



TO: Children, Families, Health, and Human Services Interim Committee  
Legislative Finance Committee  
Interim Budget Committee

FROM: Rebecca de Camara, Acting Medicaid and Health Services Executive  
Director/Medicaid Director  
Department of Public Health and Human Services (DPHHS)

DATE: June 28, 2024

SUBJECT: Medicaid Change Reporting – June 2024

**Purpose:**

This memo is to complete the requirements set forth in 53-6-101 (12)(a) by reporting changes to provider rates, Montana Medicaid waivers, and/or the Montana Medicaid State Plan to the Children, Families, Health, and Human Services Interim Committee, the Legislative Finance Committee, and the Health and Human Services Interim Budget Committee. The effective date of each proposed change is indicated.

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## Provider Rate Changes

Effective July 1, 2024, DPHHS is enacting the following rate changes for Medicaid covered services delivered by Medicaid enrolled providers to Medicaid enrollees.

As a result of the 2022 Guidehouse study and the 2023 Legislative Session appropriation, the **studied** Medicaid provider types will be amended to receive an average of 7.01% rate increase. The specific rate increase for each service is dependent upon the difference between the current rate and the Guidehouse benchmark rate.

The provider types included in the Guidehouse study are:

Provider Type	Weighted Rate Change Fiscal Year 2025)
CASE MANAGEMENT – ADULT MENTAL HEALTH	4.73%
CASE MANAGEMENT – TARGETED	2.11%
CHEMICAL DEPENDENCY CLINIC	0.35%
COMMUNITY FIRST CHOICE	12.56%
COMPREHENSIVE SCHOOL AND COMMUNITY TREATMENT (CSCT)	0.13%
DEVELOPMENTAL DISABILITIES PROGRAM	6.06%
Adult Foster Support (low supervision)	29.66%
Adult Foster Support (moderate supervision)	23.01%
Adult Foster Support (enhanced supervision)	14.28%
Private Duty Nursing (Medicaid State Plan) RN	13.44%
Companion	11.94%
Private Duty Nursing (Medicaid State Plan) LPN	11.44%
Personal Care	11.38%
Behavioral Support Services	10.35%
DEVELOPMENTAL DISABILITIES TARGETED CASE MANAGEMENT	0.23%
BIG SKY WAIVER HOME & COMMUNITY BASED SERVICES	6.24%
Specially Trained Attendant – RN	15.99%
Transportation – Miles	15.37%
Homemaker	14.06%
Specially Trained Attendant – LPN	13.88%
Private Duty Nursing	13.78%
Private Duty Nursing – RN	13.78%
Personal Assistance Nurse Supervision - Agency-Based	13.62%
Community Support Services	13.46%
Personal Assistance Attendant - Agency-Based	13.14%
Personal Assistance Attendant -Self-Directed	12.91%
Personal Assistance Oversight - Self Directed	12.91%
Specially Trained Attendant	11.88%

Nutrition (Meals)	
11.87%	
Private Duty Nursing – LPN	11.76%
<b>Provider Type</b>	<b>Weighted Rate Change Fiscal Year 2025)</b>
BIG SKY WAIVER HOME & COMMUNITY BASED SERVICES (continued)	
Prevocational Service	10.68%
MENTAL HEALTH CENTER – ADULT	3.48%
MENTAL HEALTH CENTER – CHILD	11.73%
NURSING HOME	8.24%
PERSONAL CARE AGENCY	12.09%
PERSONAL CARE AGENCY - YOUTH MENTAL HEALTH	12.65%
PERSONAL CARE AGENCY – ADULT MENTAL HEALTH	8.94%
PRIVATE DUTY NURSING AGENCY	12.76%
PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY	7.85%
SEVERE DISABILING MENTAL ILLNESS (SDMI) HOME AND COMMUNITY BASED WAIVER	6.71%
Private Duty Nursing - RN	13.42%
Behavioral Intervention Assistant	12.55%
Personal Assistance Attendant - Self-Directed	12.28%
Nutrition (Meals)	11.53%
Private Duty Nursing - LPN	11.44%
Personal Assistance Attendant	11.37%
THERAPEUTIC FOSTER CARE - HOME SUPPORT SERVICES	10.78%
THERAPEUTIC GROUP HOME	4.24%
WASP 1115 WAIVER	3.37%
<b>Average Rate Increase for Medicaid Studied Rates</b>	<b>7.01%</b>

DPHHS proposes to submit a non-substantive technical amendment to the **Home and Community Based Comprehensive Waiver for Individuals with Developmental Disabilities**. Revisions are being made to Appendix J on the Cost Neutrality Demonstration in which waiver participants and service expenditure estimates for the 5-year waiver cycle will be updated based on more current utilization. Waiver year one will be retroactively amended, effective July 1, 2023. Waiver years two through five, beginning July 1, 2024, will be adjusted to reflect current utilization and rate increases.

