

**PROCESS FOR DEVELOPING A LON-BASED TRANSITION PLAN  
FOR POS CONTRACTED PROVIDERS**

Providers whose aggregate legacy funding is greater than 8% above or below the total of all Level of Need based rates will begin the process of incrementally adjusting their funding level towards the LON based rates on January 1, 2012. Providers whose aggregate legacy funding is within 8% above or below the total of all Level of Need based rates will begin the transition in July 2013. All providers will work with the primary region to develop a provider specific plan to move the agency from legacy funding to LON based rates.

<b>Implementation Date</b>	January 1, 2012
<b>Required to Transition</b>	Providers whose legacy funding is 8% or more above or below the LON-based rates must begin the transition.
<b>Budget size</b>	Providers that receive total DDS funding greater than \$250,000

- Providers who are 8% or more above or below the rates will review information received by DDS that identifies the affect the transition to LON-based rates will have on the participants in their program. The information will include all participants with a Contract Service Authorization (CSA) or a Vendor Service Authorization (VSA).
- Providers will meet with the region to discuss any issues or perceived errors in the information.
- Providers are expected to come to the Transition Planning meetings with specific details on areas they believe are in error regarding individual authorizations, Level of Need (LON) concerns, or Utilization Resource Review (URR) issues.
- Providers that identify a participant with an incorrect LON must be prepared to identify the specific questions within the LON tool that they feel are not an adequate assessment of the individual’s skill level.
- At the conclusion of the meeting, the regions will schedule a second meeting to review any changes or corrections that have been made and to review the provider’s Transition Plan on the established format.
- Between meetings, the region will review and verify the issues identified by the provider. If there is an error in the calculation, the regions will notify Central Office.
- Between meetings, providers will begin to work on their Transition Plan.

- Individuals who the regions identify as needing to have the LON redone will request that the participant's team revise the LON as soon as possible.
- Individuals who have been identified as needing to be reviewed by the URR committee will be scheduled for review as soon as possible.
- Once the information is verified and corrected, the region will present the information to Central Office and have the transition affect recalculated. If the recalculated amount changes the position of the provider to within 8% of the rates, the provider will be notified of the change and will be given the option of whether they would like to continue with the transition process or delay implementation until 7/1/2013.
- If changes to the calculation do not alter the position of the provider in relation to the rates, the provider and the region will attend the second meeting and review the Transition Plan.
- The region will review and approve the Transition Plan taking the following areas into consideration:
  - Staffing Ratios
  - Organizational and Programmatic changes
  - Wage and Benefit changes
  - Administrative and General changes
  - Realistic Utilization projections
  - Realistic Increase/Decrease in the Number of Consumers
- For the 0.25 of 1%, the provider and the region will identify a few individuals where changes to the participant's authorization could be made without a disruption to the individual's service. The total amount of the change must be equal to the 0.25% change to the legacy rates.
- Regional Resource Management will complete new authorizations for the selected individuals effective 1/1/12.
- The Operational Center will rebase the calculation in the spring.
- Providers that were initially identified as 8% or more above or below the rates and subsequently fall within 8% of the LON-based rates will be notified of the change. The provider will be given the option of whether they would like to continue with the transition process or delay implementation until 7/1/2013.
- Providers that are 8% or more above or below the rates will continue with the transition on 7/1/12. DDS will develop a funding mechanism that will separate the allocated LON based rate and the amount of the difference between the legacy rate and the LON based rate for each participant.
- The provider will implement the approved strategies according to the dates identified in the provider's Transition Plan.

- The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure (1/7<sup>th</sup> of the total difference between current funding and the LON-based allocation).
- Each successive year at the annual financial meeting, the provider and the region will discuss the provider's position to the rates and implement the strategies that have been identified in the Transition Plan. The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure (1/7<sup>th</sup> of the total).

<b>Implementation Date</b>	July 1, 2013
<b>Required to Transition</b>	Providers whose legacy funding is 8% or more above or below the LON-based rates must begin the transition.
<b>Budget size</b>	Providers that receive total DDS funding less than \$250,000

- The transition will not begin until 7/1/13 for providers who are 8% or more above or below the rates and whose total funding is less than \$250,000.
- Regional Resource Management will be meeting with these providers in 2012 to develop plans.
- Providers will discuss any issues or perceived errors in the information.
- Providers are expected to come to the Transition Planning meetings with specific details on areas they believe are in error regarding individual authorizations, Level of Need (LON) concerns, or Utilization Resource Review (URR) issues.
- Providers that identify a participant with an incorrect LON must be prepared to identify the specific questions within the LON tool that they feel are not an adequate assessment of the individual's skill level.
- At the conclusion of the meeting, the regions will schedule a second meeting to review any changes or corrections that have been made and to review the provider's Transition Plan on the established format.
- Between meetings, the region will review and verify the issues identified by the provider. If there is an error in the calculation, the regions will notify Central Office.
- Between meetings, providers will begin to work on their Transition Plan.
- Individuals who the regions identify as needing to have the LON redone will request that the participant's team revise the LON as soon as possible.

