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COMMISSIONER

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

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

Date: March 31, 2023

Re: Guidance on the Status of Legislature-Directed Rate Increase Implementation

Please note that DMS has added the rates for ABI Companion and MPW Environmental and Minor Home Adaptation were missing from the original letter and have been added as of April 27, 2023. The updated version supersedes the March 31, 2023, and April 3, 2023, versions of this letter.

Please note that DMS has corrected the rates for MPW Homemaker, MPW Support Broker, SCL Community Access (Individual), and SCL Community Access (Group) on April 3, 2023. The updated version supersedes the March 31, 2023, version of this letter.

The approved biennial budget bill for fiscal years 2022-2024 included rate increases for five of Kentucky's six 1915(c) Home and Community Based Services (HCBS) programs. The biennial budget bill directed the Department for Medicaid Services (DMS) to fund rate increases using enhanced Federal Medical Percentage (FMAP) dollars allocated by Section 9817 of the *American Rescue Plan Act of 2021*, subject to Centers for Medicare and Medicaid Services (CMS) approval.

Based on discussions with CMS, DMS was advised the most efficient way to advance the biennial budget bill rate increases was to submit an Appendix K amendment. Use of the Appendix K amendment was recommended because DMS does not have a long-term approved rate methodology in its existing 1915(c) HCBS waivers. **CMS recently approved the Appendix K amendment, allowing DMS to begin implementing the 2022-2024 biennial budget increase.**

Please read the following guidance carefully to understand how the legislative-directed rate increase will be implemented.

2022-2024 Biennial Budget Rate Increase Summary

The approved 2022-2024 budget bill included the following increases for the Acquired Brain Injury (ABI), Acquired Brain Injury Long Term Care (ABI LTC), Home and Community Based (HCB), Michelle P. Waiver (MPW), and Supports for Community Living (SCL) waiver programs:

- The current 50% rate increase available under Appendix K for some residential services becomes **permanent in the 2022-2024 biennial budget**. This applies to SCL Level I residential supports and all ABI and ABI LTC residential services.
- All other services in ABI, ABI LTC, HCB, MPW, and SCL will receive a 10% rate increase.
- **Key Points**
 - The budget bill rate increases are calculated using **the base rate in effect on December 31, 2019**.
 - Providers can bill either the 50% increase listed in the [Appendix K Temporary Rate Attestation Form](#) or the 10% increase based on the services they provide (as defined above). **The increases cannot be combined.**
 - DMS will complete a mass adjustment for applicable services with dates of service on or after July 1, 2022.

50% Residential Rate Increase

Providers who are not currently billing the temporary 50% rate increase can begin billing it. Providers who are already billing the temporary 50% rate increase do not need to take additional action.

10% Rate Increase for Non-Residential Services

- **Providers currently billing the temporary 50% Appendix K rate increase**
 - The 10% increase is included in the temporary 50% increase. Providers who are already billing the temporary 50% rate increase do not need to take any further action.
- **Providers that are not billing the temporary rate increase or that provide services not eligible for the 50% increase.**
 - Providers can begin billing the 10% increase immediately; however, the additional funds will not be paid out until changes to the Medicaid Management Information System (MMIS) go into effect.

For base rates and increased rates, please see the [State Fiscal Year 2022-2024 Increases by Waiver](#) section below.

Questions

If you have questions about the 2022-2024 biennial budget increase, the Appendix K temporary 50% rate increase, or this communication, please email those to MedicaidPublicComment@ky.gov. DMS will log and review all questions and respond via the [Appendix K Provider Relief FAQ](#) and through other methods, if needed.

DMS knows providers are eager to receive the adjusted rate as outlined in the 2022-2024 biennial budget. We thank you for your patience throughout the approval and implementation process.

Sincerely,



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

State Fiscal Year 2022-2023 Rate Increases by Waiver

[ABI](#)
[ABI LTC](#)
[HCB](#)
[MPW](#)
[SCL](#)

Acquired Brain Injury (ABI)			
Service	Unit	Base Rate	New Rate
Adult Day Training	15-minute	\$4.03	\$4.43
Assessment/reassessment	Per Assessment	\$100.00	\$110
Behavioral Programming Services	15-minute	\$33.61	\$36.97
Case Management	Per Month	\$434.00	\$477.40
Companion	15-minute	\$5.56	\$6.12
Counseling, Individual	15-minute	\$23.84	\$26.22
Counseling, Group	15-minute	\$5.75	\$6.33
Environmental & Minor Home Modifications	Per Year	Up to \$2000.00	Up to \$2,200
Financial Management Services	15-minute	\$12.50	\$13.75
Occupational Therapy	15-minute	\$25.90	\$28.49
Personal Care	15-minute	\$5.56	\$6.12
Respite	15-minute	\$4.00	\$4.40
Speech Therapy	15-minute	\$28.41	\$31.25
Supervised Residential Care Level I	Per Day	\$200.00	\$300.00
Supervised Residential Care Level II	Per Day	\$150.00	\$225.00
Supervised Residential Care Level III	Per Day	\$75.00	\$112.50
Support Broker	Per Month	\$375.00	\$412.50
Supported Employment	15-minute	\$7.98	\$8.78

