

**Agency for Persons with Disabilities
PROCEDURES FOR COST PLAN REBASING
Revised December 22, 2008**

Purpose: This process defines uniform procedures for the implementation of s. 393.0661 (6), Florida Statutes (2008), to adjust cost plans to equal their previous year expenditures plus 5 percent. This process is referred to as cost plan rebasing.

Background: In response to legislative changes in law, APD is implementing cost plan rebasing. The law prescribes the requirement as follows:

"Effective January 1, 2009, and except as otherwise provided in this section, an individual served by the home and community-based services waiver or the family and supported living waiver funded through the Agency for Persons with Disabilities shall have his or her cost plan adjusted to reflect the amount of expenditures for the previous state fiscal year plus 5 percent if such amount is less than the individual's existing cost plan. The Agency for Persons with Disabilities shall use actual paid claims for services provided during the previous fiscal year that are submitted by October 31 to calculate the revised cost plan amount. If an individual was not served for the entire previous state fiscal year or there was any single change in the cost plan amount of more than 5 percent during the previous state fiscal year, the agency shall set the cost plan amount at an estimated annualized expenditure amount plus 5 percent. The agency shall estimate the annualized expenditure amount by calculating the average of monthly expenditures, beginning in the fourth month after the individual enrolled or the cost plan was changed by more than 5 percent and ending with August 31, 2008, and multiplying the average by 12. In the event that at least 3 months of actual expenditure data are not available to estimate annualized expenditures, the agency may not rebase a cost plan pursuant to this subsection. This subsection expires June 30, 2009, unless reenacted by the Legislature before that date."

APD has compared cost plan data to expenditure data for all individuals enrolled in the Developmental Disabilities Tiered Waivers, including the Consumer Directed Care program, to determine which cost plans meet the criteria outlined in statute. The Agency has further determined which individuals, based on law, are required to have their cost plan adjusted to equal FY 07-08 expenditure level plus 5 percent.

There are essentially 4 groups of people to consider for this requirement.

A) People with less than 3 months of expenditures or people not served during the fiscal year.

These individuals will not have their cost plan rebased. No changes to cost plans.

B) People with current cost plans that are equal to or less than their FY 07-08 expenditures plus 5 percent.

These individuals will not have their cost plan rebased.

C) People with 3 or more months of expenditures who did not have a change in services resulting in more than a 5 percent cost plan increase.

Using paid claims submitted by October 31, 2008 for service period of July 1, 2007 – June 30, 2008, APD will determine the annual expenditures for each consumer. If the FY07-08 expenditure total plus 5 percent is less than the most current approved annualized cost plan, the plan will be reduced to the expenditure amount plus 5 percent. (not to exceed the current cost plan amount).

If the amount of total expenditures plus 5 percent is equal to or more than the current approved cost plan, no changes to the cost plan are needed.

The methodology in the law allows claims data to run through October 31, 2008 for services rendered during FY 07-08. This provides four months for providers to submit claims for services rendered from July 1, 2007 – June 30, 2008.

This includes people who were not served for the entire previous state fiscal year.

D) People with 3 or more months of expenditures that had any single change in services resulting in more than a 5 percent change in cost plan amount.

APD will determine which plans had at least a 5 percent change during the fiscal year including services provided through August 31, 2008. The average monthly expenditure will be calculated starting with the 4th month following the 5 percent change. If there is at least 3 months of data the total expenditure will be divided by the number of months, and then annualized to establish an estimated annual expenditure amount.

If the annual expenditures plus 5 percent are equal to or more than the current approved annualized plan, no changes to the plan will be made. If the annual expenditure plus 5 percent is less than the most current approved annualized cost plan, the plan will be reduced to the expenditure amount plus 5 percent (not to exceed the current cost plan amount).

This includes people who had a single change in the cost plan of more than 5 percent.

A. Consumer Notification of Rebased Cost Plan

1. By **December 17, 2008**, the APD Central Office will provide each Area office with a revised spreadsheet of individuals who are affected by the cost plan rebasing. This spreadsheet replaces the one sent to the Area offices on November 14, 2008. The spreadsheet data was revised to reflect updated expenditure data from the Agency for Healthcare Administration. The data includes their new cost plan cap based on the statute.
2. No later than **December 18, 2008**, Area APD offices will distribute to the information to select Waiver Support Coordinators (WSCs) in order to have the WSC review the data for people on their caseload. This should be a small sample of waiver support coordinators selected by each Area office. Each WSC should provide feedback on the data to the Area office by close of business **December 18, 2008**. Information on the WSC and Area review of the data should be submitted to the Central APD office no later than noon on **December 19, 2008**.
3. On **December 23, 2008**, after receipt of authorization from the central office, the Area will send to each WSC in the Area the spreadsheet information about people on their caseloads via Zixmail so that the WSCs are aware of who is affected by the rebasing effort and the new cost plan amount for each affected person. The Area APD office will supply Waiver Support Coordinators with copies of the sample rebasing notices being received by individuals for their information and reference. WSCs should begin contacting

people affected by the rebasing activity in order to modify cost plans to come within the rebasing amount.

