

Nevada Department of Health and Human Services

DIVISION OF HEALTH CARE FINANCING AND POLICY

Personal Care Services and Waiver Rate Increases Effective January 1, 2024

Nevada Medicaid September 2023 For more information: <u>https://dhcfp.nv.gov/Public/Home/</u>

Background

Personal Care Services:

During the 2021 Nevada Legislative Session, Senate Bill 340 created the Nevada Home Care Employment Standards Board (HCESB). This board reviews investigation of, and makes recommendations for, the improvement of working conditions in the critical home care industry. In June 2022, the HCSEB sent a letter to the Director of Health and Human Services indicating that Nevada Medicaid should reimburse personal care services at a rate of \$25.00 per hour. This letter also recommended that Medicaid-funded personal care services agencies reimburse direct care staff at least \$15.00 per hour. During the 2023 Nevada Legislative Session, the Division of Health Care Financing and Policy included a request in the agency budget to align with the recommendations made by the HCSEB. Per Senate Bill 511 of the 82nd Legislative Session, the Division is proposing an amendment to the Nevada Medicaid State Plan to increase reimbursement rates for PCS to \$25 per hour. Senate Bill 511 also states, "not less than \$16 of the \$25 per hour reimbursement rate received by providers must be paid as an hourly wage to direct care workers."

During development of the agency's budget, some waiver services provided under Provider Type 48 (Home and Community Based Waiver for the Frail Elderly) and Provider Type 58 (Home and Community Based Waiver for Persons with Physical Disabilities) were identified as being similar to the personal care services provided under Provider Types 30 and 83. As such, the Division's budget also included similar rate increases for "PCS-like" services under PTs 48 and 58. Reimbursement rates for specified services will also be increased to the equivalent of \$25.00 per hour, but will also require that agencies pay direct care staff at least \$16.00 per hour.

Home and Community Based Waivers for the Frail Elderly in Residential Facilities for Groups/Assisted Living Facilities:

During the 2017 Nevada Legislative Session, Assembly Bill 108 was passed and signed into law and is now codified under NRS 422.2704. This statute requires that, every four (4) years, the State of Nevada, Division of Health Care Financing and Policy (DHCFP) review the rate of reimbursement for each service or item provided under the State Plan for Medicaid to determine whether the rate of reimbursement accurately reflects the actual cost of providing the service or item. If the Division determines that the rate of reimbursement for a service or item does not accurately reflect the actual cost of providing the service or item, the Division must calculate the rate of reimbursement that accurately reflects the actual cost of providing the service or item and recommend that rate to the Director of Health and Human Services (DHHS) for possible inclusion in the State Plan for Medicaid.

Provider Types 57 (Home and Community Based Waiver for the Frail Elderly in Residential Facilities for Groups) and 59 (Home and Community Based Waiver for the Frail Elderly in an Assisted Living Facility) were surveyed under the Quadrennial Rate Review (QRR) process beginning in August 2021 with the survey period ending on November 30, 2021. The summary report showing the results the study was included in the Quadrennial Rate Review Report published in October 2022.

During the 2023 Nevada Legislative Session, the Division also was able to secure additional funding needed to support rate increases for PTs 57 and 59 to align with the costs reported in the QRR survey.

Administrative Process

Personal Care Services:

The Division has started the process of formally amending the Nevada Medicaid State Plan in order to implement the rate increases for PTs 30 and 83. This State Plan Amendment is tentatively scheduled for Public Hearing on October 31, 2023, and will be submitted to the Centers for Medicare and Medicaid Services (CMS) after that date. All State Plan Amendments must be approved by CMS prior to being implemented by the state. Typically, CMS has 90 days from the receipt of a SPA to issue a decision; however, as this State Plan Amendment will be submitted prior to January 1, 2024, the rate increase would be made retroactive to that date.

Waiver Rate Changes (PTs 48/58, 57/59):

Amendments to Medicaid Waivers follow a separate process from the State Plan Amendment process. Waiver amendments do not require a Public Hearing; however, a public comment period and a public workshop are required. Public notice for both the rate changes tied to the QRR as well as for the "PCS-like" services was posted on August 29, 2023. Once the 30-day public comment period has ended, the waiver amendment is sent to CMS for approval. Please note that for waiver amendments, the effective date of the change can be no earlier than the date CMS approves the waiver amendment. As such, if CMS approves the waiver amendment later than January 1, 2024, the implementation date would align with the approval date.

