

**Agency for Persons with Disabilities
Uniform Procedures for Continuing Annual Cost Plans that
Have Been Pre-determined Medically Necessary
July 9, 2007 (Updated July 10, 2007)**

I. Purpose:

The purpose of this procedure is to provide a uniform process for the continuation of services on annual cost plans that have been pre-determined to meet medical necessity criteria by the Prior Service Authorization (PSA) contractors.

II. Procedures for continuing annual cost plans

Effective July 9, 2007 at the time of the annual update of an individual's support and cost plan, the service approval process may be expedited as a continuation review if there is no change in services used, or in the intensity, frequency and cost of those services. A PSA Contractor review for medical necessity will no longer be required as detailed below.

A. Exclusions.

Cost plans containing the following services are excluded from continuation reviews and must have annual reviews by PSA Contractors.

- Adult Day Training for 1:1 staffing ratio
- Behavior Analysis
- Behavioral Assistance
- Intensive Behavior Residential Habilitation
- Behavior Focus Residential Habilitation
- Dental Services of more than \$500
- Private Duty Nursing
- Skilled Nursing
- Residential Nursing
- Special Medical Home Care

Cost plans that contain any of the services listed above require an annual review of all services on the cost plan by the PSA Contractor in accordance with procedures established for a PSA review.

Cost plans with new services or changes in the intensity, frequency, or duration of existing services at the time of annual review also require full PSA Contractor review to determine medical necessity.

B. Process.

The following steps outline the process for the expedited review by the PSA contractor for continuing services.

1. Waiver Support Coordinators (WSCs) are required to annually update and review support plans and cost plans for individuals on their caseloads. WSCs must conduct information gathering, conduct annual assessments, if appropriate, and hold support plan meetings each year in accordance with Developmental Disabilities waiver rules. If this annual review and update results in no changes to the individual's cost plan as specified above, a continuation review by the PSA contractor may be requested rather than a full medical necessity review. Continuation reviews should be submitted by the WSC to the appropriate PSA Contractor at least 20 days prior to the cost plan begin date each year.
 - For Continuation reviews, copy the existing cost plan and revise the dates, as appropriate, for the cost and service plans, or create a new cost plan with the appropriate dates and services.
 - For continuation reviews, remove from the new ABC cost plan any one-time services that were approved the prior year on the cost plan that are not ongoing in nature, such as Environmental Accessibility Adaptations, assessments, non-routine dental work, or durable medical equipment purchases.
 - For continuation reviews, remove or reduce services from the ABC cost plan that were approved on a temporary basis or at a higher frequency/intensity for a temporary amount of time and are no longer needed at that level. Examples might include a higher level of residential habilitation approved to ensure a smooth transition into a new group home or a higher amount of another service due to a temporary condition of the individual or caregiver.
 - If there are no changes in service provision, the WSC ensures accuracy of the new ABC cost plan and submits a "Continuation of Annual Services Request Form" to the appropriate PSA contractor. This form should be received 20 days prior to the cost plan begin date. No other documentation is required to be sent to the PSA Contractor for the Continuation Review.
2. Upon receipt of the "Continuation of Annual Services Request Form," the PSA contractor will review the previous cost plan and current cost plan in the ABC system to verify that there are no changes in the services or their intensity, frequency, or duration. The plan will also be reviewed to determine whether one-time services approved for the last cost plan year have been removed from the current plan.
3. The PSA contractor will verify that the cost plan does not contain intensive behavioral, nursing, or other services identified in Section II.A. of this procedure. If the services have not changed and meet criteria for continuation, the PSA contractor will authorize the services in the ABC cost plan within 5 business days of receipt of the "Continuation of Annual Services Request Form."
4. If there are changes in the services, or if the services that require annual review are in the cost plan, the PSA Contractor will send a "Notification Requiring PSA Review" (Sample Letter A) to the WSC, which advises the

- WSC that the plan must be submitted for PSA Review. The WSC must submit documentation as required in current PSA procedures for a full PSA review within 10 business days of the letter.
5. The WSC must also provide a copy of the current annual support plan and "Continuation of Annual Services Request Form" to the Area APD office at the time it is submitted to the PSA Contractor.

C. Annual Support Plans and Amendments

The WSC must continue to review and update support and cost plans annually in accordance with Developmental Disabilities waiver handbook requirements. An amendment to the plan to change services, or to change service intensity and/or frequency, may be submitted if there is a documented significant change in the recipient's condition or circumstance that impacts on health, safety, or welfare, or when a change in the plan is required to avoid institutionalization. The WSC must submit the service changes to the PSA Contractor for a medical necessity determination. The information should be submitted to the PSA Contractor in accordance with current PSA procedures and must also include the "Amendment Request Form," along with the other required documents.

A full medical necessity review for all services on an individual's cost plan by the PSA Contractor is required every 3 years. Additional instructions will be provided with a schedule/cycle for these reviews as determined by APD.

**NOTIFICATION REQUIRING PSA REVIEW
SAMPLE LETTER A**

INSERT DATE

WSC
WSC ADDRESS

NAME

Dear INSERT WSC Name:

The Prior Service Authorization Contractor for the Agency for Persons with Disabilities received your request to continue services in the cost plan for *insert consumer name*. This action cannot be performed for the following reasons:

(INSERT ONE OF THE FOLLOWING REASONS:

1. cost plan contains the service INSERT SERVICE NAME, which requires annual Prior Service Authorization review for continuation.
2. cost plan contains a new service INSERT SERVICE NAME , which requires a medical necessity determination by a Prior Service Authorization Contractor.
3. cost plan contains a change in INSERT SERVICE NAME, which requires a medical necessity review by the PSA Contractor.

Please submit the cost plan to INSERT PSA CONTRACTOR name for a medical necessity determination. The PSA Request should contain the required documentation as specified by the Prior Service Authorization Request (Form 1), Attachment A.

Sincerely,

PSA Contractor