

Bureau of Managed Care
Managed Care Organizations
Policy / Procedures

Guidance to MCOs on Home Modifications under Division of Rehabilitation Services (DRS) Home Service Program (HSP) waivers

This policy serves as guidance for the Medicaid managed care plans in determining which entity is responsible in various home modification scenarios under the three DRS waivers.

Example 1: If an item or construction fails due to misuse or neglect of the item, the MCO is not responsible for the repairs. It is up to the member to maintain upkeep, and appropriately use the equipment or modification. Health plans should instruct their members at the start of and during the modification process that the member has a responsibility to use the equipment or modification properly. Plans should document that this communication has occurred with the members.

If it can be determined that malfunctions are due to aging of equipment, other circumstances beyond member control, it would be appropriate for MCO to complete repair or replacement.

Example 2: The entity that authorizes the work in transition cases is responsible for payment. For example, if DRS authorizes a home modification to be completed, the work begins, and the customer then enrolls in a health plan, DRS is responsible for payment. If the health plan authorizes the home modification to be completed, the work begins and then the case returns to Fee-For-Service, the health plan is responsible for payment. This is also the process when a member is switching from one health plan to another health plan.

Example 3: If DRS has bids done, but DRS did not authorize the vendor to begin construction and then customer moves to a health plan, DRS is not responsible for payment. No authorization occurred. If the health plan reviews and accepts one of the bids as submitted, the health plan can authorize construction and would then be responsible for payment. If the health plan has bids done but health plan did not authorize the vendor to begin construction and then the case returns to Fee-For-Service, the health plan is not responsible for payment. No authorization occurred. If DRS reviews and accepts one of the bids as submitted, DRS can authorize and would then be responsible for payment.

This is also the process when a member is switching from one health plan to another health plan and is important when considering that some vendors will be in the previous health plan's network but not in the new health plan's network. If this occurs, health plans may need to get additional bids. Health plans should be reviewing the time period and reason for extension with the member throughout the process.

Example 4: Cases in which a member states a home modification wasn't done correctly or requires repairs should be investigated on a case-by-case basis. The entity that authorized the work is responsible for the investigation and payment for reconstruction, if necessary, even if the member has since disenrolled from the health plan that authorized the work and has returned to Fee-for-Service or enrolled in another health plan. If DRS authorized the work and the member is now enrolled in a health plan, DRS is responsible for the investigation and reconstruction, if necessary.

The manufacturer or builder may not guarantee the work longer than a one-year timeframe. The responsible entity should check for warranties from the manufacturer. The responsible entity can verify the modification is still needed for the member after time has passed and can ask a physician to submit additional information to justify the need if necessary.

Regardless of the type of modification or equipment approved, health plans should return to the home once the work is complete and validate the modification was done correctly. The member should also confirm in the documentation that he/she is satisfied with the completed work. If the health plan finds the work acceptable but the member does not, a third party should be brought in to sign off - or suggest further work on the modification is necessary. The final county inspection can be used in instances when the member and the health plan disagree on the satisfaction of the work.

Example 5: If a project has already been authorized by HSP at the time the case moves to managed care, check to see if the vendor has "broken ground". "Broken ground" means that the vendor has either physically initiated the construction process or has pre-ordered custom materials for the project that cannot be returned. If the vendor has broken ground, DRS will retain responsibility for oversight and payment of the project and, once the project is complete, ask the vendor to date the invoice prior to the date case transferred to managed care to enable payment. If the project has not broken ground, HSP shall transfer the responsibility for project oversight and payment to the MCO by sending the MCO's universal email box all the project documents with a status update. The customer must be informed of the change in responsibility.

Policy History
General Contract Monitoring Home
Delivered Meals

Date	Action	Policy Originator
May 2017	Memorandum Release	Lauren Tomko/ signed by Michelle Maher
Policy Revisions	Revision Approved	
April 2020	Updates; move to Policy	Lauren Tomko
March 2024	Policy Revision	Bonnee Hartman