4. By **December 30, 2008** APD Central Office will mail notices to all individuals affected by cost plan rebasing to notify them that their current cost plan totals will have to be adjusted to meet the requirements of the law. The notices contain specific data on the fiscal year 07-08 expenditures and the rebased cost plan amount for the person, as well as a Notice of Hearing Rights and a Hearing Request form. Individuals with guardians identified in the guardian field in ABC will have notices sent to the name listed in this field rather than directly to the individual receiving services.
5. Each notice stresses the importance of the individual, family or guardian immediately contacting the person's waiver support coordinator to review the person's cost plan and to make any necessary changes in services in order to bring the annual cost plan within the annual spending limit based on previous year expenditures plus 5 percent. The individual shall modify the current cost plan to meet the projected change required for the cost plan rebasing.
6. The Area office will request each WSC to immediately begin contacting people on their caseload to:
 - A) inform people who were on the original list, but who will now not be affected by the revised cost plan rebasing activity, and to answer any questions that they may have about how services will continue, and
 - B) establish appointments or contacts for those individuals whose plans will have to be adjusted, and begin assisting individuals in prioritizing their cost plans, as applicable. The WSC should contact individuals to assist people in understanding the cost plan rebasing law regardless of whether the individual will be affected.
 - C) Note that Waiver Support Coordinators will not be requested to furnish a copy of the Amendment Request Form or Notice of Hearing after meeting with the individual on cost plan modifications as specified in the original procedures.
7. All cost plans rebasing notices will have the Area APD office as the return address. If the Area APD office receives an undelivered letter from the post office, the Area will provide the letter to the Waiver Support Coordinator for hand delivery within 2 business days, or will directly contact the person and/or family/guardian to verify the correct mailing address. Notification must be timely in order to meet the deadlines associated with implementation of cost plan rebasing requirement.
8. The Area is requested to keep a spreadsheet on returned letters so that they can request WSCs to correct addresses in the ABC system, and to provide a copy to the APD Central office for information and tracking.
9. If the Waiver Support Coordinator hand delivers the notice, the WSC must document the hand delivery in their case notes.
10. The Area APD office may also hand deliver the notice if the person or family/guardian provides an updated address, and shall document the hand delivery. Within 2 business days of being notified of an address correction, WSCs must confirm to the Area office that they have entered all address

corrections into the ABC system to improve the accuracy of the client demographic fields.

11. The Area may not change the rebased cost plan amount independent of the Central office.

B. Making Cost Plan Adjustments

Please refer to ABC procedures in Attachment 1 for specific instructions on modifying cost plans within the ABC system.

1. Individuals identified in groups "A. and B." as specified earlier, will not be required to adjust their cost plan.
2. Individuals in groups "C. and D." will be required to adjust their cost plans to match the rebased amount.
3. Individuals will work with their WSC or CDC consultant to complete an Amendment Request form identifying the projected cost plan revisions.
4. For individuals whose cost plan needs to be revised to come within the rebased amount, the Waiver Support Coordinator or CDC Consultant must submit information on the cost plan adjustments to the Area APD office using the Amendment Request Form no later than **January 6, 2009**. Information should be recorded on the Amendment Request form in the tables for adding and removing services.
5. The Notice of Hearing Rights and the Request for Hearing form should be provided to the individual or guardian in their primary language. Copies of these documents are posted on the APD web site, <http://apd.myflorida.com>, in English and Spanish if needed. (The notices mailed to individual's being affected by the rebasing will be in English.)
6. The WSC will be able to alert affected providers whether or not their service levels will be changing, and that a formal service authorization will be sent to the provider to confirm any changes by the first of January 2009.
7. Every effort shall be made by individuals receiving services, Waiver Support Coordinators, CDC Consultants, and Area staff to have cost plans modified by **January 15, 2009**.
8. The APD Area office will notify the Waiver Support Coordinator or CDC Consultant when ABC has been updated and cost plans approved no later than **January 15, 2009**. The WSC shall:
 - o Furnish a copy of the revised cost plan to the individual/family/guardian,
 - o Explain and review with the individual the changes and limits in the revised cost plan, to assure that there are no misunderstandings.
 - o Send updated service authorizations to all affected providers. If a new cost plan has been initiated for a service, the WSC must provide the revised service authorization for the cost plan that ends 12/31/08, as well as the new service authorization that runs 1/1/09 – 6/30/09 if cost plan modifications meet this timeframe, or 1/15/09 through 6/30/09 for plans that are modified after 1/1/09.
8. **CDC Participants** are included in the procedures above for notification and reprioritization of cost plans if the plan exceeds the amount of the rebased