Acquired Brain Injury Long Term Care (ABI LTC)			
Service	Unit	Base Rate	New Rate
Adult Day Health Care	15-minute	\$3.19	\$3.51
Adult Day Training	15-minute	\$4.03	\$4.43
Assessment/reassessment	Per Assessment	\$100.00	\$110.00
Behavior Programming Services	15-minute	\$33.61	\$36.97

Case Management	Per Month	\$375.00	\$412.50
Community Living Supports	15-minute	\$5.56	\$6.12
Counseling, Individual	15-minute	\$23.84	\$26.22
Counseling, Group	15-minute	\$5.75	\$6.33
Environmental & Minor Home Modifications	Per Year	Up to \$2,000	\$2,200
Family Training	15-minute	\$25.00	\$27.50
Financial Management Services	15-minute	\$12.50	\$13.75
Nursing Supports	15-minute	\$25.00	\$27.50
Occupational Therapy	15-minute	\$25.90	\$28.49
Physical Therapy	15-minute	\$25.00	\$27.50
Respite	15-minute	\$4.00	\$4.40
Speech Therapy	15-minute	\$28.41	\$31.25
Supervised Residential Care Level I	Per Day	\$200.00	\$300.00
Supervised Residential Care Level II	Per Day	\$150.00	\$225.00
Supervised Residential Care Level III	Per Day	\$75.00	\$112.50
Support Broker	Per Month	\$375.00	\$412.50
Supported Employment	15-minute	\$7.92	\$8.78

Home and Community Based (HCB) Waiver			
Service	Unit	Base Rate	New Rate
Adult Day Health Care – Level I	15-minute	\$2.83	\$3.11
Adult Day Health Care – Level II	15-minute	\$3.43	\$3.77
Attendant Care	15-minute	\$6.00	\$6.60
Conflict Free Case Management	Per Month	\$100.00	\$110.00
Environmental and Minor Home Modifications	Per Year	\$2,500	\$2,750
Goods & Services	Per Year	\$3,500	\$3,850
Home Delivered Meals	Per Meal	\$7.50	\$8.25
Non-Specialized Respite	15-minute	\$2.75	\$3.03
Participant Directed Coordination	Per Month	\$325	\$357.50
Specialized Respite – Level I	15-minute	\$4.00	\$4.40
Specialized Respite – Level II	15-minute	\$10.00	\$11.00

Michelle P. Waiver (MPW)			
Service	Unit	Base Rate	New Rate
Adult Day Health Care	15-minute	\$2.75	\$3.03
Adult Day Training	15-minute	\$2.75	\$3.03

Attendant Care	15-minute	\$2.90	\$3.19
Behavioral Support Service	15-minute	\$33.25	\$36.58
Case Management	Per Month	\$200.00	\$220
Community Living Supports	15-minute	\$5.54	\$6.09
Environmental and Minor Home Adaptation	Per Calendar Year	\$500	\$550
Financial Management Services	15-minute	\$12.50	\$13.75
Homemaker	15-minute	\$6.50	\$7.15
Occupational Therapy	15-minute	\$22.17	\$24.39
Personal Care	15-minute	\$7.50	\$8.25
Physical Therapy	15-minute	\$22.17	\$24.39
Respite	Per Year	\$4,000	\$4,400
Speech Therapy	15-minute	\$22.17	\$24.39
Support Broker	Per Month	\$265.00	\$291.50
Supported Employment	15-minute	\$5.54	\$6.09

Supports for Community Living (SCL)			
Service	Unit	Base Rate	New Rate
Case Management	Per Month	\$352.00	\$387.20
Consultative Clinical & Therapeutic Services	15-minute	\$24.75	\$27.23
Community Access, Individual	15-minute	\$8.80	\$9.68
Community Access, Group	15-minute	\$4.40	\$4.84
Community Guide	15-minute	\$8.80	\$9.68
Community Transition	Per Transition	\$2,000.00	\$2,200.00
Day Training	15-minute	\$2.42	\$2.66
Day Training at an ADHC	15-minute	\$3.30	\$3.63
Environmental Accessibility Adaptation Services	Lifetime	\$8,000	\$8,800
Financial Management Services	15-minute	\$12.50	\$13.75
Goods & Services	Per Year	\$1,800	\$1,980
Natural Supports Training	Per Year	Up to \$1,000	Up to \$1,100
Person-Centered Coaching	15-minute	\$6.33	\$6.96
Personal Assistance	15-minute	\$6.09	\$6.70
Positive Behavior Supports	15-minute	\$24.75	\$27.23
Positive Behavior Support Plan	Per Plan	\$731.50	\$804.65

Supports for Community Living (SCL)			
Residential Support Level I – 3 Residents or Fewer	Per Day	\$189.71	\$284.57
Residential Support Level I – 4-8 Residents	Per Day	\$143.39	\$215.09
Residential Support Level II	Per Day	\$86.90	\$95.59
Residential Support Level II - 12+ hours of supervision	Per Day	\$155.86	\$171.45
Respite	Per Day	\$3.05	\$3.36
Shared Living	Per Month	\$600.00	\$660.00
Supported Employment	15-minute	\$11.28	\$12.41
Technology Assisted Residential	Per Day	\$86.90	\$95.59
Transportation	Per Month	\$265.00	\$291.50
Vehicle Adaptations	Per Every Five Years	\$6,000	\$6,600