The public notice can be found here:

https://dhcfp.nv.gov/uploadedFiles/dhcfpnvgov/content/Pgms/LTC/FE_PD_Waivers_Rate_Increase_Public_Comment_L etter.pdf

Wage Requirements

As mandated by Senate Bill 511 of the 2023 Legislative Session, the Division will be enforcing a requirement that agencies pay direct care staff providing personal care services at least \$16 of the total \$25 per hour rate. Providers will be required to sign an attestation form indicating their awareness and compliance with this requirement. Additionally, the Division was authorized to hire two additional auditor positions who will be responsible for ensuring compliance with this requirement.

In the event a provider does not comply with the minimum wage requirement, corrective action may be taken. This may include reimbursing personal care services at the current reimbursement rate of \$4.39 per 15-minute unit.

Proposed Reimbursement Rates

Personal Care Services/"PCS-Like" Services:

Provider			Current		Percentage
Туре	Code	Description	Rate	Proposed Rate	change
30/83	T1019	PERSONAL CARE SER PER 15 MIN	\$4.39	\$6.25	42%
48	S5130	HOMEMAKER SERVICE, NOS; PER 15 MINUTES	\$3.75	\$6.25	67%
		COMPANION CARE, ADULT (E.G., IADL/ADL);			
48	S5135	PER 15 MINUTES	\$2.00	\$6.25	213%
		UNSKILLED RESPITE CARE, NOT HOSPICE; PER			
48	S5150	15 MINUTES	\$2.50	\$6.25	150%
		UNSKILLED RESPITE CARE, NOT HOSPICE; PER			
48	S5151	DIEM	\$65.00	\$150.00	131%
58	S5125	ATTENDANT CARE SERVICES; PER 15 MINUTES	\$4.63	\$6.25	35%
58	S5130	HOMEMAKER SERVICE, NOS; PER 15 MINUTES	\$3.75	\$6.25	67%

		UNSKILLED RESPITE CARE, NOT HOSPICE; PER			
58	S5150	15 MINUTES	\$3.63	\$6.25	72%

Provider Types 57/59:

Provider						Percentage
Туре	Code	Description	Modifier	Current Rate	Proposed Rate	change
		ATTENDANT CARE				
57	S5126	SERVICES; PER DIEM	U1	\$23.00	\$34.50	50%
		ATTENDANT CARE				
57	S5126	SERVICES; PER DIEM	U2	\$52.00	\$78.00	50%
		ATTENDANT CARE				
57	S5126	SERVICES; PER DIEM	U3	\$69.00	\$103.00	49%
				+00.00	<i>+</i> _00000	
		ATTENDANT CARE				
57	S5126	SERVICES; PER DIEM	U4	\$83.00	\$124.50	50%
50	T2024	ASSISTED LIVING; WAIVER,		¢22.00	¢60.75	1000/
59	T2031	PER DIEM	U1	\$23.00	\$68.75	199%
		ASSISTED LIVING; WAIVER,				
59	T2031	PER DIEM	U2	\$52.00	\$103.13	98%
		ASSISTED LIVING; WAIVER,				
59	T2031	PER DIEM	U3	\$69.00	\$137.50	99%
59	T2031	ASSISTED LIVING; WAIVER, PER DIEM	U4	\$83.00	N/A	N/A
	12031		04		N/A	IN/A

Resources

- Home Care Employment Standards Board: <u>https://dhhs.nv.gov/Programs/HCESB/HCESB_Home/</u>
- Senate Bill 511: https://www.leg.state.nv.us/App/NELIS/REL/82nd2023/Bill/10631/Overview
- Quadrennial Rate Review Info: <u>https://dhcfp.nv.gov/Resources/Rates/QRR/</u>
- DHCFP Public Notices Page: <u>https://dhcfp.nv.gov/Public/Home/</u>