

2009 Medicaid Nursing Home Rates for Family Care and Managed Care Organizations – (MCOs)

{ 12/17/08 Meeting with Fredi Bove, Jerry Labs,
Tom Lawless and Deb Rathermel from DHS }

The MCO's will receive a rate file for *every* nursing home. The rate file is for Medicaid rates effective July 1, 2008. This file can be used for the period July 1, 2008 through June 30, 2009. The MCO enters the POP ID for the nursing home and will get the Page 4-RUGs Classification sheet from the Medicaid rate calculation showing rates for each of the RUGs -34 classification.

How are the RUGs-34 rates calculated?

The rates include the case-mix neutral Direct Care Allowance (page 4, line 7 of the Medicaid rate calculation), the Behavior allowance (BEHCI, page 4, line 10) and the other allowance total from the rate calculation. Please note that the rate file the MCO is using will not be updated quarterly for the change in the Behavior allowance.

For example, Facility A is in the Rural labor area and has a behavior allowance of \$.10 and the total other allowance is \$61.36. The facility's cost exceed the direct care maximum so the direct care maximum for Rural of \$73.65 is used for the case-mix neutral (CMN) direct care allowance. The \$73.65 is multiplied by the CMI for each of the RUGs-34 classifications. We add the \$.10 behavior add-on to get the adjusted direct care allowance and then add the \$61.36 to get the adjusted rate by RUGs classification that the nursing home can bill to the MCO.

BA1: $CMI = .60 \times \$73.65 = \$44.19 + \$.10 \text{ (BEHCI)} = \$44.29 \text{ direct care allowance} + \$61.36 = \$105.65.$

PE2: $CMI = 1.0 \times \$73.65 + .10 = \$73.75 + \$61.36 = \$135.11.$

How should nursing homes bill the MCO?

Every nursing home can bill the MCO using the Page 4-RUGs -34 Classification page included in the Medicaid rate calculation. DHS does not want nursing homes to use an average MCO CMI based on a picture date in 2008. Nursing homes should use the current MDS assessment for each MCO client served in the nursing home for the current month they are billing. The RUGs classification from the most recent MDS should be used to bill the MCO. If you update an MDS for an annual MDS or a significant change of condition, you would bill the number of days from the effective date of the new MDS. Using the example above:

Resident A's most recent assessment shows a RUGs score of BA1. On January 11, 2009 a new MDS is completed for a significant change of condition and the RUGs score is PE2. The nursing bill to the MCO for resident A would be 10 days at \$105.65 and 21 days at \$135.11 for a total of \$3,893.81.

Other Issues:

Retroactive Adjustments: MCO's will be instructed to process retroactive adjustments after the July 1, 2009 rates are calculated.

RUGs -34 classification for MCO clients in nursing homes: Does the nursing home's computer software package allow them to be able to determine a RUGs score for MCO residents using the RUGs - 34 classification system?

If you have questions, please call or email Brian Schoeneck at the WAHSA office. 1-800-466-7011. bschoeneck@wahsa.org

Final Rates by RUG-34 Classification

POP-ID: 100

RURAL

Notification Date

BNHS - Rate7_01_2008v1b 10_22_08.xls

Effective Date

7/1/2008

XXX-07-A1.xls

RUG Class	CMI	Direct Care CMN Allow	Direct Care Allow CMI Adj	BEHCI Allow	DC Allow	Other Allow	Rate
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NF Rates

T19 FFS NonDD Inhouse **0.9380** 73.65 69.08 0.095 \$ 69.18 \$ 61.36 \$ 130.54

For MCO Rates

MCO

By RUG-34 Class:

Res.