- Individuals who have been identified as needing to be reviewed by the URR committee will be scheduled for review as soon as possible.
- Once the information is verified and corrected, the region will present the information to Central Office and have the transition affect recalculated.
- All Transition Plans must be submitted by 1/1/2013.
- The region will review and approve the Transition Plan taking the following areas into consideration:
  - Staffing Ratios
  - Organizational and Programmatic changes
  - Wage and Benefit changes
  - Administrative and General changes
  - Realistic Utilization projections
  - Realistic Increase/Decrease in the Number of Consumers
- The Operational Center will rebase the calculation in the spring.
- If changes to the calculation alter the position of the provider in relation to the rates, the provider and the region will meet and discuss whether revisions need to be made to the transition plan.
- If a revised transition plan is needed, the transition plan must be submitted no later than 5/1/2013.
- The Provider will implement the approved strategies according to the dates identified in the provider's Transition Plan.
- The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure (1/6<sup>th</sup> of the total difference between current funding and the LON-based allocation).
- Regional Resource Management will complete new authorizations for the selected individuals effective 7/1/13.
- Each successive year at the annual financial meeting, the provider and the region will discuss the provider's position to the rates and implement the strategies that have been identified in the Transition Plan. The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure (1/6<sup>th</sup> of the total).

<b>Implementation Date</b>	July 1, 2013
<b>Required to Transition</b>	Providers whose legacy funding is within 8% above or below the LON-based rates must begin the transition.
<b>Budget size</b>	All Providers

- On July 1, 2013, providers who were identified as within 8% of the rates will implement the approved strategies identified in the provider's Transition Plan.
- Regional Resource Management will be meeting with these providers in 2012 to develop plans.
- Providers will discuss any issues or perceived errors in the information.
- Providers are expected to come to the Transition Planning meetings with specific details on areas they believe are in error regarding individual authorizations, Level of Need (LON) concerns, or Utilization Resource Review (URR) issues.
- Providers that identify a participant with an incorrect LON must be prepared to identify the specific questions within the LON tool that they feel are not an adequate assessment of the individual's skill level.
- At the conclusion of the meeting, the regions will schedule a second meeting to review any changes or corrections that have been made and to review the provider's Transition Plan on the established format.
- Between meetings, the region will review and verify the issues identified by the provider. If there is an error in the calculation, the regions will notify Central Office.
- Between meetings, providers will begin to work on their Transition Plan.
- Individuals who the regions identify as needing to have the LON redone will request that the participant's team revise the LON as soon as possible.
- Individuals who have been identified as needing to be reviewed by the URR committee will be scheduled for review as soon as possible.
- Once the information is verified and corrected, the region will present the information to Central Office and have the transition affect recalculated.
- All Transition Plans must be submitted by 1/1/2013.
- The region will review and approve the Transition Plan taking the following areas into consideration:
  - Staffing Ratios
  - Organizational and Programmatic changes

- Wage and Benefit changes
  - Administrative and General changes
  - Realistic Utilization projections
  - Realistic Increase/Decrease in the Number of Consumers
- The Operational Center will rebase the calculation in the spring.
  - If changes to the calculation alter the position of the provider in relation to the rates, the provider and the region will meet and discuss whether revisions need to be made to the transition plan.
  - If a revised transition plan is needed, the transition plan must be submitted no later than 5/1/2013.
  - The Provider will implement the approved strategies according to the dates identified in the provider's Transition Plan.
  - The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure ( $1/6^{\text{th}}$  of the total difference between current funding and the LON-based allocation).
  - Regional Resource Management will complete new authorizations for the selected individuals effective 7/1/13.
  - Each successive year at the annual financial meeting, the provider and the region will discuss the provider's position to the rates and implement the strategies that have been identified in the Transition Plan. The region will adjust the authorizations of the identified participants to reach the provider's yearly target figure ( $1/6^{\text{th}}$  of the total).