



**Steve Bullock, Governor**

**Sheila Hogan, Director**

Date: June 12, 2018

To: Montana Health Coalition Members, Ad Hoc Members, and Interested Parties

From: Marie Matthews, Medicaid State Director

Subject: **1915(c) Home and Community Based Services Waiver Amendments pertaining to Medicaid Private Duty Nursing effective July 15, 2018**

This memo is to inform you about upcoming Montana Medicaid 1915(c) Home and Community Based Services (HCBS) Waiver Amendments pertaining to the Private Duty Nursing (PDN) service. DPHHS will submit these waiver amendments for Centers for Medicare and Medicaid Services (CMS) approval on July 14, 2018, for an effective date of July 15, 2018.

DPHHS has determined that an increase to the PDN fees is necessary to serve high-needs Montana Medicaid members in the least costly setting. According to the Montana Medicaid 2017 Access Monitoring Plan, one PDN provider withdrew as a Medicaid provider between state fiscal years 2016 and 2017, leaving four providers available to serve Montana's Medicaid population. In 2018, one of the four remaining providers notified the Department that it could no longer provide PDN at the reimbursement rate currently paid by the Medicaid program, and the provider would discontinue services within three months.

In response, DPHHS analyzed the Medicaid population served, the number of PDN agencies across the state, the existing labor market for nurses, the cost of providing PDN benefits to Medicaid members, and the higher level of care costs avoided by providing the PDN benefit.

Therefore, effective July 15, 2018, DPHHS will reimburse PDN in the state's HCBS waivers at the rates of \$8.95 per 15 minutes of care by a licensed practical nurse (LPN) and \$11.28 per 15 minutes by a registered nurse (RN). The rates are currently \$7.38 for LPN services and \$8.69 for RN services.

The PDN rate change will affect the following Montana 1915(c) HCBS Waivers:

- Comprehensive Waiver for Individuals with Developmental Disabilities: the proposed Comprehensive Waiver amendment is available for review at <https://dphhs.mt.gov/dsd/developmentaldisabilities/DDPmedicaidwaivers>.
- Waiver for Individuals with Severe Disabling Mental Illness (SDMI): the proposed SDMI Waiver amendment is available for review at <https://dphhs.mt.gov/amdd/mentalhealthservices/severedisablingmentalillness-sdmi-homeandcommunitybased-hcbs-waiverprogram>.

- Big Sky Waiver for the Elderly and the Physically Disabled: the proposed Big Sky Waiver amendment is available for review at <https://dphhs.mt.gov/SLTC>.

Hard copies of these HCBS Waiver amendments are available upon request from Mary Eve Kulawik.

We invite your comments and questions on the above Waiver amendments **by 5:00 p.m. on July 13, 2018**. You may direct comments to Mary Eve Kulawik, Medicaid State Plan Amendment and Waiver Coordinator, at (406) 444-2584 or [mkulawik@mt.gov](mailto:mkulawik@mt.gov); or Director's Office, PO Box 4210, Helena, MT 59604-4210.