



DEVELOPMENTAL DISABILITIES ADMINISTRATION
Olympia, Washington

TITLE: RATE ESTABLISHMENT, BILLING, AND PAYMENT POLICY 6.22
 FOR LICENSED STAFFED RESIDENTIAL PROGRAMS

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AUTHORITY: [Chapter 71A RCW](#) *Developmental Disabilities*
[Chapter 388-826 WAC](#) *Voluntary Placement Services*

PURPOSE

This policy defines the roles, responsibilities and processes for establishing rates and processing billing and payment for clients who have been approved for Developmental Disabilities Administration (DDA) contracted community residential services in Licensed Staffed Residential (LSR) programs.

SCOPE

This policy applies to DDA and DDA Rates Unit in Office of Rates Management, and any DDA contracted residential service programs providing services in a Licensed Staffed Residential setting.

DEFINITIONS

CRM/SW/SSS means the case carrying DDA Case Manager/Social Worker/Social Service Specialist who is the liaison with the client.

Client means a person who has an intellectual or developmental disability and is:

1. Eligible under [RCW 71A.10.020](#); and
2. Authorized by DDA to receive residential services described in [Chapter 388-826 WAC](#).

Community Inclusion means cost reimbursement to support access to community resources and opportunities to participate in all aspects of community life which are inclusive and age appropriate for children residing in a licensed staffed residential setting.

Consultant means an individual who is employed by the licensed staffed residential agency to provide support in a particular area of expertise such as positive behavior support, nursing care, dietary needs etc. The need for the consultant is based upon the individual client needs as identified by their DDA assessment.

Contract means a contract between the Department and a service provider for Voluntary Placement Services as described in [Chapter 388-826 WAC](#) in a licensed setting.

Cost-of-Care Adjustment means a reimbursement adjustment intended to cover the necessary costs of non-variable staff support and administration to provide services to clients when there is a temporary loss of a client served by the agency.

Department means the Department of Social and Health Services (DSHS) and its employees.

Habilitation means those services delivered by residential services providers intended to assist persons with developmental disabilities acquire, retain, and/or improve upon the self-help, socialization, and/or adaptive skills necessary to reside successfully in home and community-based settings.

Licensed Staffed Residential Program (LSR) means a licensed home providing 24-hour care for six (6) or fewer children. The home may employ staff to care for children. It may or may not be a family residence. The provider must also have a valid client services contract with DDA to provide services in accordance with [Chapter 388-826 WAC](#).

Living Expenses means reimbursement for rent, food, and utility costs shared by the number of children residing in the home. Utility costs include electricity, heat, water, garbage, telephone, etc. Rent and utility costs are based upon actual monthly costs. Reimbursement for food is a standardized amount and is higher for those children who are receiving a specialized diet prescribed by a physician.

Metropolitan Statistical Area (MSA): Relatively freestanding metropolitan area (MA) that is not closely associated with other MAs. These areas typically are surrounded by non-metropolitan counties. A MSA must include at least:

- One city with 50,000 or more inhabitants; or
- A Census Bureau-defined urbanized area (of at least 50,000 inhabitants) and a total metropolitan population of at least 100,000.

Note: King County is recognized as having unique characteristics relative to other MSA counties for purposes of determining reimbursement rates as stated in this policy.

DSHS currently recognizes the following counties as MSA counties in Washington: Asotin, Benton, Chelan, Clark, Cowlitz, Douglas, Franklin, Island, King, Kitsap, Mason, Pierce, Skagit,

interests and will be reviewed quarterly during the ninety (90) day visits conducted by the client's Voluntary Placement social worker.

