



# Ohio Department of Mental Retardation and Developmental Disabilities

---

Bob Taft, Governor

Kenneth W. Ritchey, Director

## *Memorandum*

**DATE:** January 9, 2006

**TO:** County Board Superintendents  
County Board Waiver Contacts  
County Board Business Managers  
Council of Government Executive Directors  
ODMRDD Medicaid Waiver Providers

**FROM:** Debbie Hoffine, Assistant Deputy Director  
Division of Fiscal Administration

**SUBJECT:** Changes to the Payment Authorization for Waiver Services (PAWS) System

---

This letter is to inform you that the ODMRDD is making changes to the Payment Authorization for Waiver Services (PAWS) system, which are projected to be implemented in early 2006. These changes are being made as a result of a proposal submitted by the OACBMRDD and OPRA in an effort to facilitate the successful implementation of the waiver reimbursement methodology described in OAC 5123:2-9-06. Training sessions are being planned for early February related to these changes. Additional information regarding these proposed changes, including the updated PAWS form and completion instructions, as well as specific information pertinent to training dates and locations will be made available in the near future.

These changes are being implemented in an effort to eliminate the need for a specific PAWS entry for each potential service ratio (Appendix A of OAC 5123:2-9-06, Waiver Reimbursement) that an individual might be authorized to receive as the system moves into the new waiver reimbursement arena. The information required on a PAWS will not change for individuals whose services continue to be paid through the current negotiated rate reimbursement structure. As individuals transition to the new fee for service (statewide rates) reimbursement structure, required information will change as outlined below.

The two primary changes are the elimination of the group size field from the PAWS and the addition of two dollar values per PAWS line item that will specify a maximum reimbursement amount for each fiscal year represented by the specified time period. Each line on a PAWS for an individual will include at least the following data elements:

- *Provider Billing Number*
- *Service Period Begin Date*
- *Service Period End Date*
- *Service Code* (From the new codes below or from Appendix A depending on the service)
- *Service Title* (homemaker/personal care, transportation, etc.)

- *Maximum Number of Units per Frequency Period*
- *Frequency Period* (Day, Week, Month or Span, as currently utilized in PAWS)
- *FY 1 Amount* - Maximum authorized dollar value for the first state fiscal year (July 1 through June 30) represented by the Service Period
- *FY 2 Amount* – Maximum authorized dollar value for the second state fiscal year (July 1 through June 30) represented by the Service Period

The ODMRDD Medicaid Billing System (MBS) will utilize the *Maximum Number of Units per Frequency Period* in conjunction with the *FY 1 and FY 2 Amounts* as claims are processed for payment. The *Maximum Number of Units per Frequency Period* shall continue to be monitored by MBS at the specified *Frequency Period* just as it has been in the past. It is important to note that the *FY 1 and FY 2 Amounts* will be monitored by MBS over the period covered from the *Service Period Begin Date* through the *Service Period End Date* entered for that line and NOT at the *Frequency Period* level.

Another significant, fundamental change is that for individuals whose services are paid through the new fee for service (statewide rates) reimbursement structure, the service rate will not be listed on the PAWS. Providers will be required to include their usual and customary rate for the service, including any medical and/or behavioral add-ons, on each claim submitted for reimbursement. MBS will reimburse the claim at the rate identified on the claim or at the rate established in 5123:2-9-06, whichever is lower. MBS will utilize the service code in conjunction with medical and behavioral rate modification indicators on the PAWS to determine the appropriate rule rate for reimbursement of each claim. Service rates will continue to be required on PAWS if the services are paid through the current negotiated rate reimbursement structure.

In order to implement this structure, which eliminates the need for a discreet authorization for every potential service ratio, the three services that currently include service codes to represent service provision by multiple staff are being modified for PAWS purposes only. The *Service Codes* listed on the PAWS for Homemaker/Personal Care – Routine, Homemaker/Personal Care – On-site/On Call, and Supported Employment will be unique service codes that do not replicate any of the actual service codes that are found in Appendix A of OAC 5123:2-9-06 and are on the actual claims submitted for reimbursement. It will be important that providers understand that these service codes are only for service authorization purposes and NOT for billing purposes.

