

Modifier SE is used when billing for Music Therapy.

Modifier TD is used to identify services rendered by a Registered Nurse (RN).

Modifier TE is used to identify services rendered by a Licensed Practical Nurse (LPN).

Modifier UD is used when billing for Advanced Supported Employment.

Modifier GP is used to identify services rendered by a Physical Therapist.

Modifier GO is used to identify services rendered by an Occupational Therapist.

Modifier GN is used to identify services rendered by a Speech and Language Therapist.

Modifier UN is used to identify shift nursing at the 1:2 ratio.

Modifier UA is used to identify the Homemaker/Chore service when it authorized as a temporary service.

Modifier U1 is utilized with the appropriate procedure code to allow providers, who are approved by the Department, to receive the Enhanced Communication Services Rate.

All rates in the table are per 15-minute unit unless otherwise noted.

<b>Service Name</b>	<b>Staffing Level</b>	<b>Procedure Code</b>	<b>Modifier 1</b>	<b>Modifier 2</b>	<b>Statewide Fee</b>	<b>Enhanced Communication Statewide Fee (U1 Modifier)</b>
Companion	1:3	W1724	U1		\$3.19	\$4.24
	1:2	W1725	U1		\$4.42	\$5.99
	1:1	W1726	U1		\$7.71	\$10.69
Homemaker	1:1	W7283	UA		\$22.73 (hour)	N/A
Chore	1:1	W7282	UA		\$22.73 (hour)	N/A

PA

	Career Assessment	1:1	W7235	U1		\$17.91	\$21.53
Advanced Supported Employment	Discovery Profile	1:1	W7235	UD	U1	\$3,998.78 (outcome)	\$4,856.22 (outcome)
	Job Acquisition	1:1	H2023	UD	U1	\$3,998.78 (outcome)	\$4,856.22 (outcome)
	Job Retention	1:1	H2025	UD	U1	\$9,597.08 (outcome)	\$11,654.93 (outcome)
Shift Nursing – RN		1:2	T2025	TD	UN	\$9.72	\$12.24
		1:1	T2025	TD		\$19.07	\$24.12
Shift Nursing – LPN		1:2	T2025	TE	UN	\$7.07	\$8.82
		1:1	T2025	TE		\$13.77	\$17.28
Therapies – Physical		1:1	T2025	GP	U1	\$23.96	\$30.43
Therapies – Occupational		1:1	T2025	GO	U1	\$22.74	\$28.87
Therapies – Speech/Language		1:1	T2025	GN	U1	\$21.88	\$27.76
Therapies – Orientation, Mobility, Vision		1:1	W7246	U1		\$20.78	\$26.34
Music Therapy		1:1	G0176	SE	U1	\$17.42	\$22.02
Art Therapy		1:1	G0176	U1		\$17.42	\$22.02
Equine Therapy		1:1	S8940	U1		\$12.12	\$14.78
Behavioral Supports – Level 1		1:1	W7095	U1		\$22.08	\$27.10
Behavioral Supports – Level 2		1:1	W8996	U1		\$23.66	\$29.90
Communication Specialist		1:1	T1013	U1		\$16.89	\$21.33



STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
Bureau for Medical Services

Bill J. Crouch  
Cabinet Secretary

Cynthia E. Beane  
Commissioner

**TO:** WV Medicaid Private Duty Nursing Services Providers

**FROM:** Cynthia Beane, Bureau for Medical Services Commissioner *CB*

**DATE:** 11/01/2021

**SUBJECT:** Temporary Rate Increase for Private Duty Nursing Services

The American Rescue Plan Act (ARPA) of 2021 was signed into law on March 11, 2021. Section 9817 of ARPA provides States with a temporary ten percentage point increase to the federal medical assistance percentage (FMAP) for Medicaid Home and Community-Based Services (HCBS). States must use funds equivalent to the amount of federal funds attributable to the increased FMAP to implement activities that enhance, expand, or strengthen Medicaid HCBS.

