

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



Office of the Senior Deputy Director/Medicaid Director

Transmittal # 21-20

TO: All ICFIID

FROM: Melisa Byrd *Melisa Byrd*
Senior Deputy Director and State Medicaid Director

DATE: June 7, 2021

SUBJECT: **Implementation of the DSP Supplemental Payment Program**

Purpose

This transmittal provides notice and payment guidance to Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFIIDs) on the implementation of the Direct Support Professionals (DSP) Supplemental Payment program. The DSP supplemental payment program is intended to enable ICFIID to hire and retain qualified DSPs in the ICFIIDs. Further, the Department of Health Care Finance (DHCF) expects to implement a graduated payment system that rewards longevity and training of DSPs to improve the overall quality of care provided to ICFIID beneficiaries.

The supplemental payment is effective for ICFIIDs effective January 1, 2021 and will cover three (3) Quarters of Fiscal Year 2021.

Notice

On May 7, 2021, the Centers for Medicare, and Medicaid Services (CMS) approved the Emergency State Plan Amendment (SPA) # 21-003, establishing the ICFIID supplemental payment for DSPs. The DSP supplemental payment does not alter the current ICFIID reimbursement methodology, instead it provides for additional funding to ICFIID for DSP wage related costs to support worker retention and training.

Eligibility for the Supplemental Payment

To be eligible for the program, ICFIID must satisfy the following criteria:

1. Certified to participate in the Medicaid program as described in section I.A. of Attachment 4.19-D Part II of the District of Columbia (District) Medicaid State Plan.
2. Uses the supplemental payments to reimburse for salary, wages, and fringe benefit expenses for DSP employees. A DSP employee is defined as follows:
 - a. Direct support professional must be an employee of an ICFIID provider who provides direct services to individuals with developmental disabilities for at least 50% of the employee's work hours.
 - b. Direct services for which the individual is eligible to be paid must include working with an individual providing support with self-care activities, behavior management, and community integration pursuant to an Individual Service Plan (ISP); and

- c. An employee as used in this section excludes managers, administrators, and contract employees
3. Not closed for business.
4. Complies with DHCF reporting requirements.
5. Complies with the Clean Hands certificate requirements of the District of Columbia Office of Tax and Revenue and is otherwise in good standing with DHCF; and
6. Submits proof of a written commitment to use supplemental payments to fund DSP salaries, wages and fringe benefits, proof of an enforcement mechanism of the written commitment, and proof of written notice to DSP employees on the funding and availability of enforcement to the DHCF by June 30 of each year. The commitment and proof of enforcement and written notice shall meet the requirements of D.C. Official Code Section 47- 1272(a).

Eligible DSP Supplemental Payment Amount

Each ICFIID participating in the supplemental DSP payment, will be eligible to receive a quarterly distribution of the calculated annual DSP amount. Annually DHCF shall set a pool of funds available based on the amount of funds collected in the Stevie Sellows Quality of Care Funds. The annual available funds for each ICFIID shall be computed based on the number & acuity level of beneficiaries supported and the DSP staffing pattern required in the rate methodology. Providers will have five (5) business days to send any correction or disagreement to the calculated amount.

In addition, Payments shall be distributed quarterly. On the fourth quarter, a reconciliation of the available funds, provider expenses, and year to date payments shall be made. Consequently, to make sure that resources are utilized properly, the last payment shall be adjusted based on the result of the above analysis.

Payment and Disbursement Procedures

To receive payments, DHCF requires that ICFIIDs submit the documents listed below to samuel.woldeghiorgis@dc.gov.

DHCF shall subsequently ensure disbursements for the preceding and current quarters, are disbursed within 2 weeks from the date of receipt of the documents below.

1. The attached signed attestation and written commitment to use supplemental payments to fund DSP salaries, wages and fringe benefits, proof of an enforcement mechanism of the written commitment, and proof of written notice to DSP employees on the funding and availability of enforcement;
2. Provide a recent copy the Clean Hands certificate issued by the Office of Tax and Revenue; and
3. Is in good standing with DHCF of on all outstanding recoupment balances.

Contact

If you have any questions, please contact Samuel Woldeghiorgis, Reimbursement Analyst, Office of Rates Reimbursement and Financial Analysis, Department of Health Care Finance, at 441 4th Street, Suite 900S, Washington, DC 20001, or email samuel.woldeghiorgis@dc.gov. or via telephone at (202) 442- 9240

Cc: DC Coalition of Disability Service Providers