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Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tennessee Code Annotated, Section 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Tennessee Department of Finance and Administration
Division:	Intellectual Disabilities Services
Contact Person:	Stephen O. Tepley, General Counsel or Marilyn A. Tucker, Assistant General Counsel
Address:	500 Deaderick Street, Suite 1310, 13 th Floor, Nashville, TN 37243
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Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	Simone Cuarino
Address:	500 Deaderick Street, Ste. 1310, 13 th Floor, Nashville, TN 37243
Phone:	(615) 253-2025
Email:	Simone.cuarino@tn.gov

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:	1 Cannon Way		
Address 2:	Clover Bottom Developmental Center Campus – 275 Stewarts Ferry Pike		
City:	Nashville, TN		
Zip:	37214		
Hearing Date :	01/05/10		
Hearing Time:	9 a.m.	<input checked="" type="checkbox"/> CST	<input type="checkbox"/> EST

Additional Hearing Information:

This hearing is held pursuant to the petition filed by TNCO on 10/23/2009.

Revision Type (check all that apply):

- Amendment
- New
- Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	Chapter Title
0620-06-01	Methodology Utilized to Determine Payments to Service Providers (Rate Structure)
Rule Number	Rule Title
0620-06-01-.01	Purpose

0620-06-01-.02	Scope
0620-06-01-.03	Definitions Response Systems
0620-06-01-.04	Rate Setting Methodologies and Rates
0620-06-01-.05	Rate Setting Methodologies for Dental Services
0620-06-01-.06	Rate Setting Methodologies for Personal Response Systems
0620-06-01-.07	Rate Setting Methodologies for Vision Services
0620-06-01-.08	Rate Setting Methodologies for Independent Support Coordination Services
0620-06-01-.09	Rate Setting Methodologies for Services Funded Exclusively by the State [Non Waiver, State Funded (NWSF) Services]

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to <http://state.tn.us/sos/rules/1360/1360.htm>)

Department Of Finance & Administration
Division Of Intellectual Disabilities Services

New Rules

Chapter 0620-06-01

Methodology Utilized To Determine Payments
To Service Providers (Rate Structure)

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0620-06-01-.01 Purpose.

This chapter establishes a rate setting methodology for services that are provided through the Department of Finance and Administration – Division of Intellectual Disabilities Services.

0620-06-01-.02 Scope.

These rules apply to the procedures and practices used to establish rates of payment for services acquired by the Department of Finance and Administration – Division of Intellectual Disabilities Services for or on behalf of those persons served by it under the provisions of Title 33 of the Tennessee Code Annotated and Executive Orders of the State of Tennessee Nos. 9, 10, 21 and 23, dated February 7, 1996, October 14, 1996, July 29, 1999 and October 19, 1999, respectively. All rates and amounts for payments established under these rules are subject to funding and resource availability in accordance with applicable Federal law and Title 33 of the *Tennessee Code Annotated*.

0620-06-01-.03 Definitions.

As used in these rules, unless the context indicates otherwise, the terms listed below have the following meaning:

- (1) "Administrative Costs" are the allowable percentage of the service rate that includes the costs for administrative salaries and benefits, home office costs, office supplies and printing, phone and other communication, travel and conference, advertising, professional services, licensure and dues, legal and accounting fees, interest, depreciation, occupancy, general liability insurance, equipment and administrative vehicles.
- (2) "Direct Service Costs" are the costs for direct service staff salaries and benefits, overtime, direct supervision wages and benefits, contracted direct service/temporary help, recruiting/advertising, drug testing, background checks, Hepatitis B and TB tests, and other costs for direct service staff bonuses and employee appreciation events.
- (3) "Non-Direct Program Costs" is the allowable percentage of the service rate that includes the costs for multi-site supervisors and benefits, training, off site computer/file storage, depreciation/amortization, internal monitoring, agency case management, personal funds management, healthcare oversight, specific assistance to individuals-room and board, specific assistance to individuals-non-room and board, transportation of individuals, staff travel, facility maintenance, facility supplies, habilitation supplies.
- (4) "Rate" is the amount paid per person to approved service providers for each unit of a DIDS service that is provided. A rate will be determined based on direct service costs, non-direct

program costs, administrative costs, transportation and up to twenty (20) days of payment to cover service recipient absences. A unit may be a portion of an hour, an hour, a day, a month, an item or a job, depending on the type of service.