West Virginia is directing the majority of its ARPA funds to assist provider agencies with the recruitment and retention of direct-care workers. This is critical as COVID-19 continues to significantly impact the availability of direct-care workers in HCBS programs.

The rate for T1000 Private Duty Nursing Services is increased by 70% to \$18.73 per 15-minute unit effective July 1, 2021 to March 31, 2022. Retroactive payments (ad pays) for paid claims with dates of service of July 1 to September 30 are currently being issued by Gainwell. Managed Care companies will notify agencies regarding details of their rate increase payments.

Provider agencies will be required to attest in writing that at least eighty-five percent (85%) of the rate increase will be passed on to the nursing staff that provide T1000 services in the form of compensation increases as well as other incentives which may include but are not limited to retention bonuses, hiring bonuses, raises in wages, and increased benefit packages.

Agency directors, administrators, board members, clerical workers and other staff that do not directly provide billable services are not eligible for increased compensation/incentives from the 85% pass-through funds. However, agencies have discretion for the use of the remaining 15% of the rate increase, including increased compensation/incentives for non-nursing staff if doing so enhances, expands or strengthens HCBS.

BMS appreciates your continued dedication and efforts to provide needed supports to West Virginia's most vulnerable populations during this challenging time.

If you have questions regarding the rate increase or any information in this memo, please contact Randy Hill at (304) 352-4301 [randall.k.hill@wv.gov](mailto:randall.k.hill@wv.gov).

### ACKNOWLEDGMENT AND ATTESTATION

My signature below acknowledges that I have read and understand the information and requirements addressed in this memo, including that 85% of the referenced payment increases will be passed on to Private Duty Nursing Staff in the form of compensation increases and other incentives. Further, my signature attests that the agency will comply with the terms and conditions of receiving said funds and will report any discrepancies to the West Virginia Bureau for Medical Services.

<hr/>	
Agency Name and Address	
<hr/>	
CEO/President Printed Name	Printed Title
<hr/>	<hr/>
Signature	Date

Please return signed document by November 30, 2021 to Laura Radcliff, [laura.g.radcliff@wv.gov](mailto:laura.g.radcliff@wv.gov) 350 Capitol Street, Room 250, Charleston, WV 25301. FAX 304-558-1451

PER MY CONVERSATION WITH MR. HILL CURRENT RATE IS \$11.02 / 15 MINUTES

North Carolina Department of Health and Human Services  
 Division of Health Benefits  
 Private Duty Nursing Fee Schedule

Taxonomy: 251J00000X  
 Last Updated March 1, 2022

Procedure Code	Modifier	Procedure Code Description	Program Description	Billing Unit	Rate	COVID-19 Factor	Effective Date	End Date
T1000	TD	Private Duty/Independent Nursing Service(S) - Licensed, Up To 15 Min - Rn	PDN	15 min.	\$11.25		3/1/2022	12/31/9999
T1000	TE	Private Duty/Independent Nursing Service(S) - Licensed, Up To 15 Min - Lpn	PDN	15 min.	\$11.25		3/1/2022	12/31/9999
S9123		Congregate Nursing Service(S) - Licensed, Up To 15 Min - Rn	PDN	15 min.	\$11.25		3/1/2022	12/31/9999
S9124		Congregate Nursing Service(S) - Licensed, Up To 15 Min - Lpn	PDN	15 min.	\$11.25		3/1/2022	12/31/9999



Andy Beshear  
GOVERNOR

**CABINET FOR HEALTH AND FAMILY SERVICES**  
**DEPARTMENT FOR MEDICAID SERVICES**

Eric Friedlander  
SECRETARY

Pam Smith  
DIRECTOR

Division of Long-Term Services and Supports  
275 East Main Street, 6W-B  
Frankfort, Kentucky 406 21  
chfs.ky.gov

