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ADMINISTRATIVE MEMORANDUM - #2006-02

TO: Executive Directors of Agencies Authorized to Provide Individual Day Habilitation Services
Executive Directors of Agencies Authorized to Provide Medicaid Service Coordination
DDSO Directors

FROM: Helene DeSanto, Executive Deputy Commissioner and Interim Director Quality Assurance

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SUBJECT: INDIVIDUAL DAY HABILITATION SERVICE DOCUMENTATION REQUIREMENTS

DATE: January 1, 2006

Suggested Distribution:

Individual Day Habilitation Program/Service Staff
Quality/Compliance Staff
Billing Department Staff
MSC Service Coordinators and Service Coordinator Supervisors

Purpose:

This is to review the Day Habilitation service documentation requirements that support a provider's claim for reimbursement. These service documentation criteria apply to *Individual* Day Habilitation services rendered to Home and Community Based Services (HCBS) waiver-enrolled individuals as well as to non-waiver enrolled individuals effective January 1, 2006. Requirements set forth in this Administrative Memorandum

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supersede Administrative Memorandum 2003-04 and fiscal audit service documentation requirements addressed in The Key to Individualized Services, The Home and Community Based Services Waiver (OMRDD, 1997). Quality service standards in The Key remain the same.

Background:

18 NYCRR, Section 504.3(a) states that by enrolling in the Medicaid program, “the provider agrees...to prepare and to **maintain contemporaneous records** demonstrating its right to receive payment under the medical assistance program and to **keep for a period of six years from the date the care, services or supplies were furnished, all records** necessary to disclose the nature and extent of services furnished and all information regarding claims for payment submitted by, or on behalf of, the provider and to furnish such records and information, upon request, to...the Secretary of the United States Department of Health and Human Services, the Deputy Attorney General for Medicaid Fraud Control and the New York State Department of Health.” (emphasis added) It should be noted that there are other entities with rights to audit Medicaid waiver claims as well, including OMRDD.

The regulatory basis for HCBS Waiver Individual Day Habilitation is in 14 NYCRR section 635-10.4 (b)(2) and 635-10.5 (c)

Individual Day Habilitation Services:

Effective January 1, 2006, for billing purposes, Day Habilitation will be categorized as Group Day Habilitation, Supplemental Group Day Habilitation, Individual Day Habilitation or Supplemental Individual Day Habilitation services. All four forms of Day Habilitation conform to the existing service definitions in 14 NYCRR section 635-10.4 (b)(2).

This memorandum describes the service documentation requirements for Individual and Supplemental Individual Day Habilitation. **Individual Day Habilitation services are provided to a single enrolled consumer with at least one staff person providing services to no more than one consumer for the duration of the service.** Individual Day Habilitation services are delivered on weekdays with a service start time prior to 3:00 p.m.

Supplemental Individual Day Habilitation are services that are delivered anytime on Saturday or Sunday, or on weekdays with a service start time of 3:00 p.m. or later. Supplemental Individual Day Habilitation service may not be separately billed to Medicaid or OMRDD for consumers who live in residences with 24-hour staffing (e.g.,

Supervised IRAs or Supervised CRs). It is the responsibility of a residence with 24-hour staffing to provide residential habilitation services on weekday evenings and weekends.

Billing Standard:

The unit of service for Individual Day Habilitation and Supplemental Individual Day Habilitation services is an hour. Services are billed in 15-minute increments, with a full 15 minutes of service required to bill a single increment (i.e., there is no “rounding up”). Payment for Individual Day Habilitation or Supplemental Individual Day Habilitation requires, for each consumer served, prior authorization from the DDSO/NYCRO.

For each continuous period of service delivery (or “session”), the provider must document the delivery of at least one individualized, face-to-face service provided by Individual Day Habilitation staff that is based on the consumer’s Individual Day Habilitation Plan. The provider must also document the service start time and service stop time for each Individual Day Habilitation or Supplemental Individual Day Habilitation “session.”