- D. **Consultants:** Consultant expenses may be calculated into the daily rate when consultation occurs on a regular, consistent basis and it is preferable for the agency to hire and contract directly for the consultant expertise needed. These services could include RNs, LPNs, language translators, and Dialectical Behavioral Therapists. Reimbursement for professional services is at department established rates. DDA must not exceed any established Department standards. The RM should consider the option of authorizing and paying for professional services through the waiver, when the provider holds a signed contract with the department for applicable services.
- E. **Staff Costs/Instruction and Support Services (ISS):** Instruction and Support Services hours are those hours necessary to provide the assessed level of support and instruction to the client and are calculated during the rate assessment process.
1. **Direct Care Staff:** The RM negotiates the staffing schedule that will be required to successfully support the child in the community setting. Because the children are enrolled in school, it would be expected that less direct care staffing hours are needed on a typical school day. However, even though there are 180 days in a school year; the formula for calculating the number of hours per year is "weighted" based on 120 school days and 245 non-school days. This assumption allows the provider enough flexibility to provide staffing for days that the child is sick or refusing to go to school at all, or for the child who has less than a six (6) hour day at school. Direct care staff must meet DLR direct care qualifications per WAC 388-145-1445.
 2. **Lead/Supervisor Hours:** Lead hours included in the non-direct portion are only those hours where the staff/supervisor are providing non direct care to the clients in the home (not-included in the direct service hour schedule). Lead hours will be divided equally among the number of clients supported in each licensed residence. Lead staff typically meet DLR on-site program manager requirements per WAC 388-145-1430.
 3. **Program Manager Hours:** Compensation rates applied for the program manager hours will be 150 percent of the established ISS benchmark rate in effect. Program manager hours will be divided among the total number of clients supported by the provider throughout the sub-region (i.e., Region 1 North, Region 1 South, etc.). Program manager typically meets DLR case management requirements per WAC 388-145-1440.
 4. The ISS hours are paid by the hour at the benchmark rate which is legislatively established by county type (MSA, Non-MSA and King) of the client's residence.

ISS hours are categorized into two different sub-groups: direct and non-direct service hours.

POLICY

A. **DDA Assessment (Client)** – Social Worker and Service Provider

1. The CRM/SW/SSS completes the DDA assessment with the client, at least annually.
2. The DDA Individual Support Plan (ISP) is developed by the client, family, the CRM/SW/SSS, service provider, and any other individuals requested by the client. Service responsibilities are assigned to meet identified client need and goals.
3. The SW/SSS must inform the RM when an assessment is completed and results in:
 - a. A client entering or leaving residential services;
 - b. A significant change in support needs (including starting/ending school or job);
 - c. A change in household composition, or
 - d. When other changes occur that may require a review of the rate assessment (including change of funding source).

B. **Residential Rate Assessment** - Resource Manager and Service Provider

1. A rate proposal is required to be completed prior to placement in a licensed setting and when:
 - a. A significant change in the client's condition occurs; or
 - b. The household configuration changes; or
 - c. The circumstances for a client change (i.e. school); and/or
 - d. Rent/utility costs change.
2. To prepare for the rate assessment meeting, the RM reviews the DDA client assessment to familiarize themselves with the client's support needs and goals. Shared hours should be assessed to ensure the health and safety needs of the household are being met. The RM also should review the previous rate proposal if applicable.
3. The service provider should review the DDA client assessment and be prepared to discuss details such as daily routine, frequency of medical appointments, transportation, family involvement, school, and other support needs of the clients.

4. The rate assessment process focuses on:
 - a. Individual needs of the client;
 - b. Possibility of shared support hours when a client has housemates;
 - c. Supports available through school and/or family; and
 - d. Any children placed in the home by Children’s Administration.

5. The rate developed is inclusive of individual hours and shared hours. Typically hours are shared whenever feasible. Individual hours are those that cannot be reasonably shared with any other client within the household. When identifying individual and shared hours, the following considerations are made:
 - a. School supports: The public school district is responsible for support needs during school hours for clients enrolled in kindergarten through transition.
 - b. Medical appointments: are typically considered as individual hours.
 - c. In-home habilitation: individual hours for the expected amount of time the provider will be doing a task for or with this client only, including one-to-one time that may be needed for supporting the client’s individualized treatment plan, and assistance with tasks such as with personal hygiene, medication administration.
 - d. Behavioral support: individual hours necessary to provide one-to-one support and supervision in implementing positive behavior support measures required to keep the client and/or others safe.
 - e. Unstructured protective supervision: these hours reflect the time that a staff person is present, but may not be directly interacting with an individual. Individual hours in unstructured protective supervision are uncommon, but are considered when staffing efficiencies cannot be coordinated or when there are exceptional monitoring needs of a client. Nighttime support hours of a household are typically shared even if a client may require some night support. In most situations, other sleeping clients can be monitored during that time. Individual nighttime support hours are only included when a client’s needs require additional staff to meet those exceptional needs. Paid services are always delivered by awake staff.