Lisa Lee  
COMMISSIONER

To: 1915(c) Home and Community Based Services Waiver Providers

From: Pam Smith  
Director, Division of Long-Term Services and Supports

Date: September 16, 2022

Re: Update on Legislature-Approved Rate Increases

**Please note that DMS has updated this letter since it was originally issued on September 12, 2022. The updates clarify rate increase information included in the 2022-2024 budget bill. The letter supersedes the September 12, 2022 letter.**

In spring 2022, the Kentucky General Assembly approved the state's 2022-2024 budget. As you may be aware, the budget adjusted rates for five of Kentucky's six 1915(c) Home and Community Based Services (HCBS) programs. The budget took effect on July 1, 2022, and the Department for Medicaid Services (DMS) is in the process of implementing the adjustments.

The approved 2022-2024 budget bill made the following rate adjustments to the 1915(c) HCBS waiver programs:

- **The bill makes the current 50% rate increase available under Appendix K for some residential services permanent.** This applies to Supports for Community Living Level I residential supports and Acquired Brain Injury (ABI) and ABI Long-Term Care (ABI LTC) residential services.
- **During the 2022-2023 fiscal year, all other services in ABI, ABI LTC, Home and Community Based, Michelle P. Waiver, and SCL will receive a 10% increase to the base rate that was in effect before the COVID-19 pandemic.**
  - The bill includes another 10% increase for these services in the 2023-2024 fiscal year. DMS will share more information on this rate adjustment before the start of the new fiscal year on July 1, 2023.

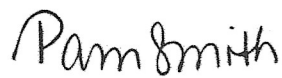
The approved state budget requires DMS to fund these rate adjustments using the Enhanced Federal Medical Assistance Percentage (FMAP) dollars authorized by Section 9817 of the American Rescue Plan Act of 2021. States must submit and receive approval before spending the Enhanced FMAP funds. DMS submitted and received approval for an initial Enhanced FMAP spending plan from the Centers for Medicare and Medicaid Services (CMS) in 2021.

Following the passage of the 2022-2024 budget, DMS submitted an updated spending plan and is in continued conversation with CMS. Once the spending plan is approved, DMS will expedite reimbursement of services at the adjusted rates through an Appendix K amendment. DMS is in the process of drafting the updated Appendix K in anticipation of spending plan approval. DMS will notify providers when the adjusted rate is available and will provide technical assistance regarding what steps need to be taken.

DMS knows providers are eager to receive the adjusted rate as outlined in the 2022-2024 budget. We thank you in advance for your patience as we work through the requirements we must meet before implementation can begin.

If you have questions or concerns, please email us at [MedicaidPublicComment@ky.gov](mailto:MedicaidPublicComment@ky.gov).

Sincerely,

A handwritten signature in black ink that reads "Pam Smith". The signature is written in a cursive, slightly slanted style.

Director, Division of Long-Term Services and Supports



# Title 907 | Chapter 013 | Regulation 015

907 KAR 13:015. Private duty nursing service or supply reimbursement provisions and requirements.

RELATES TO: KRS 205.520

STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3)

NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services, Department for Medicaid Services, has a responsibility to administer the Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to comply with any requirement that may be imposed or opportunity presented by federal law to qualify for federal Medicaid funds. This administrative regulation establishes the Department for Medicaid Services' reimbursement provisions and requirements regarding private duty nursing services and supplies.

Section 1. General Requirements. For the department to reimburse for a private duty nursing service or supply under this administrative regulation, the:

- (1) Provider shall meet the provider requirements established in 907 KAR 13:010; and
- (2) The service or supply shall meet the coverage and related requirements established in 907 KAR 13:010.

Section 2. Reimbursement. The department shall:

- (1) Reimburse for private duty nursing services at a rate of nine (9) dollars per fifteen (15) minutes, which shall constitute one (1) unit;
- (2) Not reimburse for more than:
  - (a) Ninety-six (96) units per recipient per twenty-four (24) hour period; or
  - (b) 8,000 units per twelve (12) consecutive month period per recipient; and
- (3) Reimburse for supplies as established on the Private Duty Nursing Supplies Fee Schedule.

