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GOVERNOR

MARY C. MAYHEW
SECRETARY

May 1, 2020

Statewide Medicaid Managed Care (SMMC) Policy Transmittal: 2020-30

Applicable to the **2018-2023 SMMC contract benefits** for:

- Managed Medical Assistance (MMA) and MMA Specialty
- Long-Term Care (LTC)
- Dental

Re: COVID-19 Public Health Emergency: Adult Day Care (ADC) Retainer Payments

On March 9, 2020, Governor Ron DeSantis issued Executive Order Number 20-51 related to the 2019 novel coronavirus (COVID-19). The purpose of this policy transmittal is to provide guidance to the managed care plan regarding retainer payments that must be made to stand-alone providers of adult day care services.

The Agency recognizes the financial impact that the COVID-19 state of emergency is having on certain LTC home and community-based service waiver providers. In response, the managed care plan must begin issuing retainer payments to ADC providers serving LTC enrollees in accordance with the requirements specified in this policy transmittal.

Eligible Providers: Adult day care centers experiencing the following financial hardships during the state of emergency are eligible for retainer payments, when all other requirements are met:

- The location where services are normally rendered is closed due to COVID-19 and the provider is unable or only able to partially render services in an alternative setting; or
- The provider location remains open, but they are unable to serve all enrollees at this time due to enrollees who are quarantined, hospitalized, or refusing to receive services.

Payment Methodology: The amount of the retainer payment is based upon the average payments the plan made to the ADC provider for the months of December 2019, January 2020, and February 2020. The managed care plan must only provide one retainer payment per month, per provider.

Request Process: Adult day care center providers must opt-into receipt of the retainer payment by submitting a request form to the managed care plan. The managed care plan must designate an email and/or fax number to which ADC providers may submit requests for a retainer payment. The managed care plan must accept the Agency-prescribed retainer payment request form from ADC providers. To the extent the managed care plan receives an incomplete form, the managed care plan must require the provider to resubmit the form with all required information.

Upon receipt of a request, the managed care plan must calculate the ADC payment amount utilizing the Agency-prescribed methodology. The managed care plan must provide written notification (via email or facsimile) of the payment amount to the provider within three business days of receipt and use the Agency-prescribed template. The ADC provider must respond to the managed care plan in writing within two business days with a decision to accept or deny the retainer payment, unless an extension is needed.



If the provider chooses not to opt-into receipt of the retainer payment for the month of May, but wishes to opt-in for a subsequent month, the provider must submit their request form by the 10th of the preceding month in which the retainer payments will begin (e.g., for payments for June, the request must be submitted to the plan by May 10th).

Payment: The managed care plan must pay the retainer payment to the provider within seven business days from receipt of the acknowledgement response from the ADC provider. If the ADC provider opts to receive the payment, the managed care plan must update its system to not pay the ADC provider for either ADC services or expanded services¹ during the month in which retainer payments are requested. If the managed care plan does not receive a response from the ADC provider, the plan must interpret this to mean the provider has opted out of the payment process. The managed care plan may require the provider to also submit additional electronic funds transfer/banking information, if needed, in order to make the payment.

The managed care plan must continue to pay the ADC provider a retainer payment on the first week of each month thereafter until the Agency directs the managed care plan to stop issuing retainer payments, or until the ADC provider opts-out of the retainer payments. The managed care plan must reimburse the ADC provider the same amount for each month, as originally calculated and shared with the ADC provider.

Reporting and Tracking: The managed care plan must report to the Agency the total amount of retainer payments issued, by month, by provider, using the Agency-prescribed template, which will be forthcoming. This information will be used to assist the Agency in making decisions regarding any capitation rate adjustments, if needed. In addition, the managed care plan must report on the number of days in which each enrollee did not receive adult day care services as authorized on the care plan for a provider that received a retainer payment in the month. The report will be due 30-days after the end of the state of emergency.

The managed care plan must continue to track expanded services being provided by the ADC provider via the care planning process, if applicable. Nothing in the policy transmittal obligates the managed care plan to reimburse ADC providers that do not possess the appropriate service authorization provided by the managed care plan.

If you have questions or concerns, please contact your contract manager at (850) 412-4004.

Sincerely,



Shevaun Harris
Assistant Deputy Secretary for
Medicaid Policy and Quality

SH/dvp

Attachment 1: Adult Day Care Retainer Payment Form

Attachment 2: Managed Care Plan Acknowledgment and Notification Template

¹ For purposes of this policy transmittal, expanded services refers to additional services that ADC providers may render during the state of emergency as described in Policy Transmittal 2020-16.