### [Medicaid Rate Increases Not Included in the Guidehouse Study](#)

Effective July 1, 2024, DPHHS proposes to amend Medicaid services and provider types not included in the Guidehouse study to receive an approximate 4% rate increase appropriated in the 2023 Montana Legislative Session, except the following:

- Youth Mental Health Targeted Case Management services, which are currently reimbursed at the benchmark rate.

- Other Rehabilitative Services Mobile Crisis and Substance Use Disorder services (ASAM 2.1-3.7), which are also currently reimbursed at the benchmark rate.

### Provider Participation Changes

Effective July 1, 2024, DPHHS proposes to update the **Nursing Facilities** State Plan to expand the current nursing facility reporting requirements and further define the information that needs to be provided. The proposed amendment will list the staffing and quality and performance data that will be collected on the monthly staffing report. This includes information on occupancy, staffing, demand for service, employee training, employee longevity and annual resident/family satisfaction survey. The proposed amendment will also extend the timeframe required for submitting reports. The amendment is budget neutral.

Effective July 1, 2024, DPHHS also proposes to amend the state's **Healthy Montana Kids/Children's Health Insurance (HMK/CHIP) Program** State Plan to assure that copayments are not assessed for age-appropriate vaccines and their administration in accordance with the recommendations of the Advisory Committee on Immunization Practices (ACIP). The amendment is budget neutral.

### Eligibility Changes

Effective September 2024, the Centers for Medicare & Medicaid Services (CMS) Medicare Savings Program (MSP) Eligibility Determination and Enrollment (CMS-2421-F) final rule requires qualified individuals eligible for State Supplemental Income (SSI) to be automatically enrolled into MSP. This CMS final rule streamlines the application process and eliminates duplicate paperwork for older adults and people with disabilities. DPHHS proposes to begin system enhancements to auto enroll individuals eligible for SSI into the appropriate MSP program.

Effective September 2024, the CMS Streamlining the Medicaid, Children's Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment and Renewal Process (CMS-2421-F2) final rule requires states to accept determinations across **Modified Adjusted Gross Income (MAGI)** Medicaid and CHIP programs. DPHHS proposes to begin system enhancements to allow the determinations across MAGI Medicaid program and CHIP program.

### Benefit Plan Changes

Effective July 1, 2024, DPHHS proposes to move Nutritionist, Respite, Companion, and Personal Care services in the **Home and Community Based Comprehensive Waiver for Individuals with Developmental Disabilities** to a 15-minute reimbursable unit to better align with the requirements of Electronic Visit Verification. This change is budget neutral.

Effective July 1, 2024, DPHHS proposes to update the **Optometrist** and **Eyeglasses** State Plans to increase the frequency that members aged 21 and over can receive eye examinations and eyeglasses from every 730 days to every 365 days. The amendments' total estimated annual fiscal impact is \$597,400 for State Fiscal Year (SFY) 2025.

Effective July 1, 2024, DPHHS proposes to update the **Dental Services** State Plan to remove the tooth restriction on porcelain or ceramic substrate crowns for members aged 21 and over. These changes are anticipated to be budget neutral as it is not anticipated that utilization will change significantly.

While there is a cost differential between crown materials, adult members are limited to two crowns per year.

DPHHS proposes to increase the adult dental treatment services limit from \$1,125 per benefit year to \$1,170 per benefit year (July 1 – June 30). The total annual estimated fiscal impact is \$181,935 for State Fiscal Year (SFY) 2025.

Effective October 1, 2024, DPHHS proposes to align the HMK/CHIP Program dental coverage with Medicaid. Changes include:

- Removing the \$1,900 annual limit.
- Adding the medically necessary orthodontia.
- Aligning provider fee schedules.
- Replacing “Comprehensive Primary Care Plus (CPC+)” language with “value-based payment model” language.

Effective July 1, 2024, DPHHS proposes to amend **Targeted Case Management (TCM) services for High-Risk Pregnant Women (HRPW)** to furnish TCM for HRPW for 12-months post-partum. The current approved state plan furnishes TCM for 60-days post-partum. The total annual estimated fiscal impact of this amendment is \$4,493.

