

DANE COUNTY DEPARTMENT OF HUMAN SERVICES

CCS Program – Supplemental Payment and COLA Procedures – 11/20/2023

Effective in 2024, Dane County Department of Human Services (DCDHS) updated its Comprehensive Community Service (CCS) Program reimbursement method to provide equitable inflationary cost adjustments to purchase of service (POS) programs performing CCS service delivery. Based on CCS provider recommendations and feedback, DCDHS will make CCS providers eligible for cost-of-living adjustments (COLA) when adopted through Dane County's Annual Operating Budget. This means all CCS provider rates are eligible to receive a standard rate adjustment annually per County operating budget adoption. The addition of a COLA in 2024 will set all Dane County CCS rates above the state interim rates. The adjustment will reflect the County's approved CCS payment rate submitted to State of Wisconsin Department of Health Services for reimbursement.

Importantly, the CCS Program will remain a non-county funded program and will continue to be reimbursed fully through state and federal Medicaid funds. The new CCS program eligibility for COLA rate adjustments is being made possible through a CCS advance reconciliation payment for which DCDHS will apply to the State for approval. The introduction of this payment approach replaces prior rate increase methodologies, and introduces additional State of WI dependencies, which are important for CCS providers to understand. The following provides companion information to CCS Contract - Schedule B updates which operationalize procedures providing COLA payments.

Background – State of WI Reimbursement

The WI Department of Health Services (WI DHS) payment structure for the CCS program provides a maximum statewide interim payment rate as published by WI ForwardHealth (i.e., WI Medicaid). The statewide interim payment rate represents the maximum standard payment amount WI DHS offers statewide to County CCS program rate categories prior to reconciliation. To achieve funding above WI DHS statewide interim rates, County CCS programs are required to perform annual cost reporting and reconciliations whereby supplemental Medicaid funding may be received based on cost reconciliation results. Because State annual cost reporting and reconciliation significantly lags the end of a contract year (twelve months later), WI DHS is offering Medicaid payment advances to Counties subject to final reconciliation completion. The availability of WI Medicaid funding through advance reconciliation payments creates an opportunity for the Dane County CCS program to provide COLA increases to CCS rates that exceed the statewide interim rate.

DCDHS Rate Structure

To accurately reflect the WI ForwardHealth payment structure, the DCDHS provider rate sheets and Schedule B contract information provides a DCDHS rate structure that includes two rate components:

- i. State of Wisconsin ForwardHealth statewide interim rate;
- ii. Supplemental rate to cover costs above statewide interim rate levels.

These two components combine to total the County approved rate. While both rate components (statewide interim and supplemental) depend upon reimbursement paid by the State, in practice the supplemental rate component carries the primary reimbursement dependency due to funding through WI DHS reconciliation.

Method of Payment

Once a provider's CCS claim has been paid to the County by ForwardHealth, DCDHS will pass-through to the provider both the statewide interim rate and County approved supplementary rate. In order to fund the supplementary rate portion of the payment, DCDHS will request a CCS reconciliation advance from WI DHS at the beginning of each year. County advance reconciliation applications to WI DHS are due annually by the end of February. This will be the responsibility of Dane County. Provider agencies do not need to do anything to support this request. Per WI DHS guidance, approvals by WI DHS and payment advance transactions provided to counties are expected by March each

year. Due to the short lag in receiving WI DHS advance reconciliation approval, DCDHS is assuming state approval and will immediately fund the supplemental payment component beginning with January dates of service. In the event DCDHS is not approved to receive the reconciliation advance from the State by March 31st, DCDHS will discontinue the unapproved supplemental payment component until approved by the state. If unapproved or if WI ForwardHealth funding is insufficient to provide supplemental rate pass-through dollars during the contract year, DCDHS will submit the provider's county approved rates to the State as part of the ForwardHealth final reconciliation for reimbursement.

It is important to note that while the described state funding dependencies exist, actual payment risk from WI Medicaid is minimal. It's our strong belief that CCS agencies will be united in welcoming this reimbursement change which achieves equitable reimbursement increases across the provider network and targets stable funding support for this critical program.

If your agency has further questions, please forward them to ccsfiscal@countyofdane.com. Responses will be provided and updates to this documentation will be posted in the form of Frequently Asked Questions to benefit the broader CCS provider network.

Thank you for your work as a valued CCS partner and provider.