



State of New Mexico  
Medical Assistance Program Manual  
**Supplement**



**DATE: April 30, 2004**

**NUMBER: 04-07**

**TO:** ALL MEDICAID PERSONAL CARE OPTION SERVICE PROVIDERS

**FROM:** CAROLYN INGRAM, DIRECTOR

**THROUGH:** CONSUELO "SADI" TRUJILLO, PLANNING & PROGRAM  
OPERATION BUREAU CHEIF

**BY:** CRYSTAL MATA, PERSONAL CARE PROGRAM MANAGER  
PLANNING & PROGRAM OPERATIONS BUREAU

**SUBJECT: BILLING RATE CHANGE FOR THE PERSONAL CARE OPTION  
PROGRAM**

This Supplement supercedes Supplement 03-09. This Supplement is changing the hourly reimbursement rate effective June 1, 2004 for the Consumer-Delegated and Consumer-Directed models.

The Human Services Department/Medical Assistance Division (HSD/MAD) has been studying ways to improve the Medicaid Personal Care Option (PCO) program. HSD created a short term PCO Committee, of the Medicaid Advisory Committee (MAC), to assist in this process. The PCO Committee had specific duties that included: 1) forming a variety of optional solutions for consideration to reduce PCO costs; and 2) recommending changes to the current PCO regulations. After reviewing the recommendations HSD/MAD received from the PCO Committee, the hourly reimbursement rate for ongoing attendant services for the consumer-delegated option will be reduced from \$15.00 per hour to \$13.50 per hour up to 100 hours per month, and \$11.50 per hour for 101 hours per month or more effective June 1, 2004. The mandated rate of \$8.50 per hour to Personal Care Attendants UNDER BOTH MODELS is also being changed to \$8.00 per hour effective June 1, 2004.

**Example:** Mr. Smith is authorized to receive 132 hours of PCO services per month. Each month the PCO Agency will be reimbursed at the rate of \$13.50 per hour for

the first 100 hours of services to Mr. Smith. Any services provided to Mr. Smith beyond 100 hours monthly (101-132 hours) will be reimbursed at the rate of \$11.50

There are two different service models available under the Medicaid Personal Care Option program: the Consumer-Directed model and the Consumer-Delegated model. Below are the specific components of each model and the reimbursement rate for each component.

***Special Note:*** Agencies should only be using the **national HCPC codes** to bill for **Dates of Service (DOS) January 1, 2004 and after.**

1. **The Consumer-Directed model** allows the consumer or their legal representative to perform employer related tasks. This includes advertising, selecting, hiring, scheduling, supervising, and terminating Personal Care Attendants as necessary. The Personal Care Agency is the fiscal intermediary for the consumer. The Personal Care Agency is responsible for doing an assessment one time per year and assisting the consumer with payroll tasks.

- **\$150.00 per year** is the rate for assessment time needed to assist the recipient in the level of care and plan of care development processes. The assessment may be billed once a year to allow for the annual reassessment process and development of a new Personal Care Service Plan. The national HCPC code is **T1028**.
- **\$75.00** is the maximum allowable rate for the Criminal Background Check performed on each Personal Care Attendant. This code may be billed once per attendant. The actual cost of the Criminal Background Check should be billed. If the billed amount exceeds the maximum allowable rate, the billed amount will be cut back to the maximum. The national HCPC code is **S5199**.
- **\$40.00 per hour** is the rate for training provided to the consumer or their attendant at the request of the consumer. There is an annual maximum of eight (8) hours of training allowed per consumer. The national HCPC code is **S5110**.
- **\$11.50 per hour** is the rate for ongoing attendant services. A minimum of \$8.00 per hour must be paid to the Personal Care Attendant providing care to the consumer. The rate includes both the employee's and the employer's share of Social Security withholding and the cost for worker's compensation insurance. The maximum number of hours billable is determined by the individualized Personal Care Service Plan which must be approved by the designated Medicaid Utilization Review Agent. The national HCPC code is **99509**.

- **\$75.00** is the maximum allowable rate for advertising. Consumers are reimbursed for up to two (2) advertisements per year if seeking a new Personal Care Attendant. If the billed amount exceeds the maximum allowable rate, the billed amount will be reduced to the maximum allowable rate. The advertising reimbursement is allowed only for actual and necessary advertising. Documentation is required in the case file. The national HCPC code is **G9012**.
  - **\$200.00 per month** is the rate for fiscal intermediary tasks such as processing payroll for the consumer's Personal Care Attendants, producing reports required by the Medical Assistance Division, processing claims for Consumer-Directed Personal Care services (including Income Tax and Social Security withholding) and submitting billings to Medicaid. The national HCPC code is **G9006**.
- 2. The Consumer-Delegated model** allows the Personal Care Agency to perform all employer related tasks. This includes hiring, scheduling, supervising, and terminating Personal Care Attendants as necessary. The Personal Care Agency is also responsible for doing an annual assessment and all payroll related tasks.
- **\$150.00 per year** is the rate for assessment time needed to assist the recipient in the level of care and plan of care development processes. The assessment may be billed once a year to allow for the annual reassessment process and development of a new Personal Care Service Plan. The national HCPC code is **T1028**.
  - **\$75.00** is the maximum allowable rate for the Criminal Background Check performed on each Personal Care Attendant. This code may be billed once per attendant. The actual cost of the Criminal Background Check should be billed. If the billed amount exceeds the maximum allowable rate, the billed amount will be cut back to the maximum. The national HCPC code is **S5199**.
  - **\$13.50 per hour** is the rate for ongoing attendant services. A minimum of \$8.00 per hour must be paid to the Personal Care Attendant providing care to the consumer. The maximum number of hours billable under this rate is 100 hours per month. The national HCPC code is **T1019, with U1 modifier**.
  - **\$11.50 per hour** is the rate for ongoing attendant services for 101 hours or more. A minimum of \$8.00 per hour must be paid to the Personal Care Attendant providing care to the consumer. The maximum number of hours billable is determined by the individualized Personal Care Service Plan which must be approved by the designate Medicaid Utilization Review Agent. The national HCPC code is **T1019**.

These changes are expected to decrease expenditures by approximately \$4.6 million.

You may submit comments on these changes to:

Medical Assistance Division  
Human Services Department  
P.O. Box 2348  
Santa Fe, NM 87505-2348

If you have any questions, or need further information, please contact the PCO program manager, Crystal Mata at (505) 827-3187.