

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

Revised: October 1, 2012

CATEGORICALLY NEEDY

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26. Personal Care

- A. Personal care services are provided by a personal care aide to assist with a client's physical dependency needs. The personal care aide must have at least 24 hours classroom training and a minimum of supervised practical training of 16 hours provided by or under the supervision of a registered nurse for a total of no less than 40 hours.
- B. Personal care services furnished to an individual who is not an inpatient or resident of a hospital, nursing facility, intermediate care facility for the mentally retarded, or institution for mental disease that are –
  - 1. Authorized for the individual by a physician in accordance with a plan of treatment or (at the option of the State) otherwise authorized for the individual in accordance with a service plan approved by the State;
  - 2. Provided by an individual who is qualified to provide such services and who is not a member of the individual's family, and
  - 3. Furnished in a home, and at the State's option, in another location, including licensed residential care facilities and licensed assisted living facilities.
- C. The State defines "a member of the individual's family" as:
  - 1. A spouse,
  - 2. A minor's parent, stepparent, foster parent or anyone acting as a minor's parent,
  - 3. A minor's "guardian of the person" or anyone acting as a minor's "guardian of the person" or
  - 4. An adult's "guardian of the person" or anyone acting as an adult's "guardian of the person".
- D. Personal care services are covered for categorically needy individuals only.
- E. Personal care services are medically necessary, prescribed services to assist clients with their physical dependency needs.
  - 1. Personal care services involve "hands-on" assistance, by a personal care aide, with a client's physical dependency needs (as opposed to purely housekeeping services).
  - 2. The tasks the aide performs are similar to those that a nurse's aide would normally perform if the client were in a hospital or nursing facility.
- F. Prior authorization is required for personal care for beneficiaries under age 21.
- G. Effective for dates of service on or after April 1, 2002, for services beyond 64 hours per calendar month per beneficiary aged 21 or older, the provider must request a benefit extension. Extensions of the personal care benefit will be provided for beneficiaries aged 21 and older when extended benefits are determined to be medically necessary.

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: October 1, 2012

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5. Personal care furnished in accordance with the requirements at 42 CFR §440.167 and with regulations promulgated, established and published for the Arkansas Medicaid Personal Care Program by the Division of Medical Services.
- (a) Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of personal care services and the fee schedule and any annual/periodic adjustments to the fee schedule are published on the Medicaid website at [www.medicaid.state.ar.us](http://www.medicaid.state.ar.us).
  - (b) Reimbursement for Personal Care Program Services is by fee schedule, at the lesser of the billed charge or the Title XIX (Medicaid) maximum allowable fee per unit of service. Effective for dates of service on and after July 1, 2004, one unit equals fifteen minutes of service.
  - (c) Effective for dates of service on and after July 1, 2007, reimbursement to enrolled Residential Care Facilities (RCFs) for personal care services furnished to Medicaid eligible residents (i.e., clients) is based on a multi-hour rate system not to exceed one day, based on the individual clients' levels of care. A client's level of care is determined from the service units required by his or her service plan. Rates will be recalculated as needed to maintain parity with other Personal Care providers when revisions of the Title XIX maximum allowable fee occur. The effective date of any such revised rates shall be the effective date of the revised fee.
  - (d) **Reimbursement to enrolled Assisted Living Facilities (ALF) for personal care services furnished to Medicaid eligible residents (i.e., clients) is based on a multi-hour rate system not to exceed one day, based on the individual clients' level of care. A client's level of care is determined from the service units required by his or her service plan. Rates will be recalculated as needed to maintain parity with other Personal Care providers when revisions of the Title XIX maximum allowable fee occur. The effective date of such revised rates shall be the effective date of the revised fee.**
  - (e) Agencies rates are set as of July 1, 2009 and are effective for services on or after that date.



**Division of Medical Services**  
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**TO:** Arkansas Medicaid Health Care Providers – Personal Care

**DATE:** October 1, 2012

**SUBJECT:** Provider Manual Update Transmittal PERSCARE-4-11

**REMOVE**

<b>Section</b>	<b>Date</b>
250.100	3-1-08
250.200	3-1-08
250.210	3-1-08
250.211	3-1-08
262.104	3-1-08
262.106	3-1-08

**INSERT**

<b>Section</b>	<b>Date</b>
250.100	10-1-12
250.200	10-1-12
350.210	10-1-12
250.211	10-1-12
262.104	10-1-12
262.106	10-1-12

**Explanation of Updates**

Sections 250.100, 250.200, 250.210, 250.211, 262.104 and 262.106 are being updated to comply with Act 560 of the 2011 Regular Session which allows Assisted Living Facilities (ALF) to bill Medicaid for Personal Care services with the same reimbursement methodology as Residential Care Facilities (RCF).

The paper version of this update transmittal includes revised pages that may be filed in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

If you have questions regarding this transmittal, please contact the HP Enterprise Services Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at 501-683-4120 (Local); 1-800-482-5850, extension 3-4120 (Toll-Free) or to obtain access to these numbers through voice relay, 1-800-877-8973 (TTY Hearing Impaired).

