

Medicaid HCBS and PACE Weekly: Recap of Leading Age Updates

December 9, 2022

Upcoming LeadingAge Coronavirus Calls. All calls are at 3:30 pm ET. On **Monday, December 12**, Alex Goldstein will join us to talk about @FacesofCOVID, an online initiative that has been cataloging the faces and names of those who died from coronavirus. Goldstein started this forum "...as a way to affirm that these people were are more than a statistic and their lives mattered and they had dignity, and that it meant something." **On Wednesday, December 12**, Erin Vigne, Director, of Clinical Affairs at AMDA - The Society for Post-Acute and Long-Term Care Medicine will join us to talk about their new "Tripledemic Toolkit". If you haven't registered for LeadingAge Update Calls, [you can do so here](#). You can also find previous call recordings [here](#). Note that to access recordings of the calls you need a LeadingAge password. Any staff member of any LeadingAge member organization can set up a password to access previous calls and other "members only" content.

Adult Day Providers, participate in National Post-Acute and Long Term Care Study (NPALS): CDC is conducting the 2022 Adult Day Services Center questionnaire now. Please see this [link](#) for more information on the study provided to LeadingAge to share with all of you. This data is very important so that we know what is going on in adult day around the country – it contributes to our advocacy efforts.

CMS Updates Home or Residence Services Billing Instructions. CMS put out new billing [guidance](#) for physicians and other providers providing evaluation and management (E/M) services to residents living in homes or other residences. The changes include combining two existing E/M visit families, "Domiciliary, Rest Home (e.g., Boarding Home) or Custodial Care Services and Home Services into one E/M code family. The change also deletes a number of CPT codes and creates updated place of service (POS) codes for other remaining CPT codes. An official Change Request ([CR 13004](#)) providing more detail on the billing and coding changes. All changes will go into effect January 1, 2023.

Employee Retention Credits May Negatively Impact Providers' Medicaid Rate Calculations: Leading Age MN staff recently shared with national that CMS informed their Medicaid agency that Employee Retention Credit dollars received by nursing homes will be treated like other tax credits. Based upon this CMS guidance, MN has said it will reduce the associated allowable expenses to the amounts incurred. In other words, it will only include those taxes paid in its calculations. This is the question posed by the MN Medicaid agency to CMS, their response and the citation it was based upon: How should states handle Employee Retention Credits and do the same principles apply when given direction that providers did not need to offset other CARES fund distributions such as PPP loans? CMS responded that ERCs are to be treated like any other tax credit. CMS referred MN Medicaid to the Provider Reimbursement Manual attached, 2122.7.

2122.7 Review of Reasonable Costs, Including Taxes. -- In general, reasonable costs claimed by a provider, including taxes, must be actually incurred. While a tax may fall under a category that is generally accepted as an allowable Medicare cost, the provider may only treat the net tax

expense as the reasonable cost actually incurred for Medicare payment purposes. The net tax expense is the tax paid by the provider, reduced by payments the provider received that are associated with the assessed tax. Contractors will continue to determine whether taxes and other expenses are allowable based on reasonable cost principles set forth in the Medicare statute and regulations.

In essence, if this CMS interpretation stands, MN and possibly other states will have providers that could potentially see a significant reduction in their Medicaid Reimbursement Rate calculations or may not see the rate increases they expect based upon pandemic expenditures.

Walgreens, DoorDash, and Uber partner to provide free delivery of Paxlovid. On December 8, Walgreens launched a new partnership with DoorDash and Uber to provide free delivery of the COVID-19 oral treatment Paxlovid. The announcement noted that free delivery will be available to anyone who lives within 15 miles of a participating location. Since more than 8,000 Walgreens locations offer same day delivery service, Walgreens estimates about 92% of the population would have access to the program. Eligible patients must have a Paxlovid prescription from a healthcare provider. After the pharmacy has filled the prescription and before it gets picked up, individuals can go online to select “Same Day Delivery” by visiting [Walgreens.com/PrescriptionDelivery](https://www.walgreens.com/PrescriptionDelivery), the Walgreens app or by calling their store. [Click here for additional information on the announcement.](#)

MACPAC meets: MACPAC met on Dec 8 and 9. Items of discussion included recommendations for improving Medicaid race and ethnicity data reporting, the Congressional request for information on improving care for those who are dually eligible, and moving toward recommendations on the utilization of Medicare national coverage determinations in Medicaid.

MACPAC Discusses Nursing Home Medicaid Rate Adequacy. MACPAC staff have been researching and working on developing a report on Nursing Home Medicaid Payment adequacy. They note that due to the state variability of how rates are calculated, it is challenging to obtain the needed information or compare the disparate data. At the December 8 meeting, the staff [presented](#) two recommendations to commissioners: 1) To improve transparency of Medicaid spending, the recommendation instructs HHS to collect and report facility-level data on all types of Medicaid payments received by nursing facilities including resident contributions; and collect and report data on the sources of non-federal share so they can determine net Medicaid payment at the facility level; and 2) Revise the requirements for states to conduct nursing home rate studies so these happen more regularly looking at both costs of care for the Medicaid nursing home population and quality outcomes; and HHS should support states in these analyses with analytic support and technical assistance; and all findings from the studies should be made public. Commissioners asked that the recommendations to be expanded to collect additional data to provide a full financial picture at the facility level and consider possibly standardizing the data collection. The MACPAC staff will update the recommendations and present the final recommendations at the January MACPAC Meeting for a vote.

LeadingAge Clinical Advisors Discuss Treatments. On December 6, LeadingAge Clinical Advisors met with Dr. Tom Tsai of the White House COVID team to talk about underuse of oral treatments for COVID. According to White House and CDC experts and other infectious diseases clinicians, 100% of people over 50 who test positive for COVID and have symptoms should take oral therapeutics. Tom talked about

some of the barriers, which LeadingAge clinical advisors said they have seen as well – concerns about the risks especially contraindications with certain prescription medications; misinformation that supply is limited; and prescribers being unwilling to prescribe. One solution is using the [action plan](#) described in item #3 below.

Develop your COVID personal action plan now. With COVID cases on the rise again during the fall and winter months, it's more important than ever to have a personal action plan in place for you and your family. Don't wait until you get sick before deciding what to do. This template has been developed by the Centers for Disease Control and Prevention (CDC) so everyone has the tools and information necessary to put a plan together now. [Check out the COVID Personal Action Plan here](#). The template can be shared with residents, clients, patients, anyone served or cared for by LeadingAge members, too.