



Adult Long-Term Residential Services (3153 / 3751) FY21 Rate Implementation Contract Amendments

February 18, 2021

Overview

In December 2020, the Executive Office of Health and Human Services (EOHHS) promulgated updates to *101 CMR 420.00: Rates for Adult Long-Term Residential Services (ALTR)* that established a dual rate structure during FY21. This structure maintains the FY20 ALTR rates, with the addition of 2% “Bridge” and 5.25% “Day Staffing” add-ons, for the period of July 1 – December 31, 2020. A new structure, based on updated salary and cost factor benchmarks informed by Federal Bureau of Labor Statistics data, is promulgated effective January 1, 2021. For additional detail regarding these rate structures, please refer to the [DDS ALTR webpage](#).

Due to delays in regulation promulgation as a result of the COVID-19 pandemic in Massachusetts, DDS has maintained FY20 ALTR payment rates for all contracts during FY21. DDS is starting the process to execute Service Summary Form amendments to retroactively apply the regulation updates back to July 1, 2020. This document outlines what providers need to do to facilitate this amendment process.

Amendment Process

DDS Regional Contract Offices are transmitting the following documents to providers:

- ICMS Site Detail and Rate Computation Reports for July 1 – December 31, 2020
 - Includes the 2% Bridge and 5.25% Day Staffing payments effective in this period
- Alternate Site Detail and Rate Computation Reports for January 1 – June 30, 2021

Due to the change in rate structures, DDS cannot use ICMS for contract management after January 1, 2021. A temporary system has been put in to place that will generate reports with similar content to ICMS, but they will differ somewhat in appearance.

Providers should review the Site Detail reports for accuracy and develop the amendment to the Service Summary Form. ***However, due to current limitations of the temporary contract management system, DDS will not process adjustments to the January 1st slotting at this time. Any changes requested by the provider, and agreed to by the Area/Region, may be included in a later amendment. In order to facilitate a timely amendment and payment process, DDS is requesting that providers move forward with January 1st data as presented.***

Rates for the two billing periods will not be blended together. The ICMS report will establish a single rate effective only for July – December 2020. The alternate report will establish a separate rate that is effective only for January – June 2021.

In keeping with our standard practice, amendments to the Service Summary Form should build upon the previous version of the Form. When processing this amendment, providers should first zero out the funding associated with the temporary rates currently in place, then enter new rows reflecting the new rates. Please refer to the sample form below demonstrating the format for Service Summary Form amendments.

Version #	Brief Description	Dates of Service	Number of Units	Unit Rate	Unit Type	Estimated Expenditure
Initial	Adult Long Term Residential	07/01/20 - 06/30/21	TBD	\$300.00	Day	\$1,000,000.00
2	Adult Long Term Residential	07/01/20 - 06/30/21	TBD	\$300.00	Day	\$300,000.00
3	Adult Long Term Residential	07/01/20 - 06/30/21	TBD	\$300.00	Day	(\$1,300,000.00)
4	Adult Long Term Residential	07/01/20 - 12/31/20	3,333	\$321.75	Day	\$1,072,392.75
5	Adult Long Term Residential	01/01/21 - 06/30/21	3,273	\$353.93	Day	\$1,158,396.53
Totals:			6,606.00			\$2,230,789.28

- Initial & Line 2: Initial FY21 value and mid-year amendment to extend funding (if applicable)
- Line 3: Zero out all funding from Lines 1 & 2
- Line 4: Rate and units from ICMS report for July – December 2020
- Line 5: Rate and units from alternate report for January – June 2021

Payments

Once providers have signed and submitted Service Summary Forms, DDS will process increases to encumbrances in MMARS and update rates in EIM. The new rates will replace those that are currently in effect. Once the EIM updates are complete, DDS will process retroactive payments to reimburse for the difference between the temporary billing rate and the new billing rate.

For example, using the Service Summary Form example above, a provider that has been paid \$300 / day, and has a rate increase to \$321.75 / day, will be issued a retroactive payment equal to \$21.75 / day to reimburse for the difference in rates through December 31, 2021 (\$21.75 X 3,333 units = \$72,492.75 payment). The new rate of \$353.93 will be paid effective January 1. If January billing has already been completed, those units will be re-adjudicated to the \$353.93 rate.

Day Staffing

The ALTR regulation includes a 5.25% “Day Staffing” monthly add-on that is effective through June 30, 2021. DDS has calculated and included this payment for the first six months of FY21 (July 1, 2020 – December 31, 2020). However, the 5.25% add-on rate is **not included** in the new ALTR blended rate effective January 1, 2021. DDS will be issuing additional guidance regarding amendments and Day Staffing payments for the second half of FY21 in mid-April 2021.