Arkansas Medicaid provider manuals (including update transmittals), official notices and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website:

[www.medicaid.state.ar.us](http://www.medicaid.state.ar.us).

Thank you for your participation in the Arkansas Medicaid Program.

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Andrew Allison, PhD  
Director

*TOC required***250.100 Reimbursement Methods****3-1-0810-1-  
12**

- A. Reimbursement for personal care services is the lesser of the billed amount per unit of service or Medicaid's maximum allowable fee (herein also referred to as "rate" or "the rate") per unit.
- B. Reimbursement for Arkansas Medicaid Personal Care services is based on a 15-minute unit of service.
- C. Effective for dates of service on and after March 1, 2008, RCF Personal Care provider reimbursement is in accordance with a multi-hour daily service rate system, employing Medicaid maximum allowable fees (Daily Service Rates) determined by individual beneficiaries' Levels of Care.

**D. Effective for dates of service on or after August 26, 2011, ALF Personal Care provider reimbursement is in accordance with a multi-hour daily service rate system, employing Medicaid maximum allowable fees (Daily Service Rates) determined by individual beneficiaries' Levels of Care. This excludes the Living Choices Assisted Living waiver beneficiaries.**

**250.200 RCF and ALF Personal Care Reimbursement Methodology****3-1-0810-1-  
12**

- A. The RCF and ALF Personal Care reimbursement methodology is designed with the intent that reimbursement under the multi-hour Daily Service Rate system closely approximates what reimbursement would have been if the providers were to have billed by units of service furnished.
- B. Whenever the unit rate (i.e., the maximum allowable amount per fifteen minutes service) for personal care services changes, Daily Service Rates under the RCF and ALF methodology are correspondingly adjusted in accordance with the initial methodology by which they were established and which is described in detail in the following sections.
- C. The Daily Service Rate paid for personal care services is based on a Level of Care determined from the resident's service plan.

**250.210 Level of Care****3-1-0810-1-  
12**

There are 10 Levels of Care, each based on the average number of 15-minute units of service per month required to fulfill a beneficiary's service plan.

- A. Level 1 includes RCF and ALF Personal Care beneficiaries whose service plans comprise 100 units or less per month of medically necessary personal care.
- B. Level 10 includes RCF and ALF Personal Care beneficiaries whose service plans comprise 256 or more units per month of medically necessary personal care.
- C. Level 2 through Level 9 were established in equal increments between 101 and 255 units per month.

**250.211 Level of Care Determination****3-1-0810-1-  
12**

- A. The average of a service plan's monthly units of service is used to determine each beneficiary's Level of Care.
- B. Calculate a beneficiary's average number of monthly units of personal care as follows.
  1. Add the minimum and maximum hourly Weekly Totals from a completed form DMS-618, "Personal Care Assessment and Service Plan," and divide the sum by **2** to obtain average weekly hours of service.
  2. Convert the average obtained in step 1 to minutes by multiplying it by **60**.
  3. Divide the minutes by **15** (*15 minutes equals one unit of service*) to calculate weekly average units of service.
  4. Multiply the weekly average units from step 3 by **52** (*Weeks in a year*) and divide the product by **12** (*Months in a year*) to calculate monthly average units of service.
  5. Consult the "RCF **and ALF** Personal Care Service Rate Schedule" on **the Arkansas Medicaid Personal Care Fee Schedule** ~~page 2 of the Personal Care Provider Manual Update Transmittal #75 Memorandum and "Explanation of Updates"~~ to find the applicable Daily Multi-Hour Service Rate for each Level of Care. **Procedure code T1020 is the applicable code for RCF and ALF Personal Care providers.**

262.104

Personal Care in an RCF **or ALF**3-1-0810-1-  
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- A. To bill for RCF **or ALF** Personal Care, use HCPCS procedure code **T1020** and the modifier corresponding to the beneficiary's Level of Care in effect for the date(s) of service being billed.
- B. The Level of Care that a provider bills must be consistent with the beneficiary's service plan in effect on the day that the provider furnished the personal care services billed.

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Level of Care Specifications and Modifiers for Procedure Code T1020

Levels of Care	Minimum Service Units	Maximum Service Units	Modifier
Level 1	Less than 100	100	U1
Level 2	101	119	U2
Level 3	120	139	U3
Level 4	140	158	U4
Level 5	159	177	U5
Level 6	178	196	U6
Level 7	197	216	U7
Level 8	217	235	U8
Level 9	236	255	U9
Level 10	256	256	UA

262.106

Billing RCF **and ALF** Personal Care Services3-1-0810-1-  
12

- A. RCF **and ALF** Personal Care providers may not bill for days during which a beneficiary received no personal care services (for instance, he or she was away for a day or more); therefore, do not include in the billed dates of service any days the beneficiary was absent.

- B. For each unbroken span of days of service, multiply the days of service by the applicable Daily Service Rate and bill that amount on the corresponding claim detail.

C. Documentation requirements outlined in the Medicaid Personal Care Policy Section 216.400 (Personal Care Aide Service and Documentation Responsibility) must be adhered to when providing Personal Care services at all ALF facilities.

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