



Department of Public Health and Human Services

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Steve Bullock, Governor

Sheila Hogan, Director

October 6, 2017

To: Case Management Team (CMT) Leads
Regional Program Officers

From: Jean Perrotta, Big Sky Waiver (BSW) Program Manager
Community Services Bureau, Senior and Long Term Care Division

RE: Update to BSW 407 Medically Needy Billing Procedures

The Community Services Bureau (CSB) will be issuing a revised BSW 407 Medically Needy Billing Procedures policy section on January 1, 2018 reflecting the policy changes listed in this memo. The revised policy section will apply to members residing in Adult Residential facilities who may utilize a cash option payment to meet their spend down.

Note: Medicaid members who reside in Adult Residential facilities and are in receipt of Veteran's Aid and Attendance benefits cannot utilize a cash option payment to meet their spend down; this policy will not apply to individuals in receipt of Veteran's Aid and Attendance benefits.

The process of listing allowable BSW expenses on the SLTC-131 for members residing in Adult Residential facilities has been evaluated. Although the previous process reduced the cash option payment required by the member, it created an unnecessary paperwork burden on the member and contributed to delays in the member's Medicaid authorization. Effectively December 1, 2017, the SLTC-131 form will no longer be used for members residing in an Adult Residential facility. Instead, the member will utilize the cash option method which provides for Medicaid eligibility on the first of each month.

In addition, previous policy listed in the Adult Residential Instructions section of BSW 407 required the member to incur a portion of their AR expense for each month and that amount was used to reduce the member's spend down for the next month. That process must no longer be used. The member will pay their cash option, providing Medicaid eligibility on the first of each month. This will eliminate the need for facilities to submit bills to the OPA as a reduction to the spend down.

There will be no adverse effect for the member with this new policy as previously the member was required to pay the cash option as well as the waiver services listed on the SLTC-131 form which equals the cash option payment in the new policy. For example, if a member has a \$1,000 spend down, he would pay the amount of services listed on the SLTC-131 form of \$200 and pay a cash option amount of \$800. With the new policy, he would pay a cash option amount of \$1,000, so there is no difference his out of pocket expense.

This policy does not alter the use of the Adult Residential Care Calculation SLTC-132 form to establish the daily rate for Adult Residential facilities under the Residential Habilitation Service. However, the Incurment and VA AA Section A4 will be eliminated.

Should you have any questions regarding this memo, please contact your Regional Program Officer for assistance.

cc: Jill Sark, Bureau Chief
Community Services Bureau