

Information Memorandum Transmittal Aging and People with Disabilities



Mat Rapoza

Authorized signature

Number: APD-IM-22-114

Issue date: 11/10/2022

Topic: Long Term Care

Due date:

Subject: Possible Liability Calculation Error for CBC or NF settings

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input checked="" type="checkbox"/> Area Agencies on Aging: Type B | <input type="checkbox"/> Health Services |
| <input checked="" type="checkbox"/> Aging and People with Disabilities | <input type="checkbox"/> Office of Developmental Disabilities Services (ODDS) |
| <input type="checkbox"/> Self Sufficiency Programs | <input type="checkbox"/> ODDS Children's Intensive In Home Services |
| <input type="checkbox"/> County DD program managers | <input type="checkbox"/> Stabilization and Crisis Unit (SACU) |
| <input type="checkbox"/> Support Service Brokerage Directors | <input type="checkbox"/> Other (<i>please specify</i>): |
| <input type="checkbox"/> ODDS Children's Residential Services | |
| <input type="checkbox"/> Child Welfare Programs | |

Message:

After a ONE release that occurred in April 2022, there are limited situations in which ONE is providing incorrect liability information to the Community Based Care (CBC) payment system (512) or to MMIS for a nursing facility (NF). The problem generally occurs when a consumer has an approved in-home benefit in Oregon ACCESS and moves to a CBC or NF setting.

The result is that a consumer may be charged a liability amount that is different than what is actually owed. This issue is expected to be fixed in early December. Until then, Case Managers may need to take additional steps to ensure the correct liability amount is billed.

In ONE, this issue can be easily identified when viewing the "calculated liability" and "obligated liability" amounts. ONE sends the "calculated liability" amount to the mainframe and MMIS, however the actual amount owed is the "obligated liability". In most instances, the amounts match, however the issue is identified when the amounts do not match.

To verify this information in ONE:

- Click on “Patient Liability Summary” on the individual’s service TOA
- Select the time period you wish to review
- Scroll down, expand the section titled “LTC Recipient Countable Income”
- Review the amounts under “Calculated Liability” and “Patient liability – Client Obligation” (see following example)

Calculated liability	\$ 374.30
----------------------	-----------

This value is for reporting purposes only. Individual may not be required to contribute this amount as Patient Liability. The amount the client is obligated to pay is below - Patient Liability - Client Obligation.

Patient liability - Client Obligation	\$ 0.00
---------------------------------------	---------

(CLIENT)		(PROVIDER)	
RM / BRD	654.00	RM / BRD	654.00
SVC CNTRB	374.30	SERV AMT +	5,977.00
REM SVC CNTRB	0.00	TOT DUE =	6,631.00
		CLNT PAY	1,028.30
		ST PAY +	5,602.70
		TOT DUE =	6,631.00

In this example, the calculated liability is higher than what is owed. The amount was incorrectly sent to the 512 system for payment. In addition, the 512 notice sent to the provider and consumer/representative will have the incorrect liability amount, whereas the notice from ONE will have the correct amount (unless they are cost of care).

If a consumer’s approved benefit in Oregon ACCESS changes from in-home to a CBC or NF benefit, check the liability information as described in the instructions above to determine if the incorrect liability amount was issued (the amounts do not match). If the amount is incorrect:

CBC Payments:

- For the initial month, the liability maybe reduced as appropriate in the 512 system
- For a subsequent payment, create a tickler/reminder to make an underpayment request after the payment has been made (note that after the second month’s payment, the obligated and calculated liability amounts should match). Information on how to submit a payment adjustment is available on [CM Tools](#).
- Notify the consumer/ provider of the discrepancy to ensure the consumer pays the correct liability amount, including having the provider refund the difference back to the consumer.

NF payments

- For NF payments, update the MMIS liability data to match the amount owed that is displayed under “obligated liability” in ONE.

APD recognizes this issue has been occurring since April 2022. If staff become aware of this specific issue after payment has been made, please follow the instructions above.

For staff who are interested in learning more of what occurred and how ONE is currently determining the liability amounts, please review the information below.