cost plan limit. CDC Consultants must submit adjusted cost plan information on the Amendment Request form to the Area for CDC participants by **January 6, 2009**. Information identified in numbers 5, and 6 above will also be furnished to the individual as instructed. Once the cost plan is approved, the Area office will notify the CDC Consultant of the approval and the CDC Consultant will continue work with the individual and family on the CDC Purchasing Plan per approved CDC procedures. This Purchasing Plan must be submitted by the CDC consultant no later than **January 20, 2009** to the APD Central office for review and input into the CDC system. Changes to the Purchasing Plan will be effective **February 1, 2009**.

9. **Cost plans in continuation due to fair hearing request:** Individuals with continued cost plans as a result of filing for a fair hearing will be subject to the provisions of 393.0661(6). The Waiver Support Coordinator or CDC Consultant will assist the person as described in these procedures to modify their cost plan to come within the amount required for cost plan rebasing. Cost plans shall be modified, if required, regardless of the status of the hearing request.
10. WSCs will notify their Area office immediately if it is determined that there are difficulties working with the individual, family or guardian in cost plan rebasing adjustments, and that the cost plan modification will not meet the **January 6, 2009** deadline for furnishing information to revise the cost plan to the Area office. The Area office will also be notified by the WSC if the WSC has been unable to contact the individual in order to meet the January 6, 2009 deadline.
11. Efforts to make contact with individuals on a WSC's caseload will be documented in the WSC's case notes. The WSC is expected to make numerous attempts at contact to assure that individuals have adequate notice to make cost plan changes.
12. The Area office will provide a report to the APD central office by **January 15, 2009** of individuals who cannot be located or who have refused to meet the deadline as identified in # 10 above. The report will be updated as additional information is received by the Area office. Report information should be submitted to Ed Rousseau in the HCBS Bureau via email. Information in the spread sheet should include the individual's name, social security number, waiver support coordinator's name and a comment on why the cost plan modification date will not be met.

C. Communication Procedures

Area APD offices scheduled face to face meetings with Waiver Support Coordinators to explain the cost plan rebasing implementation process by November 27, 2008. Each area will contact waiver support coordinators via email and other means to communicate the revision in procedures, timelines and rebasing information. APD Central Office will disseminate information to the Family Care Councils, publish information in the APD Newsletter, and post information on the APD website regarding cost plan rebasing implementation.

Every effort shall be made by Agency staff to answer questions and provide needed information about the required rebasing of cost plans.

Agency staff with questions or concerns about Cost Plan Rebasing should contact Ed Rousseau (ed_rousseau@apd.state.fl.us) or Linda Mabile (Linda_Mabile@apd.state.fl.us) at the APD Central office. Waiver Support Coordinators should direct their questions to the local Area APD offices.

Agency for Persons with Disabilities
Attachment A
ABC PROCEDURES FOR ADJUSTING COST PLANS DUE TO COST PLAN
REBASING

This document defines the procedures and decision making processes to be used for adjusting of cost plans within the ABC system due to requirements of s. 393.0661 (6), Florida Statutes which requires cost plans to equal their previous year expenditures plus 5 percent.

The APD Central Office has provided the APD Area Offices with a spreadsheet which identifies those individuals whose cost plans will need to be adjusted. The APD Area Offices will need to notify the Waiver Support Coordinator for the identified individuals of the need to adjust their cost plan, and the Waiver Support Coordinator will be submitting an Amendment Request form to the Area offices identifying the changes to the cost plan chosen by the consumer.

When the Amendment Request form is received, the APD Area Office staff will go into ABC and make the adjustments to the cost plan(s), and service plans affected, and notify the Waiver Support Coordinator when this is completed so that the Waiver Support Coordinator can issue new service authorizations to the providers.

There are two ways to adjust the cost plan, and the APD Area Office staff will evaluate both options and choose the option that most correctly and expeditiously completes the cost plan changes. When creating a new cost plan, cost plans may be adjusted using the 1/1/09 begin date (6 months cost plan), or when the cost plan cannot be modified to meet the 1/1/09 date, cost plans may be modified for a 1/15/09 begin date (5 ½ months cost plan.)

1. The existing cost plan can be adjusted to bring the allocated service amounts within the identified annualized amount.