The *billable service time* for Individual Day Habilitation and Supplemental Individual Day Habilitation is the time when Individual Day Habilitation staff are providing one-on-one, face-to-face Individual Day Habilitation services to a consumer. Time spent in the following activities cannot be counted toward the billable service time:

- **Time the consumer spends in group activities must be excluded when determining the number of quarter hours billed.** Group activities are activities that include two or more consumers. For example, if a staff person accompanies two consumers to the local mall to work on money management skills, this time is not “countable” as billable service time for Individual Day Habilitation.
- **Time at another service** (e.g., a clinic service or a medical appointment) and time being transported to and from the other service does not count in determining the number of quarter-hours to be billed toward the Individual Day Habilitation billable service time.

Note: Medicaid Service Coordination (MSC) is the only exception to the rule regarding other services being “backed out” of the Individual Day Habilitation billable service time. Time the consumer spends with his/her MSC Service Coordinator during the MSC monthly visit and at ISP reviews may be included as Individual Day Habilitation billable service time as long as Day Habilitation staff accompany the consumer to the meetings.

- **Transportation** to the first “out-of-home” activity of the day and transportation after the last “out-of-home” Individual Day Habilitation activity of the day does not count in determining the time that is to be billed. For example, an Individual Day Habilitation staff person picks up the consumer at his or her home at 9 a.m. The consumer and the staff person travel to the local library where Day Habilitation services begin at 9:30 a.m. The two are engaged in Individual Day Habilitation activities from 9:30 until 1:00 p.m., at which time they travel to the Gym and continue Individual Day Habilitation services. At 3:00 p.m. Individual Day Habilitation services conclude for the day when the Individual Day Habilitation staff person and the consumer leave the Gym to travel to the consumer’s home. In this case, the billable service time for the day is 5 ½ hours (or 22 quarter hours). The 5 ½ hours begins at the time the consumer accompanied by Individual Day Habilitation Staff, arrived at the first “out-of-home” Individual Day Habilitation site (the Library) through the conclusion of services at the Gym. The time being transported from home to the Library and from the Gym to home is not “billable service time.” The “internal” or Day Habilitation “site to site” transportation time (i.e., the time spent being transported from the Library to the Gym) is “countable” toward the billable service time.

Note: There is one exception to the prohibition on counting as billable service time, the time spent in transport to the first service location of the day and back from the last activity of the day. If Individual Day Habilitation staff provide travel training during these transportation times, this time may be counted as long as the travel training is **time limited** and is specified in the consumer’s Individual Day Habilitation Plan.

Service Documentation:

Medicaid rules require that service documentation be contemporaneous with the service provision. Required service documentation elements are:

1. **Consumer’s name and Medicaid number (CIN).** Note that the CIN need not be included in daily documentation; rather, it can appear in the consumer’s Individual Day Habilitation Plan.
2. **Identification of category of waiver service provided.** Although the waiver service is identified as “Individual Day Habilitation” or “Supplemental Individual Day Habilitation” for billing and service documentation purposes, the consumer’s

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Individualized Service Plan (ISP) should identify the category of waiver service as “Day Habilitation.”

3. **A daily description of at least one face-to-face service provided by staff during each “session” (or continuous period of Individual Day Habilitation service provision).** Face-to-face services are individualized services based on the person’s Individual Day Habilitation Plan, e.g., the staff person documents that he/she “taught the person to select reading material at the library.”
4. **Documentation of start and stop times.** The provider must document the service start time and service stop time for each continuous period of Individual Day Habilitation service provision or “session.”
5. **The consumer’s response to the service.** For example, the staff person documents that “consumer was able to present his library card to check out periodicals.” Note that at a minimum, the consumer response must be documented in a monthly summary note, although a provider may choose to include the consumer response more frequently, e.g. daily.
6. **The date the service was provided.**
7. **The primary service location,** e.g., “Maple Avenue Library” or “Various Community Locations.”
8. **Verification of service provision by the Individual Day Habilitation staff person delivering the service.** Initials are permitted if a “key” is provided, which identifies the title, signature and full name associated with the staff initials.
9. **The signature and title of the Individual Day Habilitation staff person documenting the service.**
10. **The date the service was documented.** Note that this date must be concurrent with service provision.

The acceptable format for the service documentation supporting a provider’s billing submittal is either a narrative note or a checklist/chart with an entry made at the same time each Individual Day Habilitation service is delivered and billed.