Background:

Effective January 1, 2022, LTSS consumers living in in-home and PACE service settings are no longer required to pay a Patient Liability toward LTSS services. In April 2022, ONE implemented a Change Request (CR) to support this policy change. As part of this CR, ONE was modified to store two types of liability:

- **Calculated Liability** = Liability calculated per eligibility rules. For in-home and PACE recipients, this figure is only used to report what the liability “would have been” if liability were still assessed for these service settings. This is required for CMS reporting purposes.
- **Obligated Liability** = What, if any, of the calculated liability must the recipient contribute. For in-home/PACE eligible, this amount is populated as 0.00 effective 1/1/22, in accordance with the policy change. For other service settings in which recipients are still required to contribute liability, this amount may still be populated as 0.00 if, for any reason, liability is not charged for a given month.

Please see [ONE Release Notes 04/13/2022](#) for additional information about the ONE change.

When the CR was implemented, there was a decision to separate out the work required to pass the new liability data elements to downstream systems – CBC, CEP, and MMIS. An additional CR was initiated to modify interfaces that receive liability to include both Calculated and Obligated Liability information. However, this CR has been delayed. Until the CR is implemented, the downstream payment systems receive only the Calculated Liability.

As stated above, there are some situations in which consumers who would otherwise be required to pay liability, are not required to do so. This generally occurs when the person has been receiving LTSS and there is a change to the case resulting in an increased liability. ONE has been designed to prevent increases in liability without allowing for a due process notification period. In ONE, if a change is made on or

before the 15th of the month and that change results in an adverse action to the recipient (e.g., lower benefits or higher liability) then the change is made effective the first of the following month. If a change is made after the 15th of the month and that change results in an adverse action to the recipient, then the change is made effective the first of the month after the next month. Here are some examples:

- On September 8, 2022, Recipient reports an income change that will result in a liability increase. The increased liability will be effective October 1, 2022.
- On September 25 ,2022, ONE receives an SELG record indicating that a recipient has changed service settings, which will result in a liability increase. The increased liability will be effective November 1, 2022.

When an increase to patient liability is delayed to account for due process notification, ONE will display the calculated and obligated liability amounts associated with the previous liability calculation. This ensures that the previous liability information remains in force until the increase is effective. This becomes problematic because the downstream payment systems are only receiving the Calculated Liability amount. Here is an example:

- Today is August 1st. Recipient has been receiving in-home services since 1/1/22. Liability information is as follow:

Dates	Service Setting	Calculated Liability	Obligated Liability	Liability information on ONE Notice	Liability data received by downstream payment system
01/01/22 – 12/31/22	In-home	500.00	0.00	0.00	500.00 [Note that this causes no problem as neither CEP nor MMIS act upon liability information for in-home recipients.]

- On August 22, 2022, Recipient transitions to Community Based Care services. This change will result in a liability increase. Because the change is made after the 15th of

the month, the liability increase will not become effective until 10/1/22. The liability information is as follows:

Dates	Service Setting	Calculated Liability	Obligated Liability	Liability information on ONE Notice	Liability data received by Downstream Payment system
08/01/22 – 08/21/22	In-home	500.00	0.00	0.00	500.00 [Note that this causes no problem as neither CEP nor MMIS act upon liability information for in-home recipients.]
08/22/22 – 08/31/22	Residential (CBC)	500.00	0.00	0.00	500.00
09/01/22 – 09/30/22	Residential (CBC)	500.00	0.00	0.00	500.00
10/1/22 – 12/31/22	Residential (CBC)	1000.00	1000.00	1000.00	1000.00

The example above demonstrates the following:

- 1) The downstream payment system is receiving information that the client liability effective 8/22/22 is \$500 and not the \$0 amount that was sent on the client notices
- 2) The amount that the downstream system is receiving represents the calculated liability that was in effect in the previous service setting instead of the obligated liability.

If you have any questions about this information, contact:

Contact(s): LTSS Policy	
Phone:	Fax:
Email: APD.MedicaidPolicy@odhsoha.oregon.gov	