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| LOCAL COMMISSIONERS MEMORANDUM |  
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Transmittal No: 92 LCM-29

Date: February 13, 1992

Division: Medical Assistance

TO: Local District Commissioners

SUBJECT: Medicare maximization and Innovative Home Care

ATTACHMENTS: Attachment 1: Claiming (available on-line)

The Aid to Localities portion of the 1991-92 New York State Medicaid budget (Chapter 53 of the Laws of 1991) authorizes grants to districts:

"for enhanced eligibility determination activities associated with maximization of federal medicare reimbursement for persons requiring nursing home and home health care and planning and development activities related to promotion of more efficient and effective means of delivering home care services , to the extent of 50 percent of the non-federal share of such expenditures pursuant to section 153 of the social services law. Expenditure of funds appropriated herein shall be in accordance with plans submitted by local districts to the department and subject to the approval of the commissioner of social services and the director of the budget."

A total of \$500,000 has been designated for these activities. Federal and local appropriations will provide a total of \$2 million for this project.

The current Medicare maximization effort, which focuses on five nursing facility Resource Utilization Groupings (RUGS) categories, and empowers social services districts to require documentation that Medicare coverage had been adequately pursued before initiating payment, is indicative of one of the kinds of activities which can be employed to contain the rate at which Medicaid's long term care expenditures increase.

As part of the effort to strengthen local capacity for management of the long term care system, the Department intends to provide administrative grants to social service districts submitting successful proposals to develop and conduct Medicare maximization projects or to develop projects which will reduce Medical Assistance expenditures for home care services. These grants are not intended for operational activities and should be primarily for planning and development.

The activities being proposed must exceed those required by current Medicare maximization policy and those required for the current administration of home care services. The proposals may address any aspect of Medicare reimbursable long term care or reduce Medical Assistance expenditures for home care services, but:

1. must be targeted to persons residing in, or eligible for admission to, nursing facilities; or,
2. must be targeted to post-acute hospital patients electing to receive needed rehabilitative and restorative services in their homes; or,
3. must be targeted at increasing the efficiency and effectiveness of home care services; and,
4. must produce a product (e.g. a process, an organizational model, or a set of criteria) which could be replicated by other districts.

Examples of potentially acceptable projects include:

1. Construction of profiles of the types of Medicaid clients not included in the five RUG categories currently requiring Medicare submission, but for whom Medicare is frequently approved by the fiscal intermediary;
2. Identification of those home care services, and the client characteristics, which most accurately predict coverage by Medicare;
3. Recruitment of, and liaison with, attorneys interested in pursuing Medicare coverage for individuals whose request for such coverage has been denied.
4. Increased allocation of resources, either directly by the district or through contract services, to more closely monitor efforts of nursing facilities and home care providers to access Medicare and ensure aggressive billing for potentially coverable services under both Part A and Part B or to more efficiently utilize home care services.

5. Implement or expand delivery of home care services on a shared aide basis or through the use of geographic information systems to facilitate case assignment and service scheduling.
6. Development of new methods to monitor service delivery, such as the use of technology to monitor aide time.
7. Explore the use of devices such as wander mats and electronic medication reminders as a substitute for nurse or aide time.

These are only examples and are not meant to preclude other innovative proposals.

#### Proposal Format

Proposals may address any aspect of Medicare coverage of long term care or home care services the individual district chooses (i.e. coverage in a nursing facility, coverage of home care services, more efficient utilization of home care services, etc.). However, all proposals must follow a single format including the following:

1. Objective Statement - Describe precisely what you intend to do. For example: The district will develop a profile of characteristics typical of individuals most commonly covered for Part A and B Medicare home care benefits.
2. Project Design - Describe how you intend to reach your objective, and how you will measure and evaluate your success. This will generally include a statement of process, work flow and data collection. This section must include:
  - a) Process - Describe the process by which you will attempt to reach the objective you have set. This process, whether it be part of an action to increase Medicare's participation in the provision of care, or to collect data to demonstrate which combinations of factors are most indicative of Medicare coverage, or to decrease Medical Assistance reimbursement for home care services, must include a description of the specific steps anticipated to achieve the district's stated objective.
  - b) Project Staff and Resources - Within this description of process, you must indicate the functions which will be performed by either those staff or technological resources which are funded by project monies. New technology (i.e. personal computer, software, etc.) is subject to the standard approval of Information Technology Management (ITM) described in your "Local District Manager's Guide".
  - c) Evaluation - This section must describe the process for evaluating your success in reaching the declared objective. It will normally include an identification of the elements most crucial to measuring success, and the method of collecting information specific to those elements. A written evaluation report is required.

3. Organizational Chart - The organizational chart must show the number(s) and title(s) of project staff, and their location in your current organizational structure.
4. Budget - The budget must show the distribution of project funds. For project staff, this must include salary and benefits. For additional technology, this must include model name and purchase or rental costs. All dollar amounts are gross. Reimbursement will be at the rate of 50% Federal and 25% State share. The district will be responsible for 25% of all approved expenditures.

Reporting - Copies of district proposals will be retained by the State Department. Reporting shall consist simply of submission of each district's final evaluation report, which must be received by the Department on or before March 30, 1993.

Approval

All proposals will be reviewed by staff from the Department. Proposals which promise either the greatest substitution of Medicare for Medicaid reimbursement, or the greatest reduction of Medical Assistance expenditures for home care services, and/or the most useful product, and appear most replicable, will stand the best chance of being recommended to the Director of the Division of Budget for approval.

It is anticipated that proposals for which approval is contemplated will require negotiation regarding budgetary items. Approved projects will require the completion of a written agreement covering the terms of the project including the scope of work and project "deliverables" prior to implementation.

Projects which require the purchase or lease of computer hardware, software, or peripherals will require approval by this Department's Division of Information Technology Management. Requests for approval should be submitted according to that Division's standards and guidelines.

Proposals should be submitted to:

NYS Department of Social Services  
Division of Medical Assistance  
40 North Pearl Street  
Albany, NY 12243  
Attn.: Mr. Barry T. Berberich

Submission Date Proposals must be received no later than March 20, 1992.

Any questions concerning the Medicare maximization projects may be addressed to Mr. Al Roberts of my staff, by calling 1-800-342-3715, extension 3-5539 or (518) 473-5539. Questions regarding the Medical Assistance home care services projects may be addressed to Mr. Donald Dwyer of my staff, by calling 1-800-342-3715, extension 3-5616 or (518) 473-5616.

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I look forward to working with you, in what I am sure will be some interesting new directions.

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Jo-Ann A. Costantino  
Deputy Commissioner  
Division of Medical Assistance

## Attachment I

### CLAIMING

Claims for reimbursement will be submitted to the Department on a form DSS-3922 (Financial Summary for Special Projects) and a form D-17 (Distribution of Allocated Costs to Other Reimbursable Programs). The instructions for the preparation of the DSS-3922 are found in Volume II, Chapter 3, Page 231 of the Fiscal Reference Manual. The districts should follow the instructions found in Chapter 19 of Manual Bulletin 143b for the preparation of the schedule D-17 (and a Supplemental Schedule 923 "EDP Detail" for all Hardware and Software) including the assignment of a sub-code for this project. Any questions regarding the filing of claims should be directed to Irid Gordon at 1-800-342-3715, extension 4-7549.