Department of Human Services

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**IHCA Provider Alert**

**October 31, 2022**

**TO: In-Home Care Agencies**

**FROM: Aging and People with Disabilities (APD)**

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| **RE: Discharge Incentive Payment Program** |

This alert is to advise In-Home Care Agencies (IHCA) of a new, short-term program (six months). Due to ongoing hospital and (skilled) nursing facility (SNF/NF) capacity concerns, the Oregon Legislature approved the Oregon Department of Human Services (ODHS) and Oregon Health Authority (OHA) providing a discharge incentive of $5,000 to any qualifying\* IHCA that begins providing services for a new individual who discharges directly from a hospital or SNF/NF between Nov. 1, 2022, and Apr. 30, 2023. Incentive payments are also being offered to Adult Foster Homes (AFH) and Residential Care Facilities (RCF). Incentive payments are independent of the direct care services being authorized to IHCAs for regular reimbursement. Please see below for criteria to qualify for this incentive.

 \*See **IHCA-Specific Requirements** section, below

# Incentive Criteria

* The incentive to IHCAs is applicable for any individual receiving Medicaid services through APD who is discharging directly from a hospital or SNF/NF between 11/01/22 - 04/30/23, to receive services from the IHCA.
* The individual must be discharging directly from a hospital or SNF/NF from an admitted status (individuals boarded or seen in the emergency department are not eligible).
* The IHCA must screen the individual in the hospital or SNF/NF to ensure they can meet the individual’s care needs.
* Only IHCAs with a valid Medicaid provider enrollment agreement may participate in this program.
* The IHCA must not have a restriction on the license for admissions to qualify for the incentive payment.
* The IHCA cannot receive additional funds for an individual who readmits to a hospital or SNF/NF and then discharges to receive services from the same IHCA within the 90 days. These “readmissions” are excluded.
* The IHCA must follow all other licensing, compliance and program requirements as defined in administrative rules.
* The IHCA cannot have been providing services to the individual prior to his/her admission to the hospital or SNF/NF from which he/she is now discharging.
* The IHCA may not terminate services without the individual’s consent within 90 days from the date of discharge from the hospital or SNF/NF. If this occurs, the IHCA must email APD at: hcbs.oregon@odhsoha.oregon.gov and include the reason for terminating services. In this case, the IHCA will not be eligible to receive the second payment.
* If an individual voluntarily changes IHCAs, moves to a residential setting or passes away prior to 90 days from the date discharge from the hospital or SNF/NF, the IHCA must notify APD by emailing: hcbs.oregon@odhsoha.oregon.gov and include the reason the individual stopped receiving the IHCA services. The IHCA may still receive the second payment.
* If an individual readmits to the hospital or SNF/NF during the first 90 days from initial discharge and chooses a new IHCA owned by the same corporate entity as the initial IHCA, the new IHCA cannot request or receive another initial/first payment for the individual. Resident readmissions are excluded.
* If this individual stops services with the IHCA prior to 90 days because his/her needs were not being met, or if it is later determined that the IHCA staff did not meet the individual’s needs, the IHCA must refund/return the second incentive payment.
* If Adult Protective Services (APS) becomes involved due to a failure on the part of the IHCA toward this individual, and APS confirms or substantiates that failure, the IHCA must refund/return the incentive payment(s).

**IHCA-Specific Requirements**

* To qualify for this program, the IHCA must have a valid Medicaid provider enrollment agreement.
* The individual must be receiving Medicaid services through APD.
* The individual must need a minimum of 35 hours per week of services from the IHCA.
* Within 72 hours of referral, and prior to discharge from the hospital or SNF/NF, the IHCA must:
	+ Complete an assessment
	+ Establish a discharge date within five business days of the assessment
	+ Develop a plan to begin on the date of discharge
* At discharge from the hospital or SNF/NF, the IHCA must ensure:
	+ Providers are in place
	+ Prescriptions are obtained
	+ Durable medical equipment is in place or ordered
	+ Signed, dated service plan is in place showing that the hours assigned will meet identified ADL and IADL care needs

# Payment Requirements

Payment requests must be made using the approved form(s) and emailed to APD at: hcbs.oregon@odhsoha.oregon.gov

**Initial (or first) Payment - $2,000**

* The IHCA has 30 days from the date the individual discharged from the hospital or SNF/NF to request the first payment. [Example: We can refer to the attached resource, “Discharge Incentive Payment Program Date Calculator” to see the date by which the IHCA must submit the request for payment. If the individual discharged on 11/01/22 (Column A), and the IHCA has 30 days after that, the IHCA must request their first payment by 12/01/22 (Column B).]
* Upon receipt of that request, APD will confirm the consumer and provider meet the above criteria. Within 10 days of receiving an appropriate request, APD will ask the Office of Financial Services (OFS) to issue a payment.

**Subsequent (or second) Payment - $3,000**

* The IHCA has 30 days from the 90th day after discharging from the hospital or SNF/NF to request the second payment. [Using the above example and the same attachment, where the individual discharged from the hospital on 11/01/22 (Column A), we locate 90 days from discharge, which is 1/30/23 (Column C). The IHCA has 30 days after that 90th day to request the second payment, or by 03/01/23 (Column D)]
* When the individual has been receiving services from the IHCA for 90 days, the IHCA may request the second payment along with Electronic Visit Verification (EVV) records for each of the individual’s In-Home Care Workers for the first 90 days of care.
* Upon receipt of both that request and the EVV records, APD will review the EVV records and confirm the consumer and provider meet the above criteria. Within 10 days of receiving an appropriate request, APD will ask the Office of Financial Services (OFS) to issue a payment.

The number of providers participating with this incentive program is large, so allow time for payments to process. If you have not received payment within 30 days, notify APD by emailing: hcbs.oregon@odhsoha.oregon.gov

# Application Instructions

Fill out the Discharge Incentive Payment Form that accompanies this Provider Alert and submit it by emailing it to: hcbs.oregon@odhsoha.oregon.gov

**For questions**, please contact: hcbs.oregon@odhsoha.oregon.gov

September 2022 Legislative Budget Note directing this work:

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Oregon Department of Human Services

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The second strategy proposed by ODHS is a discharge incentive payment to providers to take clients from hospitals. This strategy was implemented from January 2022 to March 2022, ODHS provided a $10,000 incentive to Adult Foster Homes (AFH) that could accept discharged patients from hospitals. During the two-month operational period of this incentive, 264 placements were made. Many of the individuals were discharged on hospice and/or had very complex medical conditions. As a result, 41% of placements did not remain in the AFH beyond 90 days. ODHS is proposing to expand the placement options beyond AFH’s to including foster homes under the ODHS Office of Developmental Disabilities Services and OHA’s Health Services Division, as well as residential care facilities and in-home care agencies. With this proposal, the incentive payment is reduced from $10,000 to $5,000. The program is estimated to last six months with a cost of $4.2 million General Fund, $6 million total funds. According to ODHS, the prior AFH incentive payment allowed providers to serve individuals with higher acuity. Providers were able to use the incentive payments to hire staff to serve the higher acuity individuals for the period of time the individual had higher needs.