31 Days

BA1	0.6000	73.65	44.19	0.095	\$ 44.29	\$ 61.36	\$ 105.65	
BA2	0.7100	73.65	52.29	0.095	\$ 52.39	\$ 61.36	\$ 113.75	
BB1	0.8200	73.65	60.39	0.095	\$ 60.49	\$ 61.36	\$ 121.85	
BB2	0.8600	73.65	63.34	0.095	\$ 63.43	\$ 61.36	\$ 124.79	
CA1	0.9500	73.65	69.97	0.095	\$ 70.06	\$ 61.36	\$ 131.42	
CA2	1.0600	73.65	78.07	0.095	\$ 78.16	\$ 61.36	\$ 139.52	
CB1	1.0700	73.65	78.81	0.095	\$ 78.90	\$ 61.36	\$ 140.26	2 \$ 8,696.15
CB2	1.1500	73.65	84.70	0.095	\$ 84.79	\$ 61.36	\$ 146.15	
CC1	1.2500	73.65	92.06	0.095	\$ 92.16	\$ 61.36	\$ 153.52	
CC2	1.4200	73.65	104.58	0.095	\$ 104.68	\$ 61.36	\$ 166.04	
IA1	0.6700	73.65	49.35	0.095	\$ 49.44	\$ 61.36	\$ 110.80	1 \$ 3,434.82
IA2	0.7200	73.65	53.03	0.095	\$ 53.12	\$ 61.36	\$ 114.48	
IB1	0.8500	73.65	62.60	0.095	\$ 62.70	\$ 61.36	\$ 124.06	1 \$ 3,845.78
IB2	0.8800	73.65	64.81	0.095	\$ 64.91	\$ 61.36	\$ 126.27	
PA1	0.5900	73.65	43.45	0.095	\$ 43.55	\$ 61.36	\$ 104.91	
PA2	0.6200	73.65	45.66	0.095	\$ 45.76	\$ 61.36	\$ 107.12	
PB1	0.6300	73.65	46.40	0.095	\$ 46.49	\$ 61.36	\$ 107.85	
PB2	0.6500	73.65	47.87	0.095	\$ 47.97	\$ 61.36	\$ 109.33	
PC1	0.8100	73.65	59.66	0.095	\$ 59.75	\$ 61.36	\$ 121.11	
PC2	0.8300	73.65	61.13	0.095	\$ 61.22	\$ 61.36	\$ 122.58	
PD1	0.8900	73.65	65.55	0.095	\$ 65.64	\$ 61.36	\$ 127.00	1 \$ 3,937.11
PD2	0.9100	73.65	67.02	0.095	\$ 67.12	\$ 61.36	\$ 128.48	
PE1	0.9700	73.65	71.44	0.095	\$ 71.54	\$ 61.36	\$ 132.90	
PE2	1.0000	73.65	73.65	0.095	\$ 73.75	\$ 61.36	\$ 135.11	
RAA	1.0700	73.65	78.81	0.095	\$ 78.90	\$ 61.36	\$ 140.26	
RAB	1.2400	73.65	91.33	0.095	\$ 91.42	\$ 61.36	\$ 152.78	
RAC	1.3100	73.65	96.48	0.095	\$ 96.58	\$ 61.36	\$ 157.94	
RAD	1.6600	73.65	122.26	0.095	\$ 122.35	\$ 61.36	\$ 183.71	
SE1	1.5400	73.65	113.42	0.095	\$ 113.52	\$ 61.36	\$ 174.88	
SE2	1.7900	73.65	131.83	0.095	\$ 131.93	\$ 61.36	\$ 193.29	
SE3	2.1000	73.65	154.67	0.095	\$ 154.76	\$ 61.36	\$ 216.12	
SSA	1.2800	73.65	94.27	0.095	\$ 94.37	\$ 61.36	\$ 155.73	
SSB	1.3300	73.65	97.95	0.095	\$ 98.05	\$ 61.36	\$ 159.41	1 \$ 4,941.69
SSC	1.4400	73.65	106.06	0.095	\$ 106.15	\$ 61.36	\$ 167.51	

Facility has six MCO clients in January 2009.

CB1 + CB1 + IA1 + IB1 + PD 1 + SSB = 1.07 + 1.07 + .67 + .85 + .89 + 1.33 = 5.88/6 = .98 CMI

\$ 24,855.55

MCO Average CMI **0.98** 73.65 72.18 0.095 \$ 72.27 \$ 61.36 \$ **133.63**

MCO Clients

6

Days

31

Revenue

\$ **24,855.55**