These new codes are as follows:

A22 – Homemaker/Personal Care – Routine – Individual Options Waiver  
 F22 – Homemaker/Personal Care – Routine – Level One Waiver – Non-Emergency  
 E22 – Homemaker/Personal Care – Routine – Level One Waiver – Emergency

A44 – Homemaker/Personal Care – On Site/On Call – Individual Options Waiver  
 F44 – Homemaker/Personal Care – On Site/On Call – Level One Waiver – Non-Emergency  
 E44 – Homemaker/Personal Care – On Site/On Call – Level One Waiver – Emergency

A88 – Supported Employment - Individual Options Waiver  
 F88 – Supported Employment – Level One Waiver – Non-Emergency

The service codes for all other services will continue to be those found in Appendix A of OAC 5123:2-9-06 as none of these services included service codes established to represent multiple

staffing. The elimination of the group size field and the addition the maximum authorized dollar values will allow for these services to be billed and paid using the codes established in the rule.

The following example illustrates how various authorizations will be utilized by MBS for claims processing purposes:

It is anticipated that an individual will utilize 100 units of service each month for a total cost of \$1,000 per month from January 1, 2006 through June 30, 2006, the PAWS could be submitted as follows:

Provider Billing Number	Service Period Begin Date	Service Period End Date	Service Code	Service Title	Units Per Freq Period	Freq Period	FY 1 Amount	FY 2 Amount
1234756	01/01/06	06/30/06	A22	HPC Routine	100	Month	\$6,000	\$0.00

MBS will pay up to 100 units of routine homemaker/personal care service per month from January 1, 2006 through June 30, 2006, so long as no more than \$6,000 has been expended for that time period. This allows fluctuations in dollars spent on a monthly basis up to the \$6,000 maximum limit for the six month period. In this example, depending on the service delivery patterns (ratios), there could be \$1,500 spent for services in January, \$1,200 spent for services in February, etc. until such time that the \$6,000 limit is reached.

If there is a desire to maintain a more even distribution of dollars each month, which is \$1,000 per month in this example, the PAWS could be completed as follows:

Provider Billing Number	Service Period Begin Date	Service Period End Date	Service Code	Service Title	Units Per Freq Period	Freq Period	FY 1 Amount	FY 2 Amount
1234756	01/01/06	01/31/06	A22	HPC Routine	100	Month	\$1,000	\$0.00
1234756	02/01/06	02/28/06	A22	HPC Routine	100	Month	\$1,000	\$0.00
1234756	03/01/06	03/31/06	A22	HPC Routine	100	Month	\$1,000	\$0.00
1234756	04/01/06	04/30/06	A22	HPC Routine	100	Month	\$1,000	\$0.00
1234756	05/01/06	05/31/06	A22	HPC Routine	100	Month	\$1,000	\$0.00
1234756	06/01/06	06/30/06	A22	HPC Routine	100	Month	\$1,000	\$0.00

With the PAWS completed in this manner, MBS will pay up to 100 units of routine homemaker/personal care service each month so long as no more than \$1,000 is spent each month.

There are many variations on how a PAWS might be completed to achieve specific outcomes. These examples are provided to highlight how the new *FY 1 Amount* and *FY 2 Amount* coupled with the *Maximum Number of Units per Frequency Period* will be used by MBS for claims processing purposes.

It is understood that at the time this new PAWS structure is implemented, there will already be PAWS in the system for individuals who were either enrolled after 7/1/2005 or who have transitioned to the new reimbursement methodology and have discreet authorizations for each potential service ratio. It will be necessary for revised PAWS to be submitted for these individuals utilizing the newly established service codes.

As details are finalized regarding the implementation of the recommended changes to the PAWS system, additional information will be provided. In the meantime, specific questions can be directed to [waiver.support@odmrdd.state.oh.us](mailto:waiver.support@odmrdd.state.oh.us).

Thank you.

Cc: Dan Ohler, OACBMRDD  
Cheryl Phipps, OASCBMRDD  
Mark Davis, OPRA