- (5) "Rate Levels" are the series of rates for residential and day services that are based on the intensity of a service recipient's needs and the size or site of the service setting.
- (6) "Rate Setting Methodology" is the manner in which the rates for services are calculated or determined under these rules.
- (7) "Special Needs Adjustment" is an additional payment that may be added to the residential rate for an individual when certain specified criteria are met.
- (8) "Uniform Cost Report" is a report relating to costs and/or operating expenses/revenues completed by providers that is submitted as required by the Division of Intellectual Disabilities Services. The Uniform Cost Report is completed in the manner and in a format required by the Division.

0620-06-01-.04 Rate Setting Methodologies and Rates

The following rates are formulated by taking into account administrative costs, direct service costs, non-direct program costs, transportation costs and up to twenty (20) days of payment to cover service recipient absences. The "maximum rate" listed below is amount that can be disbursed for a unit or service. Lesser amounts may be approved /paid when the usual, customary charge of the provider is less than the maximum rate. Also, the rate for any unit or service can be negotiated by the Division and the provider to a lower amount than the maximum rate.

(a) Medical Residential, Residential, Supported Living and Family Model Services.

(1) Medical Residential Service	Short Name	Maximum Rate
Med Res Level 5 Ind 24 Hour Rate	MR5 Ind 24	\$727.00
Med Res Level 5 – 2 Per 24 Hour Rate	MR5 - 2 24	\$546.61
Med Res Level 5 – 3 Per 24 Hour Rate	MR5 - 3 24	\$415.13
Med Res Level 5 – 4 Per 24 Hour Rate	MR5 - 4 24	\$304.35
Med SL Level 5 – IND 24 Hour Rate	MS5 – IND	\$727.00
Med SL Level 5 – 2 Per 24 Hour Rate	MS5 - 2 24	\$546.61
Med SL Level 5 – 3 Per 24 Hour Rate	MS5 - 3 24	\$415.13

(2) Residential Services	Short Name	Maximum Rate
Residential Level 1 - 2 People	RES1-2	\$115.50
Residential Level 1 - 3 People	RES1-3	\$80.75
Residential Level 1 - 4 People	RES1-4	\$62.25
Residential Level 1 - 5 TO 7 People	RES1-5/7	\$49.75
Residential Level 1 - 8+ People	RES1-8+	\$40.40
Residential Level 1 Shift- Individual	RES1-Ind	\$191.25
Residential Level 2 - 2 People	RES2-2	\$148.75
Residential Level 2 - 3 People	RES2-3	\$119.70
Residential Level 2 - 4 People	RES2-4	\$78.55
Residential Level 2 - 5 To 7 People	RES2-5/7	\$57.30
Residential Level 2 - 8+ People	RES2-8+	\$52.20
Residential Level 2 Shift – Individual	RES2-IND	\$267.00
Residential Level 3 - 2 People	RES3-2	\$241.55
Residential Level 3 - 3 People	RES3-3	\$169.10
Residential Level 3 - 4 People	RES3-4	\$95.40
Residential Level 3 - 5 To 7 People	RES3-5/7	\$71.85
Residential Level 3 - 8+ People	RES3-8+	\$60.60

