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State/Territory Name: Alabama

State Plan Amendment (SPA) #: 12-001

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

September 29, 2017

Ms. Stephanie Azar, Commissioner
Alabama Medicaid Agency
501 Dexter Avenue
Post Office Box 5624
Montgomery, Alabama 36103-5624

Re: Title XIX State Plan Amendment, AL #12-001

Dear Ms. Azar:

We have reviewed the proposed amendment to the Alabama Medicaid State Plan 12-001 Reimbursement Methodology for Targeted Case Management (TCM) that was received in the Regional Office on January 25, 2012. This State plan amendment sought to describe the current reimbursement methodology for TCM, consistent with statutory and regulatory federal requirements. The amendment improves and clarifies the plan language reimbursement methodology details and does not change the fiscal impact or payment.

Based on the information provided, we are now ready to approve the Medicaid State Plan Amendment AL-12-001. This SPA was approved on September 29, 2017. The effective date of this amendment is February 1, 2012. We are enclosing the approved form HCFA-179 and plan pages.

If you have any questions, please contact Joseph Raymundo at 404-562-7406.

Sincerely,

//s//

Shantrina Roberts
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: AL-12-001	2. STATE Alabama
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE February 1, 2012	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN x <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 430 Subpart B		7. FEDERAL BUDGET IMPACT: a. FFY 00 b. FFY 00	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: 4.19-B pages 8a and 8b		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>):	
10. SUBJECT OF AMENDMENT: The primary purpose for this amendment is to describe the reimbursement methodology for targeted case management consistent With the statutory and regulatory requirements.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT x <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: //s//		16. RETURN TO: R. Bob Mullins, Jr., MD Commissioner Alabama Medicaid Agency 501 Dexter Avenue Post Office Box 5624 Montgomery, Alabama 36103-5624	
13. TYPED NAME: R. Bob Mullins, Jr., MD			
14. TITLE: Commissioner			
15. DATE SUBMITTED:			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 2347134		18. DATE APPROVED: 09/29/17	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 24123139		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
21. TYPED NAME: Shantrina Roberts		22. TITLE: Acting Associate Regional Administrator Division of Medicaid & Children Health Opns	
23. REMARKS: Approved with following changes to block 8 and 9. Block # 8 changed to read: Attachment 4.19-B Pages 8a, 8b and 8c. Block # 9 changed to read: Attachment 4.19-B Pages 8a, 8b and 8c.			

15. Case Management Services

Effective Date: 2/1/2012

- (1) The following documentation must be maintained in the recipient's record when billing for services:
 - (a) There must be a current comprehensive service plan which identifies the medical, nutritional, social, educational, transportation, housing and other service needs which have not been adequately accessed and a time frame to reassess service needs.
 - (b) Services must consist of at least one of the following activities:
 1. Establishment of the comprehensive case file for development and implementation of an individualized service plan to meet the assessed service needs of the recipient;
 2. Assisting the recipient in locating needed service providers and making the necessary linkages to assure the receipt of services identified in the service plan;
 3. Monitoring the recipient and service providers to determine that the services received are adequate in meeting the identified needs; or
 4. Reassessment of the recipient to determine services needed to resolve any crisis situation resulting from changes in the family structure, living conditions, or other events.
- (2) For target group 4 (Foster Children) and target group 7 (Adult Protective Service Individuals) reimbursement will be as follows:
 - (a) Reimbursement interim rates will be established based on cost as determined by the quarterly Social Services Work Sampling Study. Interim rates will be adjusted annually based on the results of the previous four quarters. Random Moment Sampling may not be used as a method of documenting services provided to recipients. The Work Sampling Study must provide an audit trail that identifies each client whose case is included in the data used for interim rate formulation, and identifies that at least one of the targeted case management core services listed above in B. 1, 2, 3, or 4 has been provided.

Sampling observations are developed using employee position numbers and basic statistical principles. The statistical principle used is random sampling with replacement where each position number has an equal chance of being selected for each observation as described in the federally approved Cost Allocation Plan.

- (b) Governmental Providers for target group 4 (Foster Children) and target group 7 (Adult Protective Service Individuals) will submit an annual cost report not later than 90 days after the close of the following fiscal year. This report will indicate the costs associated with providing the service and also statistical data indicating the units of service, as described in (3) below, provided during the fiscal year. Costs will be included based on the applicable DHR cost allocation plan approved by CMS.
 - (c) Cost reports will be reviewed for reasonableness and an average cost per encounter will be computed. The average cost per encounter will be used as the interim reimbursement rate for the succeeding year.
 - (d) If the cost report indicates any underpayment or overpayment during the reporting year, a lump sum adjustment will be made.
 - (e) A maximum of one unit of case management services will be reimbursed per month for each eligible recipient receiving case management services as defined in (3) below.
- (3) The case management unit of service (encounter) consists of providing any of the targeted case management core services listed above in B. 1, 2, 3, or 4 with the recipient, a family member, significant other, or Agency from which the client receives services. This array of services is provided on an on-going basis during each month. One unit of service (encounter) consists of all contacts during the month. All contacts must be documented in the client's record for the coordination or linkage of services for a specific identified recipient.

- (4) The monthly encounter payment for case management services of target group 4 (Foster Children) is limited to one child per family unit, per month when there is more than one child within a family unit and no child is in an out-of-home placement. If there is more than one eligible child and no child is exclusively identified as the primary recipient of treatment, then the oldest child's recipient ID number **must** be used for billing purposes. However, if a specific child is identified as the primary recipient of treatment, then that child's recipient ID number **must** be used for billing purposes.
- (5) Payment for case management services of target group 7 (Adult Protective Service Individuals) is limited to one person per family unit. However, when adult protective services are needed by other members of the family unit or when encounters are necessary by multiple providers, those services are provided as often as necessary to achieve the objectives of the case plan. These services may include investigation and case management services and are provided pursuant to statutory authority to achieve the degree of protection necessary and to assure the effectiveness of the services.
- (6) For target group 1 (Mentally Ill Adults), target group 2 (Mentally Retarded Adults), target group 3 (Disabled Children), target group 5 (Pregnant Women), target group 6 (AIDS/HIV), and target group 8 (Technology Assisted Waiver for Adults) a unit of service is reimbursed in increments of five minutes. Except as otherwise noted in the plan, payment for these services is based on state-developed fee schedule rates, which are the same for both governmental and private providers of Targeted Case Management. The Agency's rates were set as of January 20, 2012 and are effective for services provided on or after that date. The fee schedule is subject to annual/periodic adjustment. All rates, including current and prior rates, are published and maintained on the Agency's website. Specifically, the fee schedule and any annual/periodic adjustments to the fee schedule are published at http://medicaid.alabama.gov/content/Gated/7.3G_Fee_Schedules/7.3G_Fee_TCM_Schedule_4-5-16.pdf
- (7) Reimbursement for services provided by Governmental Providers for target group 4 (Foster Children) and target group 7 (Adult Protective Service Individuals) will be based on actual costs and meet all the requirements of Circular A-87 or its successor.