



# HOME HEALTH RATE UPDATES EFFECTIVE JULY 1, 2023

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# Agenda

- ❑ Introductions
- ❑ Regulatory framework
- ❑ Data Sources
- ❑ Rate Calculation Process
- ❑ Results
- ❑ Summary

# Understanding Home Health

- ❑ What is a home health service?
  - Nursing care, home health aide service, and medical supplies provided to member at their place of residence (not hospital or NF)
  
- ❑ Ordered by Dx, NP, PA, or clinical nurse specialist

# Home Health Visits

## □ Three-types of visits:

- Initial assessment: evaluate all health care needs
- Follow-up: specific treatment, care or education related to goals established after initial assessment
- Comprehensive: intensity, duration, and scope of complex and high-tech health care procedures for member, skilled nursing only

# Home Health Services

## □ Five types of services:

- Skilled nursing
- Physical therapy
- Occupational therapy
- Speech therapy
- Home health aide

# Home Health Regions

## □ Three regional payment tiers:

- Northern Virginia (NoVA)
- Rest of State (ROS)
- Virginia Department of Health

# Annual Home Health flat rate inflation

## □ Annually home health care receives

- Inflation for each Service type (5)
- Inflation for each Visit type
  - Comprehensive skilled nursing visits 200% of follow-up rate
  - Initial assessment rates for all five service types are \$15 higher than follow-up rates

# Annual Home Health inflation

- FY 24 inflation applied to rates: **5.6%**

Fiscal Year	Inflation
FY19	2.3%
FY20	2.8%
FY21	2.6%
FY22	2.3%
FY23	5.4%
FY24	<b>5.6%</b>



# Data Sources

- DMAS Home Health fee schedule rates currently in effect
- National Forecast Tables from Home Health Market Basket

# Rate Calculation Process

## Step 1: Calculate follow-up rates

- Updated follow-up rate:
  - Current follow-up rate \* (1 + inflation)

## Step 2: Calculate initial assessment rates

- Updated follow-up rate + \$15

## Step 3: Calculate comprehensive rates

- Updated follow-up rate \* 200%

# Rate Calculation Process: follow-up rate

- Code 0551: *Skilled Nursing* follow-up rate, NoVA
  - FY23 DMAS fee schedule rate: \$158.95
  - Inflation: 5.6%
  - Expected FY24 DMAS fee schedule follow-up rate:
    - $\$158.95 \times 1.056 = \mathbf{\$167.85}$

# Rate Calculation Process: initial-assessment rate

- Code 0551: *Skilled Nursing* initial-assessment rate, NoVA
  - FY24 DMAS fee schedule follow-up rate: **\$167.85**
  - Follow-up rate + **\$15**:
    - $\$167.85 + \$15 = \text{\$182.85}$

# Rate Calculation Process: comprehensive rate

- Code 0551: *Skilled Nursing* comprehensive rate, NoVA
  - FY24 DMAS fee schedule follow-up rate: **\$167.85**
  - Follow-up rate x **200%**:
    - $\$167.85 \times 200\% = \mathbf{\$335.70}$

# Home Health Rates Effective July 1, 2023

Peer Group	Skilled Nursing			Physical Therapy		Occupational Therapy		Speech Therapy		Home Health Aide
	Initial	Follow-up	Comprehensive	Initial	Follow-up	Initial	Follow-up	Initial	Follow-up	Per Visit
<b>NoVA</b>	\$182.85	\$167.85	\$335.70	\$159.04	\$144.04	\$155.87	\$140.87	\$169.27	\$154.27	\$112.22
<b>Rest of State</b>	\$142.12	\$127.12	\$254.24	\$167.09	\$152.09	\$152.90	\$14.20	\$150.65	\$135.65	\$73.01
<b>VDH</b>	\$186.45	\$171.45	\$342.90	\$175.17	\$160.17	\$180.05	\$165.05	\$188.75	\$173.75	\$97.30

# Summary

- Current Virginia Medicaid Home Health provider rates will be inflated by **5.6%**
- Please contact [sara.benoit@dmas.virginia.gov](mailto:sara.benoit@dmas.virginia.gov) with any additional questions or concerns.