In these cases, the cost plan does not have to be ended effective 12/31/08 and a new, six month plan created to begin 1/1/09 and end 6/30/09. Remember that the allocated service amount is determined by the total dollars allocated for the time period of the Cost Plan. Splitting service plans within a cost plan will not affect the total allocation unless the later service plan is reduced enough to bring the entire cost plan amount under the identified annualized amount.

The existing service authorizations can be reduced to bring the plan into compliance with the identified annualized amount, and new service authorizations issued to affected providers.

If any services are being eliminated, the existing ABC service screen (ACLMSP) will need to be changed to reflect the ending date of the service (probably 12/31/08), and the total allocated and approved dollar amount reduced to reflect

the amount of services authorized for the new, shorter time span of the authorization.

EXAMPLE 1:

The current cost plan starts 7/1/08 and ends 6/30/09 (12 months). The current total allocated dollars in this cost plan are \$22,685.00.

Based on information about actual paid dollar amounts, the new annualized rebased amount for this cost plan is \$19,116.00. This cost plan needs to be reduced by \$3,569.00.

After meeting with the consumer, the WSC submits an Amendment Request form indicating that the consumer has chosen to reduce their ADT allocation by \$1784.50, and their PCA by \$1,784.50.

The Area office staff will go into ABC and reduce the allocated and approved service authorizations for ADT and PCA by the identified amounts, and then notify the WSC to issue a new authorization to the affected providers.

EXAMPLE 2:

The current cost plan starts 10/15/08 and ends 06/30/09.

The total allocated/approved dollar amounts for services in this plan are \$17,013.75.

Based on information about the actual paid dollar amounts, the new **annualized** rebased amount for this individual is \$19,116.00.

Because this cost plan is for 9 months, (count partial months as a full month when doing the calculations), the prorated amount for the time period of this cost plan is \$14,337.00. This cost plan needs to be reduced by \$2, 676.75.

After meeting with the consumer, the WSC submits an Amendment request form indicating that the consumer has chosen to reduce their ADT allocation by an **annualized amount** of \$1784.50, and their PCA by and **annualized amount** of \$1,784.50.

The Area office staff will go into ABC and reduce the allocated and approved service authorizations for ADT and PCA by **3 months of the annualized amounts, or \$1,338.38 each.** (The method of calculation is the annualized amount divided by 12 and multiplied by the number of months in the cost plan or service plan.)

After the plans have been adjusted in ABC, the Area Office will notify the WSC to issue new service authorizations to the affected providers.

2. The existing cost plan cannot be adjusted to bring the allocated service amounts within the identified annualized amount.

In these cases, the cost plan does have to be ended effective 12/31/08, or 1/14/09, and a new, six month plan created to begin 1/1/09 and end 6/30/09, or a 5 ½ month cost plan to begin 1/15/09 and end 6/30/09.

The existing service authorizations will need to be reduced to reflect the amount of services authorized for the new, shorter time span of the authorization, and new authorizations issued to all service providers.

A new cost plan will be created with either a 01/01/09 begin date or a 1/15/09 begin date and a 06/30/09 ending date.

Service plans will be created and approved for the 6 month or 5 1/2 month cost plan and will reflect 6 months worth of the annualized rebased amount of the individual's cost plan for monthly services (residential habilitation and support coordination), and 5 1/2 months allocation for quarter hour and daily services.

New service authorizations will then be issued to the providers reflecting the new 6 month authorizations.

EXAMPLE :

The current cost plan starts 07/01/08 and ends 06/30/09.

The total allocated/approved dollar amounts for services in this plan are \$5,334.00.

Based on information about the actual paid dollar amounts, the new **annualized** rebased amount for this individual is \$819.00.

Prior to the requirement to reduce the cost plan, the individual has utilized \$2,000 in services in this cost plan. (Do not look at the accumulated dollar amount, make the determination based on the frequency that is authorized for the service, i.e. 3 hrs/day, 5 days/wk).

There is no way to reduce the 7/1/08 – 6/30/09 cost plan to bring it down to \$819.00

The 6 month prorated amount for this cost plan is one half of \$819, or \$409.50.

End the existing cost plan with an ending date of 12/31/08 (or 1/14/09) and reduce the service authorizations to reflect the services utilized for that first 6 month or 5 ½ month period of time. Updated service authorizations will need to be given to all the providers indicating the new, shorter time frame for the service authorization.

Create a new cost plan that begins 01/01/09, or 1/15/09 and ends 06/30/09 and approve service authorizations based upon the consumer's chosen reductions, up to the prorated total dollar amount of \$409.50.

After the plans have been adjusted in ABC, the Area Office will notify the WSC to issue new service authorizations to the service providers.