6. The ISS compensation rate shall be determined by the county in which the clients reside and shall be based upon state legislative appropriation (the benchmark

2. The regional VPS Coordinator submits the signed rate proposal form to the HQ Children's Residential Program Manager for final review and approval. The completed document is sent to the Rate Analyst who updates the rates database.
 3. Rate changes that reflect acuity changes will start on the 1st or the 16th of each month.
 4. If a client moves out on a date other than the 1st or 16th, the VPS resource manager needs to submit the rate change as soon as possible. Rate changes for all individuals residing in the home whose rates are impacted by the leave will have a change effective date on the date the action occurred. This includes rate changes as a result of clients moving from one home to another.
 5. Clients new to residential services may be added on any day of the month and may begin service on the approved start date. Rates are effective the date the client moves in. If a client moves in on a date other than the 1st or 16th, the RM needs to submit the rate change as soon as possible. Rate changes for all individuals residing in the home whose rates are impacted by the addition, will have a change effective date of the 1st or 16th of the month, based upon the date the rates were submitted.
 6. The Rate Analyst creates the Exhibit B, which provides the detail of each rate component and a total daily rate per client and is an attached amendment to the contract.
 7. The RM verifies information in Exhibit B.
 8. The RM distributes the Exhibit B and gathers signatures from service provider and authorized DDA representative. The service provider should verify the information in Exhibit B prior to signature and report any discrepancies to the RM.
 9. The DD Rates Unit submits the rate batch to ProviderOne twice monthly. Under special circumstances, the DD Rates Unit can submit a special batch.
 10. ProviderOne updates their database with the rates submitted by the DD Rates Unit.
- E. **Billing** - Resource Manager, Social Worker, and Service Provider
1. The SW/RM verifies the accurate rate is in ProviderOne and notifies the DDA Rates Unit for rate errors or the DDA ProviderOne liaison for non-rate errors.

2. The service provider will claim their units via ProviderOne. ProviderOne allows a service provider to claim for services on any day of the month. ProviderOne will generate an electronic remittance advice on each Friday. Service providers may bill on any day that meets their payroll needs.

F. **Provision of Services**

1. The residential service provider delivers the hours based on the approved staffing plan as identified in the rate proposal form.
2. The service provider must have and maintain records of the delivery of hours which are reconcilable by household. These records must be available upon request. The records must reflect the total number of hours provided in support of the clients within each month.

G. **Cost of Care Adjustments (COCA)**

1. COCAs may be authorized when a client eligible for the Core Waiver or RCL leaves due to circumstances in which the client's alternative place of residence is in a facility in which Medicaid funding is obtained (i.e., detention, Residential Habilitation Center (RHC), hospital). Examples of why a client may leave include: short-term stabilization at the RHC, psychiatric inpatient hospitalization, inpatient medication evaluation, etc.
2. The COCA will not exceed the client's total daily rate. Funding comes from within the regional budget allocated for COCAs.
3. When there is a potential COCA, DDA staff will consider with the provider whether a COCA or rate re-assessment for clients sharing the household is most appropriate, based upon the length of time the client is projected to be out of the licensed residence.
4. The contracted provider must submit [DSHS 15-424](#), *Staffed Residential Cost of Care Request*, to the regional VPS Coordinator for review. Agencies requesting a COCA must include a clear and detailed justification highlighting client need. Copies will be maintained by DDA in the contract file and the service provider records for seven (7) years.
5. The regional VPS Coordinator may approve each COCA authorization for up to fifteen (15) calendar days with valid justification. COCA requests for reimbursement for greater than sixteen (16) calendar days require approval by the Central Office Children's Residential Services Program Manager prior to authorization.

I. **Training Reimbursement**

1. DDA may reimburse service providers for certain costs associated with legislatively mandated training. The purpose of this reimbursement is to ensure client needs are met while their staff is attending training.
2. Nurse Delegation Core Training. DDA will reimburse the service provider for ISS hours for staff attending Nurse Delegation Core training. Costs may be authorized when it is necessary to train ISS staff to act as nursing assistants under the Nurse Delegation Act.
3. Legislatively Mandated Training

Effective January 1, 2016:

- a. Upon completion of the required five (5) hour Safety and Orientation and forty (40) hour Residential Core Basic Training, Licensed Staffed Residential programs will be reimbursed for 43 ISS hours per student required to take the training at the benchmark rate in effect at the time of the training completion.
- b. Reimbursement will be requested by the agency employing the staff that completed the training.
- c. The agency must attest to successful completion of the trainings for each individual for whom reimbursement is requested.
4. For staff that have met the initial requirements as a Long-Term Care Worker, twelve (12) hours of Continuing Education (CE) shall be required annually per calendar year.
 - a. Upon completion of twelve (12) CEs, the residential agency may request reimbursement for twelve (12) ISS hours to be paid at the benchmark rate.
 - b. If the staff terminates employment prior to completing the twelve (12) hours of CEs, the residential agency may request reimbursement for the number of hours the staff completed.
 - c. Reimbursements will only be authorized for courses approved by DSHS as CE.