Section 3. Not Applicable to Managed Care Organizations. A managed care organization shall not be required to reimburse the same amount as established in this administrative regulation for a service or supply covered pursuant to 907 KAR 13:010 and this administrative regulation.

Section 4. Federal Approval and Federal Financial Participation. The department's reimbursement for services or supplies pursuant to this administrative regulation shall be contingent upon:

Indiana FSSA Division of Aging  
 Aged and Disabled (A&D) and Traumatic Brain Injury (TBI) Waiver Program Rate Methodologies  
 Rates Effective February 1, 2020

Waiver Covered Service	Level of Service	Procedure Code	Modifier 1	Modifier 2	Modifier 3	Services Units	Rate Methodology	TBI Waiver	A&D Waiver	Proposed TBI Rate	Participant Limits	Rate Note
Adult Day Service - Category 1	Level 1	S5100	U7	U1		UC 15 Minutes	Tiered and Bundled	X	X	2.82		New settings rate
Adult Day Service - Category 1	Level 2	S5100	U7	U2		UC 15 Minutes	Tiered and Bundled	X	X	3.40		New settings rate
Adult Day Service - Category 1	Level 3	S5100	U7	U3		UC 15 Minutes	Tiered and Bundled	X	X	3.91		New settings rate
Adult Day Service - Category 2	Level 1	S5100	U7	U1		15 Minutes	Tiered and Bundled	X	X	2.64		New settings rate
Adult Day Service - Category 2	Level 2	S5100	U7	U2		15 Minutes	Tiered and Bundled	X	X	3.18		New settings rate
Adult Day Service - Category 2	Level 3	S5100	U7	U3		15 Minutes	Tiered and Bundled	X	X	3.66		New settings rate
Adult Family Care	Level 1	S5141	U7	U1		1 Day	Tiered	X	X	60.23		
Adult Family Care	Level 2	S5141	U7	U2		1 Day	Tiered	X	X	66.50		
Adult Family Care	Level 3	S5141	U7	U3		1 Day	Tiered	X	X	82.14		
Assisted Living	Level 1	T2031	U7	U1		1 Day	Tiered and Bundled	X	X	72.52		
Assisted Living	Level 2	T2031	U7	U2		1 Day	Tiered and Bundled	X	X	80.52		
Assisted Living	Level 3	T2031	U7	U3		1 Day	Tiered and Bundled	X	X	92.20		
Assisted Living	Level 1	T2031	U7	U1		UA 1 Month	Tiered and Bundled	X	X	2,153.84		For admit, discharge, or transfer month
Assisted Living	Level 2	T2031	U7	U2		UA 1 Month	Tiered and Bundled	X	X	2,391.44		For admit, discharge, or transfer month
Assisted Living	Level 3	T2031	U7	U3		UA 1 Month	Tiered and Bundled	X	X	2,768.04		Monthly billing option added
Attendant Care	Agency	S5125	U7	UA		15 Minutes	Fee Schedule	X	X	5.82		Monthly billing option added
Attendant Care	Consumer Directed	S5125	U7	U1		15 Minutes	Fee Schedule	X	X	3.61		
Attendant Care	Consumer Directed Overtime	S5125	U7	U1		TU 15 Minutes	Fee Schedule	X	X	1.81		
Attendant Care	Non-Agency	S5125	U7	U1		15 Minutes	Fee Schedule	X	X	4.05		
Behavioral Health Counseling	Level 1	H0004	U7	U1		15 Minutes	Tiered	X	X	18.20		
Behavioral Health Counseling	Level 2	H0004	U7	U2		15 Minutes	Tiered	X	X	18.20		