Narrative Note Format

If the narrative note format is selected, the documentation can be completed in one of two ways:

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1. A daily service note describing at least one face-to-face individualized service delivered by Individual Day Habilitation staff for each Individual Day Habilitation or Supplemental Individual Day Habilitation “session.” The note does not include the consumer’s response to the service. If this format is selected, a monthly summary note is required. This monthly note must summarize the implementation of the consumer’s Individual Day Habilitation Plan, address the consumer’s response to the services provided and any issues or concerns; **OR**
2. A daily service note describing at least one face-to-face individualized service delivered by Individual Day Habilitation staff for each Individual Day Habilitation or Supplemental Individual Day Habilitation “session” and the consumer’s response to the service delivery. Additionally, at least one of the daily notes written during the month must summarize the implementation of the person’s Individual Day Habilitation Plan and address any issues or concerns.

Checklist / Chart Format

For each service session, a provider may elect to document the face-to-face Individual Day Habilitation or Supplemental Individual Day Habilitation service delivered by Individual Day Habilitation staff using a checklist or chart. If this format is selected, a monthly summary note is also required. The monthly summary note must summarize the implementation of the consumer’s Individual Day Habilitation Plan; address the consumer’s response to services provided and any issues or concerns.

Both the Narrative Note format and the Checklist/Chart format must include all the Service Documentation elements listed above, including a description of at least one face-to-face individualized service provided by Individual Day Habilitation staff for each Individual Day Habilitation session. The start and stop time for each Individual Day Habilitation “session” must also be documented.

Other Documentation Requirements:

In addition to the service note(s) supporting the Individual Day Habilitation billing claim, your agency must maintain the following documentation:

- ✓ A copy of the consumer’s **Individualized Service Plan (ISP)**, covering the time period of the claim, developed by the consumer’s Medicaid Service Coordinator (MSC) or Plan of Care Support Services (PCSS) service coordinator. Although for billing purposes we distinguish between the four types of Day Habilitation (i.e., Individual Group Day Habilitation, Supplemental Individual Day Habilitation, Group Day Habilitation or Supplemental Group Day Habilitation), the ISP identifies the category of waiver service as “Day Habilitation.” The ISP must also identify your agency as the Day Habilitation provider. The ISP must specify an effective date for

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Day Habilitation that is on or before the first date of service for which your agency bills Individual Day Habilitation or Supplemental Individual Day Habilitation for the consumer. The frequency for Individual Day Habilitation and Supplemental Individual Day Habilitation is an hour.

- ✓ **The Individual Day Habilitation Plan** developed by your agency that conforms to the Habilitation Plan requirements found in ADM 2003-03. For both Individual Day Habilitation and Supplemental Individual Day Habilitation the Habilitation Plan is entitled “Individual Day Habilitation Plan”. **The Individual Day Habilitation Plan must “cover” the time period of the Individual Day Habilitation service claim.** Note that the consumer’s Individual Day Habilitation Plan is attached to his/her ISP.
- ✓ If a consumer attends both Individual and Supplemental Individual Day Habilitation Services, you may maintain one Individual Day Habilitation Plan. **This plan must, however, have a separate section that clearly identifies the supports and services associated with Individual Day Habilitation and a separate section that clearly identifies the supports and services associated with Supplemental Individual Day Habilitation.**

Documentation Retention:

All documentation specified above, including the ISP, Individual Day Habilitation Plan and service documentation, must be retained for a period of at least six years from the date of the service billed. Diagnostic information and other clinical records are generally maintained for a longer period of time and are not the subject of this memorandum.

Fiscal Audit:

In a fiscal audit a Day Habilitation claim for a sampled consumer will be selected and the auditor will typically ask for the ISP and Individual Day Habilitation Plan in effect for the claim date. The auditor will also require, for the claim dates, the service documentation specified above.

For additional information on the documentation requirements or to request samples of documentation checklist formats, contact Ms. Carol Metevia, Director of Training and Medicaid Standards at (518) 408-2096, or Mr. Kevin O’Dell, Director of Waiver Management at (518) 474-5647.

cc: Provider Associations
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