State of New Mexico
Medical Assistance Program Manual

Supplement

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TO: HOME AND COMMUNITY BASED SERVICES WAIVER PROVIDERS

FROM: CAROLYN INGRAM, DIRECTOR, MEDICAL ASSISTANCE DIVISION

THROUGH: SARAH BARTH, BUREAU CHIEF, LONG-TERM SERVICES AND SUPPORT BUREAU

BY: TALLIE TOLEN, HCBS STAFF MANAGER, LONG-TERM SERVICES AND SUPPORT BUREAU

SUBJECT: BILLING FOR COMMUNITY LIVING SERVICES

The purpose of this memo is to provide guidance to Community Living providers when an individual on the Developmental Disabilities (DD) Waiver transitions to a new Community Living provider prior to the end of an Individual Service Plan (ISP) year.

The reimbursement for Community Living is based on 365 days of services billed and paid in 340 days. The Community Living provider is reimbursed for a full year of services in the 340 billable days. The use of 340 billable units versus the use of a straight 365 daily reimbursement structure allows for a "vacancy factor" in the funding structure.

If an individual receiving services selects a new Community Living provider through the secondary freedom of choice process prior to the end of the ISP year, the initial Community Living provider may be required to submit an **Adjustment/Void Request Form** to the Medicaid fiscal agent to ensure proper payment of actual days of service provided. Please refer to the Medicaid General Provider Policies (8.302.1 NMAC). The provider must determine the amount and units to adjust based on the methodology described below.

METHODOLOGY:

1. The provider needs to determine the annual dollar amount allowed for the service and divide by 365 to come up with a daily rate.

2. Then, the provider will have to determine the days remaining in the ISP.

3. The provider should multiply ***#of days remaining x daily rate***.

4. To determine the number of units to be adjusted, divide the dollar amount by the daily rate.

Example: Family Living (T2033)

$100.25 x 340 (allowable units in ISP) = $34,085.00 (annual dollar amount)

$$\frac{\$34{,}085.00}{365} = \$93.38 \text{ daily rate}$$

15 days remaining in ISP x $93.38 = $1400.70 amount to adjust

$$\frac{\$1400.70}{\$93.38} = 15 \text{ units to adjust}$$

The Medicaid UR contractor will adjust the prior authorization according to the newly submitted MAD 046. For assistance, please contact the Medical Assistance Division at (505) 827-7761.

If providers do not adhere to these instructions and submit the proper paperwork to ACS within 30 days after the transition to the new provider, the Medical Assistance Division will authorize the Medicaid fiscal agent to recoup any overpaid amounts.

Questions regarding this supplement should be directed to Tallie Tolen, HCBS Staff Manager, Long-Term Services and Support Bureau (505) 827-3176.