Beh Analyst Plan Dev & Trng 1	BA PDTR1	\$18.69
BA Svs: Presentation at Meetings	BA PRES	\$18.69
Behavior Specialist	BEH SPEC	\$6.69
Behavior Analyst	BEH ANLYST	\$18.69
Nursing Services By LPN	LPN	\$5.94
Nursing Services By RN	RN	\$8.43
Speech Lang Hearing 1	SLH1	\$17.25
Speech Lang Hearing 2 - 46+	SLH2	\$23.00
Speech Lang Hearing 3 - 76+	SLH3	\$26.00
Speech Lang Hearing 1 Asmt	SLH1ASMT	\$276.00
Speech Lang Hearing 2 Asmt - 46+	SLH2ASMT	\$367.08
Speech Lang Hearing 3 Asmt - 76+	SLH3ASMT	\$412.62
SLH 1 Equip Asmt Training	SLH1ETASMT	\$276.00
SLH 2 Equip Asmt Training - 46+	SLH2ETASMT	\$367.08
SLH 3 Equip Asmt Training - 76+	SLH3ETASMT	\$412.62
SLH 1 Equipment Training	SLH1ET	\$17.25
SLH 2 Equipment Training - 46+	SLH2ET	\$23.00
SLH 3 Equipment Training - 76+	SLH3ET	\$26.00
Occupational Therapy 1	OT1	\$18.00
Occupational Therapy 2 - 46+	OT2	\$24.00
Occupational Therapy 3 - 76+	OT3	\$27.00
Occupational Therapy 1 Asmt	OT1ASMT	\$288.00
Occupational Therapy 2 Asmt - 46+	OT2ASMT	\$383.04
Occupational Therapy 3 Asmt - 76+	OT3ASMT	\$430.56
OT 1 Equip Assessment Training	OT1ETASMT	\$288.00
OT 2 Equip Assessment Training - 46+	OT2ETASMT	\$383.04
OT 3 Equip Assessment Training - 76+	OT3ETASMT	\$430.56
OT 1 Equip Training	OT1ET	\$18.00
OT 2 Equip Training - 46+	OT2ET	\$24.00
OT 3 Equip Training - 76+	OT3ET	\$27.00
Physical Therapy 1	PT1	\$18.75
Physical Therapy 2 - 46+	PT2	\$25.00
Physical Therapy 3 - 76+	PT3	\$28.00
Physical Therapy 1 Assessment	PT1ASMT	\$300.00
Physical Therapy 2 Assessment - 46+	PT2ASMT	\$399.00
Physical Therapy 3 Assessment - 76+	PT3ASMT	\$448.50
PT 1 Equip Assessment Training	PT1ETASMT	\$300.00
PT 2 Equip Assessment Training - 46+	PT2ETASMT	\$399.00
PT 3 Equip Assessment Training - 76+	PT3ETASMT	\$488.50
PT 1 Equip Training	PT1ET	\$18.75
PT 2 Equip Training - 46+	PT2ET	\$25.00
PT 3 Equip Training - 76+	PT3ET	\$28.00
Orientation & Mobility 1	OM1	\$16.25
Orientation & Mobility 2 - 46+	OM2	\$21.25
Orientation & Mobility 3 - 76+	OM3	\$24.25
Orient & Mobility 1 Assessment	OM1ASMT	\$260.00
Orient & Mobility 2 Assessment - 46+	OM2ASMT	\$340.00
Orient & Mobility 3 Assessment - 76+	OM3ASMT	\$388.00
Nutrition 1 Assessment	NUTR1ASMT	\$207.20
Nutrition 2 Assessment - 46+	NUTR2ASMT	\$275.57
Nutrition 3 Assessment - 76+	NUTR3ASMT	\$309.76
Nutrition 1	NUTR1	\$77.70
Nutrition 2 - 46+	NUTR2	\$128.98
Nutrition 3 - 76+	NUTR3	\$163.17
Psychological Evaluation	PSY EVAL	\$300.00
Psychiatric Diag Eval - Interactive	PSYCH EVL	\$500.00
Psychiatric Diag Interview Eval	PSYCH EVL	\$500.00
Individual Consultation	CONSULT	\$100.00

(d) Respite and Personal Assistance Services.