Effective July 1, 2024, DPHHS proposes to add a new **Pediatric Complex Care Assistant Services (PCCAS)** provider type to Other Licensed Practitioners in the Medicaid State Plan. PCCAS is a licensed practitioner established by the Montana Legislature during the 2023 session to provide an additional avenue of support and services for pediatric individuals under the age of 21 years, who have specialized, complex care needs. The new benefit will also establish a pathway to pay family caregivers for some elements of specialized care to complex pediatric individuals. The total annual estimated fiscal impact of this amendment is \$1,268,833.06.

Effective July 1, 2024, DPHHS proposes to redesign the **Tribal Health Improvement Program (THIP)** to align the program with the Primary Care Case Management entities (PCCMe) federal requirements. DPHHS is proposing a two-step approach to the redesign:

### Step One

The first step is to amend the THIP to a 3-tiered 100% care coordination program. This proposal aims to keep the services that are already being provided in Tier 1 and keep the reimbursement rates. The proposal outlines providing care coordination to 10% of attributed members in Tier 1, 25% of attributed members in Tier 2, and 40% of attributed members in Tier 3.

DPHHS also proposes to move the authority for this program from a 1915(b) waiver that requires renewal every two years, to a 1932(a) SPA that would have long term approval. DPHHS is looking to include the following PCCMe functions in the 1932(a) SPA submittal:

- Telephonic and face-to-face case management services;
- Development of enrollee care plans; and
- Enrollee outreach and education activities.

In response to the request of Montana Tribes during an in-person consultation held October 25-26, 2023, DPHHS will be looking into an inflation adjustment factor for the Per Member Per Month (PMPM) rates and a transition period to attest to the new Tier 2 requirements for the THIP's already operating at Tier 2.

### Step Two

The second step addresses another request of the Tribes during the in-person consultation to review 42 Code of Federal Regulations 438.14 for authority to allow the Little Shell Tribe to participate as an eligible provider, as the Tribe does not have a reservation. DPHHS agrees to examine this authority and will need time to fully research all the possible impacts to the THIP, including the effects on other Tribes. Potential changes to the program eligibility criteria will require further consultation with the Tribes.

The total estimated annual impact of the THIP amendment is budget neutral.

Effective July 1, 2024, DPHHS proposes to amend the **Alternative Benefit Plan** (ABP) templates 5 and 8 to align Montana's ABP with Montana's State Plan as required under Section 1937 of the Social Security Act. In compliance with 42 CFR §440.345, individuals under 21 years of age receiving Medicaid benefits will continue to have access to services within the full early and periodic screening, diagnosis, and treatment (EPSDT) benefit as defined in Section 1905(r) of the Social Security Act.

The ABP is being updated to include all Essential Health Benefits from the Base Benchmark Plan and match them to the State Plan coverage to verify alignment with the two. This update is to make Montana's ABP compliant with federal guidelines and to verify alignment between the ABP and State Plan:

- The ABP 4 template will be revised to conform to no cost-sharing for any population.
- The ABP 5 template will be aligned with the Other Rehabilitative Services and TCM HRPW changes and new PCCAS provider type upon the approval of the three SPAs. The Other Rehabilitative Services SPA was noticed in a [previous public notice](#) posted online on April 12, 2024.
- The ABP 7 template will be revised to confirm that any Expansion adult served under the ABP who is under age 21 has all the EPSDT protections.
- The ABP 8 template will be aligned to include the Tribal Health Improvement Program, which CMS approved to be moved from a 1915(b) waiver to a 1932(a) state plan authority.

The ABP SPA is budget neutral as this does not present any changes to the current benefits or services.

Effective October 1, 2024, DPHHS proposes to update the **Other Rehabilitative Services** State Plan to:

- Update Medical Necessity criteria for Behavioral Health Group Homes;
- Remove the Program of Assertive Community Treatment (PACT) and Montana Assertive Community Treatment (MACT); and
- Add the following services:
  - Community Maintenance Program (CMP)
  - Montana Assertive Community Treatment Program (MT-ACT) aligned with fidelity of the model.

### Benefit Plan Renewals

Although not a proposed change, the concurrent 1915(b) and 1915(c) **Home and Community Based Waiver for the Elderly and Adults with Physical Disabilities** has been approved by CMS for an additional five years, effective July 1, 2024.

The 1915(b) **Passport to Health** and **Team Care** primary care case management programs were also approved for an additional two years, effective July 1, 2024.