Care Management	---	T2022	U7	U7		Monthly	Bundled	X	X	134.33		
Community Transition	---	T2038	U7	U7		Cap	Market-Based	X	X	1,500.00	\$1,500 / Lifetime	
Emergency Response	Install	S5160	U7	U7		One time	Market-Based	X	X	54.41		
Emergency Response	Service	S5161	U7	U7		Monthly	Market-Based	X	X	54.41		
Healthcare Coordination	---	T2022	U7	U7		15 Minutes	Fee Schedule	X	X	10.30	16 hours per month	
Home Delivered Meals	---	S5170	U7	U7		Per Meal	Market-Based	X	X	6.00		
Home Modifications	Assessment	T1028	U7	U7		Per Project	Fee Schedule	X	X	574.38		
Home Modifications	Install	S5165	U7	NU		Cap	Market-Based	X	X	15,000.00	\$15,000 per project limit, lifetime limit of \$20,000	
Home Modifications	Maintenance	S5165	U7	U8		Cap	Market-Based	X	X	500.00	\$500 / Year	
Home Modifications	Agency	S5130	U7	UA		15 Minutes	Fee Schedule	X	X	4.99		
Home Modifications	Non-Agency	S5130	U7	U7		15 Minutes	Fee Schedule	X	X	4.59		
Non-Medical Transportation - Non-Assisted	Base	T2003	U7	U1		UB Base Trip	Fee Schedule	X	X	8.02		New unit basis
Non-Medical Transportation - Non-Assisted	Mileage	T2003	U7	U1		Mileage	Fee Schedule	X	X	1.06		New unit basis
Non-Medical Transportation - Assisted	Base - Assisted	T2003	U7	U2		UB Base Trip	Fee Schedule	X	X	12.03		New unit basis
Non-Medical Transportation - Assisted	Mileage - Assisted	T2003	U7	U2		Mileage	Fee Schedule	X	X	1.54		New unit basis
Nutritional Supplements	---	B4150	U7	U7		Cap	Market-Based	X	X	1,200.00	\$1,200 / Year	
Pest Control	---	T2025	U7	U1		Cap	Market-Based	X	X	4,000.00	\$4,000 / Year	
Residential Habilitation	---	97535	U7	U7		15 Minutes	Fee Schedule	X	X	6.99		
Respite	LPN	T1005	U7	UA		TE 15 Minutes	Tiered	X	X	10.57		
Respite	RN	T1005	U7	UA		TD 15 Minutes	Tiered	X	X	14.33		
Respite	Unskilled	T1005	U7	UA		U9 15 Minutes	Tiered	X	X	5.59		
Skilled Nursing	Consumer Directed	TBD	U7	NU		TBD 15 Minutes	Fee Schedule	X	X	11.99		
Specialized Medical Equipment	New DME	T2029	U7	U7		Cap	Market-Based	X	X	50,000.00	No limit; \$50,000 subject to review	New service
Specialized Medical Equipment	Replacement and Repair	T2029	U7	U8		Cap	Market-Based	X	X	500.00	\$500 / Year	
Structured Day Program	Group Setting	T2021	U7	HQ		15 Minutes	Tiered	X	X	1.67		
Structured Day Program	Individual Setting	T2021	U7	U7		15 Minutes	Tiered	X	X	8.38		
Structured Family Caregiving	Level 1	S5140	U7	U1		1 Day	Tiered and Bundled	X	X	60.50		
Structured Family Caregiving	Level 2	S5140	U7	U2		1 Day	Tiered and Bundled	X	X	71.04		
Structured Family Caregiving	Level 3	S5140	U7	U3		1 Day	Tiered and Bundled	X	X	81.58		
Supported Employment	---	H2023	U7	U7		15 Minutes	Fee Schedule	X	X	9.17		
Vehicle Modifications	---	T2039	U7	U7		Cap	Market-Based	X	X	15,000.00	\$15,000 every ten years	
Vehicle Modifications	Maintenance	T2039	U7	U8		Cap	Market-Based	X	X	500.00	\$500 / Year	