

July 2, 2014

Re: Changes to the FIT and DDW Rates

Dear Agency Directors,

I am writing to update you on the Fiscal Year 15 changes to the rates for the Family Infant Toddler Program and the Developmental Disabilities Waiver program. These changes are the result of legislative appropriations and negotiations between service providers and the Department of Health. DOH has received and considered input from the FIT Interagency Coordinating Council, the DDW Advisory Council on Quality, the Association of Developmental Disabilities Community Providers and individual provider agencies.

I appreciate the many hours of work that went into developing these modifications to the rates. I want to acknowledge that the new rates are not what were proposed by ADDCP or the DDSD Supported Employment working group. However, they do represent an increase and a positive compromise, especially in regards to the return to a monthly billing unit for Supported Employment. In addition, these changes will result in a significant amount of additional funding in the community system. For example changes to Supported Employment are projected to add at least add \$4.6 million to program costs in FY15. The additional funding for rates, beyond what was appropriated for FY15, must be identified from within the DD Waiver system-wide budget for services. Given that the funding is finite, we must balance the needs of the provider system with the needs of individuals currently waiting for services.

Please be aware that these changes will require CMS approval of an amendment to the DDW, changes to the DDW service package budgets; changes to the DDW Standards; and OMNICAID system changes for both FIT and the DDW. DOH is proposing to pilot Supported Employment changes and pay 100% via SGF monies until the waiver amendment is approved. We are working closely with Medicaid to get the changes in place as soon as possible.

The following changes will be implemented as soon as possible in FY15.

#### **Rate Increases for Family Infant Toddler Program**

The FIT program received \$500,000.00 for rate increases in FY15. To maximize the impact of the new funding DDSD will modify the following rates:

Service	Code	Current Rate	FY15 rate
Home and Community Individual	T1027 TL	\$25.50 per 15 minute unit	<b>\$26.25 per 15 minute unit</b>
Early Intervention Center/Individual	T1027 TL TT	\$12.95 per 15 minute unit	<b>\$13.50 per 15 minute unit</b>
Family Service Coordination	T2023 TL	\$155 per monthly unit.	<b>\$158.2 per monthly unit.</b>

### Rate Increases for Developmental Disabilities Waiver

The DDW program received \$500, 000.00 for rate increases in FY15. To maximize the impact of the new funding, DDSD will modify the following rates:

Service	Current Rate	Proposed Rate	Percentage Increase	SGF needed for match
Customized In Home Support	\$4.42 or \$6.34	\$6.53	3%	\$208,776.77
Supported Living	\$223.04	\$225.38	1.05%	\$252,084.43.34
Customized Community Support - Group	\$2.58	\$2.63	2%	\$39,575.69

### Correction to DDW Family Living Service

On-call nursing was based on an assumption of 100 FL subcontractors /nurse's ratio. This has been adjusted down to 36 FL contractors per nurse. As a result the daily rate for FL will increase from \$116.52 to \$117.14.

### Additional Changes to Customized In-Home Supports

Currently, the rate for services to individuals living with a natural or host family is \$4.42 per fifteen minutes and the rate for living independently is \$6.34 per fifteen minutes. The division will no longer maintain two rates, but will utilize the higher rate of \$6.53 per fifteen minutes in either service setting.

### Rate Increases to Supported Employment

Service	Current Code	Current Rate	FY15 rate
Supported Employment - Individual	T2019 HB UK	\$9.13 /15 minute unit for job development	<b>\$933 per month</b> <b>(Assumes at least 4 hours of support with a hard cap of 40 hours of support)</b>
	H2025 HB	\$8.02/15 minute unit for job maintenance	
Supported Employment – Individual Intensive	N/A	N/A	<b>\$10.45 per 15 minute unit</b> <b>(may be billed in addition to the monthly unit in months when documented support to the individual exceeds 40 hours)</b>
Community Integrated Employment - Group	T2019 HBUA	Category 1 (NM SIS A-D) \$1.95 per 15 minute unit Category 2 (NM SIS E-G) \$2.95 per 15 minute unit	<b>No change</b>

- Individual SE at \$933 per person /per month covers Job Development and Employment Support. The rate assumes a case load of 5 individuals per Job Developer/Job Coach which allows for an average of approximately 22 hours of support per individual per month.

## **Use of additional Units of Individual Intensive Behavioral in Supported Living**

DDSD Supported Living rates were based on an assumption of a certain number of hours of 1:1 support for the individual by the direct support personnel. During the first year of implementation this assumption did not hold up; as a result, DDSD responded by creating a process for the use of the Individual Intensive Behavioral Support service in conjunction with Supported Living Services, for individuals who require a higher level of staff support than contained in their NM DDW Group service package. As of June 1, 2014 thirty-four (34) individuals had been approved through this process, for a total expenditure of \$2,219,651.02.

DDSD will continue to work with stakeholders and Medicaid on the best systemic approach to address this need, in the longer term.

Thank you for partnering with us on the implementation of the Developmental Disabilities Waiver and the Family Infant Toddler Program.

Sincerely,

A handwritten signature in blue ink that reads "Cathy Stevenson". The signature is written in a cursive, flowing style.

Cathy Stevenson, Director

Cc: Lynn Gallagher, DOH  
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