Short
Name

Maximum
Rate

	Personal Assist Qtrhr - 2 Staff	PA QTH-2	\$6.63
	Personal Assist Qtrhr	PA QTRHR	\$3.69
	PA Daily Rate Sleep	PA Sleep	\$195.00
	PA Qtrhr Enhanced Level 4 Only	PA4-ENH	\$4.19
	Respite Level A - Over 8 Hours/Day	Respite A	\$63.50
	Respite Level B - Over 8 Hours/Day	Respite B	\$195.00
	Respite Level C - Over 8 Hours/Day	Respite C	\$231.00
	Respite D - Qtr Hr Up To 8hr/Day	Respite D	\$3.69
	Respite - Behavioral - 24 Hours	Respite-BH	\$490.00
	Individual Transportations Svs. (as needed)	TRANSP	\$7.07
(e)	Specialized Equipment and Supplies (Two Year Total)	Short Name	Maximum Amount
	Specialized Med Equip & Its Supplies	Med Equip	\$10,000
(f)	Environmental Modifications (Two Year Total).	Short Name	Maximum Amount
	Environmental Accessibility	Env. Access	\$15,000
(g)	Vehicle Modifications (Five Year Total).	Short Name	Maximum Amount
	Vehicle Modifications	VEH MODS	\$20,000
(h)	Independent Support Coordination Services.	Short Name	Maximum Rate
	Independent Support Coordination	ISC	\$231.00
	ICF/MR 180 Transition CM 1 Month	ICF180-1	\$231.00
	ICF/MR 180 Transition CM 2 Month	ICF180-2	\$462.00
	ICF/MR 180 Transition CM 3 Month	ICF180-3	\$693.00
	ICF/MR 180 Transition CM 4 Month	ICF180-4	\$924.00
	ICF/MR 180 Transition CM 5 Month	ICF180-5	\$1,155.00
	ICF/MR 180 Transition CM 6 Month	ICF180-6	\$1,386.00

0620-06-01-.05 Rate Setting Methodologies for Dental Services.

Dental Services rates are those set by TennCare for reimbursement of Medicaid funded dental care.

0620-06-01-.06 Rate Setting Methodologies for Personal Emergency Response Systems.

Rates paid are the usual and customary rates for installation and monitoring set by the company providing the service.

0620-06-01-.07 Rate Setting Methodologies for Vision Services.

Rates paid are the usual and customary charges for examination and corrective lenses.

0620-06-01-.08. Rate Setting Methodologies for Independent Support Coordination Services.

Current rates in this category are found at Rule 0620-06-03-.04 (h) and were derived after consideration of provider input as well as system service requirements. Future changes in amounts paid for this service will be made after consultation with stake-holders (e.g. Independent Support Coordinators, Independent Support Coordination Agencies/Organizations), review of similar services in other states, market conditions, system needs and DIDS funding/resource availability.

0620-06-01-.09 Rate Setting Methodologies for Services Funded Exclusively by the State [Non-Waiver; State Funded (NWSF)] Services.

Rates paid are discretionary and based upon Service Recipient need and which will be limited by system and service requirements as well as funding and resource availability.

Department Of Mental Health And Developmental Disabilities
Division Of Mental Retardation

Chapter 0940-04-03

Chapter 0940-04-03 is repealed.

Authority: T.C.A. § 33-1-309(d), Executive Order Number 9 (February 7, 1996), Executive Order Number 10 (October 14, 1996), Executive Order 21 (July 29, 1999), and Executive Order 23 (October 19, 1999), State of Tennessee Federal Medicaid Waivers for provision of services to the mentally retarded, State of Tennessee Delegate Purchase Authority (DPA(S)) No. DP-08-20444-00 and any subsequent DPA(S) which authorizes funding/purchasing of services for persons with mental retardation by the Division of Intellectual Disabilities Services.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: 11/16/09

Signature: *Debbie Payne*

Name of Officer: Debbie Payne

Title of Officer: Superior Property Commissioner



Subscribed and sworn to before me on: 11/16/09

Notary Public Signature: *Simone Cuarino*

My commission expires on: 2/19/2013

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Filed with the Department of State on: 11/16/09

Tre Hargett

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Secretary of State

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