- d. Reimbursement will be requested by the agency employing the staff that completed the training. Hours in excess of twelve (12) CEs will not be reimbursed.
- e. Nurse delegation core training will count toward CE, therefore reducing the number of other reimbursable hours available for CEs.

J. **Billing and Payment**

- 1. The Department will reimburse a contractor for services rendered under the residential services contract and the contractor shall bill in accordance with DDA instructions.
- 2. The service provider shall accept the reimbursement rate established by DDA as full compensation for all services under the contract. The service provider shall not seek or accept additional compensation from or on behalf of a client for any or all contracted residential services.

K. **Overpayments / Underpayments**

If there are under or overpayments, the service provider, SW/RM, and DDA Rates Units will work to identify and resolve the discrepancies.

EXCEPTIONS

Exceptions to this policy may be approved by the Deputy Assistant Secretary or designee.

SUPERSESSSION

None

Approved: /s/ Donald Clintsman
Deputy Assistant Secretary
Developmental Disabilities Administration

Date: September 15, 2015

Attachment A – *Licensed Staffed Residential Administrative Rate Table*

Attachment A

Licensed Staffed Residential Administrative Rate Table

ISS Hour Range at least but less than		Non-Community Protection Programs		
		Admin. Rate - Non-MSA County	Admin. Rate - MSA County	Admin. Rate - King County
0.00	0.50	\$9.17	\$9.36	\$10.03
0.50	1.00	\$11.40	\$11.62	\$12.46
1.00	1.50	\$13.65	\$13.91	\$14.92
1.50	2.00	\$15.65	\$15.96	\$17.11
2.00	2.50	\$17.69	\$18.05	\$19.35
2.50	3.00	\$19.95	\$20.35	\$21.82
3.00	3.50	\$22.21	\$22.64	\$24.28
3.50	4.00	\$24.34	\$24.82	\$26.61
4.00	4.50	\$26.20	\$26.72	\$28.64
4.50	5.00	\$27.83	\$28.37	\$30.40
5.00	5.50	\$29.22	\$29.78	\$31.93
5.50	6.00	\$30.40	\$30.99	\$33.21
6.00	6.50	\$31.38	\$32.00	\$34.29
6.50	7.00	\$32.20	\$32.83	\$35.18
7.00	7.50	\$32.85	\$33.49	\$35.90
7.50	8.00	\$33.36	\$34.02	\$36.45
8.00	8.50	\$33.74	\$34.40	\$36.85
8.50	9.00	\$34.07	\$34.74	\$37.22
9.00	9.50	\$34.31	\$34.98	\$37.47
9.50	10.00	\$34.50	\$35.18	\$37.67
10.00	10.50	\$34.67	\$35.35	\$37.86
10.50	11.00	\$34.83	\$35.51	\$38.04
11.00	11.50	\$34.97	\$35.66	\$38.19
11.50	12.00	\$35.13	\$35.81	\$38.35
12.00	12.50	\$35.30	\$35.99	\$38.55
12.50	13.00	\$35.47	\$36.16	\$38.74
13.00	13.50	\$35.66	\$36.36	\$38.96
13.50	14.00	\$35.84	\$36.54	\$39.15
14.00	14.50	\$36.01	\$36.72	\$39.33
14.50	15.00	\$36.17	\$36.88	\$39.51
15.00	15.50	\$36.44	\$37.15	\$39.80
15.50	16.00	\$36.65	\$37.37	\$40.05
16.00	16.50	\$36.88	\$37.61	\$40.30
16.50	17.00	\$37.24	\$37.97	\$40.70
17.00	17.50	\$37.81	\$38.55	\$41.30
17.50	18.00	\$38.37	\$39.12	\$41.92
18.00	18.50	\$38.93	\$39.68	\$42.54
18.50	19.00	\$39.50	\$40.28	\$43.18
19.00	19.50	\$40.12	\$40.90	\$43.83
19.50	20.00	\$40.76	\$41.56	\$44.53
20.00	20.50	\$41.38	\$42.19	\$45.21
20.50	21.00	\$41.98	\$42.81	\$45.85
21.00	21.50	\$42.57	\$43.40	\$46.48
21.50	22.00	\$43.13	\$43.98	\$47.09
22.00	22.50	\$43.68	\$44.53	\$47.70
22.50	23.00	\$44.20	\$45.07	\$48.30
23.00	23.50	\$44.73	\$45.61	\$48.87
23.50	24.00	\$45.25	\$46.14	\$49.42
24.00	24.50	\$45.75	\$46.65	\$49.95
24.50	25.00	\$46.23	\$47.13	\$50.46
25.00	& over	\$46.69	\$47.61	\$50.95