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### STATE OF WASHINGTON

## DEPARTMENT OF SOCIAL AND HEALTH SERVICES

## Aging and Long-Term Support Administration

## Home and Community Services Division

PO Box 45600, Olympia, WA 98504-5600

**HCS MANAGEMENT BULLETIN**

**H20-039 –** Procedure

**May 4, 2020**

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| **TO:** | Home and Community Services (HCS) Division Regional Administrators  Area Agency on Aging (AAA) Directors |
| **FROM:** | Bea Rector, Director, Home and Community Services Division |
| **SUBJECT:** | **Retainer Payments for specific Medicaid Service Providers--Adult Day Health (ADH) and Adult Day Care (ADC) during the COVID-19 outbreak** |
| **PURPOSE:** | To notify the field about temporary retainer payments that may be paid during the COVID-19 pandemic |
| **BACKGROUND:** | On February 29, 2020, Governor Inslee declared a state of emergency in response to the COVID-19 outbreak, directing state agencies to use all resources necessary to prepare for and respond to the outbreak. ALTSA has received approval to pay retainer payments to specific Community First Choice (CFC) and 1915(c) waiver providers from the Centers for Medicare and Medicaid Services (CMS) under an 1115 demonstration to address the COVID-19 public health emergency. |
| **WHAT’S NEW, CHANGED, OR CLARIFIED:** | In light of the unprecedented emergency circumstances associated with the COVID-19 pandemic, the Aging and Long-Term Support Administration, Home and Community Services division, will be allowing temporary (a maximum of 30 days) retainer payments to ADH or ADC due to specific COVID-19 related circumstances described in the Action section of this MB. Retainer payments are payments to providers made in lieu of normal payment for services when the provider is prevented from delivering services for one of the reasons detailed below. Retainer payments are available retro-actively back to March 1, 2020 through June 30, 2020. |
| **ACTION:** | Effective immediately, ADH and ADC providers may be authorized a pandemic-related retainer payment for the period of March 1, 2020-June 30, 2020, when:   1. The ADH or ADC was prevented from providing authorized services to a Medicaid client due to the provider temporarily closing or not providing services to authorized clients as a result of reducing the number of people served on a given day in response to local, state, federal, or medical requirements or orders; or 2. The ADH or ADC was prevented from providing services to a Medicaid client because the client has a positive or suspected COVID-19 diagnosis.   Additionally, in order to receive a retainer payment the ADH/ADC must intend to re-open and agree to continue providing services to the Medicaid client(s) when it is safe to do so.  If, at any point during the 30 day authorization period or after the 30 consecutive day maximum is reached an ADH or ADC provides care to the client (please note this could be under the revised service definition in MB-H20-018 and MB-20-038), and then one of the pandemic-related retainer payment scenarios listed above reoccurs and the requirements specified in the MB continue to be met, the 30 day time retainer payment period may start over. If no care is provided to the client after the 30 day time period, a new retainer payment may not be authorized.  If a case manager is notified by an ADH or ADC provider that additional retainer payments are necessary beyond the initial 30 day authorization the case manager must:   1. Verify that care was provided after the initial 30 day retainer payment period is over; 2. Verify that the ADH/ADC intends to re-open and agrees to continue providing services to the Medicaid client(s) once safe to do so; 3. Use the pandemic-related retainer payment service code listed below to authorize an additional 30 days of retainer payments at 70% of the current rate for each Medicaid client affected:    * For ADH providers, SA687,U2    * For ADC providers, SA687, U3   Attached is Retainer Payment Rate Calculator to assist in determining the 70%.   1. Document these actions as an SER in CARE.   **Please note**:   * ADHs and ADCs may only claim retainer payments for days the client was authorized to receive services. * An initial 30 day authorization retroactive to March 1, 2020 for all Medicaid ADH and ADC clients will be auto-generated at ALTSA HQ. Case Managers do not need to take any actions unless they are contacted by an ADH or ADC with a request for an additional 30 day authorization, which may also be authorized retro-actively. * ADHs and ADCs that meet the requirements in this MB are allowed to claim the retainer payment immediately. * **Providers must not claim a retainer payment for any Medicaid client on the same date for which a service is provided. Claiming a retainer payment while also claiming for the provision of care to a client will result in an overpayment. Case Managers should not process an overpayment for retainer payments at this time. Further instruction on completing overpayments for pandemic-related retainer payments will be provided at a later date.** |
| **RELATED REFERENCES:** |  |
| **ATTACHMENT(S):** |  |
| **CONTACT(S):** | Jerome Spearman, Adult Day Services Program Manager  (360) 725-2638  [jerome.spearman@dshs.wa.gov](mailto:jerome.spearman@dshs.wa.gov) |