CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES

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

From: Pam Smith
Director, Division of Community Alternatives

Date: January 12, 2021

Re: Amendment to Waiver Policy Updates

**Please note the following updates made to this letter since it was originally issued on November 6, 2020.**

**Update #1, November 18, 2020:** The policy guidance in this letter related to Respite and Electronic Visit Verification supersedes the Waiver Policy Updates letter issued on November 6, 2020.

**Update #2, January 11, 2021:** The policy guidance in this letter related to Service Unit Rounding supersedes the Waiver Policy Updates letter initially issued on November 6, 2020, and re-issued on November 18, 2020.

The policy guidance related to service notes originally issued on November 6, 2020, remains the same.

After careful consideration, the Department for Medicaid Services (DMS) is updating several policies related to the following topics:

- Service Unit Rounding
- Respite and Electronic Visit Verification (EVV)
- Service Notes

While DMS re-evaluated these policies due to the implementation of EVV, it is important to note **some of these policy updates affect all services** offered through Kentucky's 1915(c) HCBS waivers.

**Service Unit Rounding**

Under the previous policy, DMS required providers to deliver services for the exact amount of time a unit of service is reimbursed to receive payment for that unit. For services reimbursed in 15-minute units, each unit must have been provided for exactly 15 minutes to receive payment. For example, if a service was provided for 13 minutes, the provider would not have been able to receive reimbursement.

**DMS is updating the service rounding policy to allow rounding up to the next unit if the service is completed but the time does not equal an exact 15-minute increment.** For example, if a service is provided for 13 minutes, under the new service unit rounding policy, it can be billed for one 15-minute unit.

**There are some key points to remember with this new policy.**

- A service must be delivered **for at least eight minutes** before it is rounded up to the next 15-minute unit. For services billed in one-hour units, the service must be delivered **for at least 52 minutes** before it is rounded up to one hour.
    - DMS is updating this policy to eight minutes to make rounding for 1915(c) HCBS waiver services consistent with the way Kentucky's state Medicaid plan and Medicare services are rounded.
- A service **should not be** cut off at the eight-minute mark just because reimbursement for the full unit will be received.
- **For services required to use EVV**, paid caregivers should start their visit at the exact time they begin providing services and end their visit at the exact time they finish providing services. The Tellus EVV system calculates the units accordingly.
    - Tellus is updating the system to round at eight minutes. If your provider agency is billing through Tellus, you will need to calculate and update units manually for now.
- **For services not required to use EVV**, the exact start time and the exact end time of the service should be documented. Provider agency billing staff is responsible to calculate units and bill Medicaid accordingly.

**DMS expects paid caregivers to continue providing complete services to waiver participants.** This policy is being changed to allow for instances where the paid caregiver completes the service and needs to end their visit a minute or two early to allow the next paid caregiver to begin their visit.

**Respite and EVV**

DMS is no longer requiring Specialized Respite and Respite services provided in congregate settings, such as adult day health care or residential facilities, to use EVV. The listing of services required to use EVV is available at https://bit.ly/kyevvservices.

To bill for Specialized Respite and Respite provided in congregate settings, providers should use the same code they do today with a U9 modifier. Prior authorizations for any participants receiving Specialized Respite or Respite in these settings will need to be updated to include the code with the U9 modifier. **Affected providers should begin using the U9 modifier when billing Specialized Respite or Respite claims with a date of service of January 1, 2021, or**

**later. Do not use the U9 modifier for claims with dates of services prior to January 1, 2021.**

**Service Notes**

DMS has made the following decisions regarding service notes.

- **For EVV-affected services**
  - Entering service notes using the EVV system is **required**.
  - Entering services notes using the Medicaid Waiver Management Application (MWMA) is **optional**.

  Provider agencies can choose to enter service notes for EVV-affected services in both the EVV system and MWMA, however, **DMS will only require service notes for EVV-affected services to be entered in the EVV system**. The list of EVV-affected services is available at https://bit.ly/kyevvservices.

- **For services not required to use EVV**
  - Service notes must be entered using MWMA as outlined in waiver-related Kentucky Administrative Regulations (KAR).
    - Waiver-related KARs can be viewed at https://bit.ly/kywaiverregs.
  - DMS issued a notice on September 11, 2020, delaying the requirement for providers delivering direct services to waiver participants to enter service notes in the MWMA. Provider agencies can enter services notes in MWMA if they choose, but are not required to at this time.
    - The letter is available at https://bit.ly/mwmaupdates20.
  - DMS has not yet determined a date for when the requirement to use MWMA for service notes will take effect.

If you have questions about these policy updates, please contact the 1915(c) Waiver Help Desk by phone at (844) 784-5614 or by email at 1915cWaiverHelpDesk@ky.gov.

Sincerely,

Pam Smith

Pam Smith
Director, Division of Community Alternatives