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TEMPORARY ADMINISTRATIVE ORDER
INCLUDING STATEMENT OF NEED & JUSTIFICATION

DMAP 110-2018

CHAPTER 410
OREGON HEALTH AUTHORITY
HEALTH SYSTEMS DIVISION: MEDICAL ASSISTANCE PROGRAMS

FILED
12/20/2018 3:02 PM
ARCHIVES DIVISION
SECRETARY OF STATE
& LEGISLATIVE COUNSEL

FILING CAPTION: Phased Early Adoption of Standardized Rates for Licensed Mental Health Residential Treatment Homes and Facilities

EFFECTIVE DATE: 01/01/2019 THROUGH 06/29/2019

AGENCY APPROVED DATE: 12/19/2018

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NEED FOR THE RULE(S):

The Division needs to adopt these rules to allow a phased early adoption of standardized rates for licensed mental health residential treatment homes and facilities. This early adoption phase will allow OHA to enhance the design of a new rate methodology for mental health residential treatment homes and facilities to be implemented July 1, 2019.

JUSTIFICATION OF TEMPORARY FILING:

The Authority finds that failure to act promptly will result in serious prejudice to the public interest, the Authority, and recipients of Medicaid benefits. These rules need to be adopted promptly so that the Authority may test a new rate methodology before it is implemented on July 1, 2019.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

<http://www.oregon.gov/oha/HSD/OHP/Pages/MH-Rates.aspx>

ADOPT: 410-172-0705

RULE TITLE: Residential Rate Standardization

RULE SUMMARY: The Division needs to adopt these rules to comply with CMS 2333-F.

RULE TEXT:

- (1) For services provided in licensed community-based residential treatment settings, which include residential treatment home/facilities, secure residential treatment facilities, and young adult in-transition treatment homes, the Authority may phase in early adopter implementation of a standardized rate for personal care and habilitation services, subject to CMS approval of the State Plan Amendment.
- (2) The standardized rate methodology may be based on unbiased, independent data including independent analysis of provider general ledger cost data, independent, conflict free face-to-face client assessments of acuity, and independent examination of job classification and wage data.
- (3) The standardized rates may be tiered:

- (a) For different levels of client acuity needs;
 - (b) Across a range of bed size bands; and
 - (c) For Oregon-specific minimum wage regions.
- (4) The Authority may select up to ten mental health residential providers with the lowest per member per month rates to voluntarily participate in the phased early adoption of the standardized rates for a testing period January 1, 2019, to June 30, 2019.
- (5) The phased implementation of these standardized rates is a component of the Authority's Behavioral Health Services development of community-based client centered services to support client's stabilization in congregate settings and skills building to help clients to transition to more integrated settings with improved client and system outcomes. During the testing period, each early adopter provider must:
- (a) Submit a staff and development plan showing how the provider ensures programming, staffing, and staff training sufficient to engage clients in their skills building to improve client progress and client outcomes toward transition to more integrated settings;
 - (b) Report to the Authority weekly: Client transitions, new clients, discharging clients, and clients with significantly changing acuity status;
 - (c) Maintain documentation of services per occurrence, and document to the care plan;
 - (d) Provide feedback to the Authority at least monthly on: Rate assumptions; best practices, and lessons learned; fiscal and operational impacts of the standard rates; client progress; and system outcomes to inform the system-wide implementation on July 1, 2019.
- (6) The Authority may reimburse the early adopter providers for residential services to clients using the standardized methodology during the testing period:
- (a) For clients eligible for Medicaid covered residential services, the Authority may not pay any county pass-through funds or direct contract payments in monthly rates and slot amounts to an early adopter provider;
 - (b) For clients ineligible for Medicaid covered residential services, the Authority may pay county pass-through funds or direct contract payments to an early adopter provider;
 - (c) For both Medicaid and non-Medicaid clients, the Authority may pay to early adopter providers the standardized Tier 1 per diem rate for a Reserved Service Capacity Payment (RSCP) as defined in OAR 309-011-0115.

STATUTORY/OTHER AUTHORITY: ORS 413.042, 430.640

STATUTES/OTHER IMPLEMENTED: ORS 413.042, 414.025, 414.065, 430.640, 430.705, 430.715