

# HCBS Residential Services Medicaid Rate

Prepared for the State of Hawai`i Med-QUEST Division (MQD)

MARCH 14, 2025

# HCBS Residential Service Rate Updates for Calendar Year (CY) 2025



## Legislatively Appropriated Funding Increases

- State budget increase of **\$5.75M** enacted by the legislature of the State of Hawaii in 2024 for select home and community-based services, inclusive of residential services for Community Care Foster Family Homes (CCFFHs) and Expanded Adult Residential Care Homes (E-ARCHs), **effective in 2025 and beyond**<sup>(1)</sup>
- The budget represents the "low scenario" options for select services included in Phase I and II HCBS rate studies<sup>(2)</sup>

**Room and Board (R&B) Payment Increases:** R&B provider payments reflect increases for cost share and SSI populations effective

**Personal Needs Allowance (PNA) Increases:** The legislature increased the PNA to support individuals residing in long-term care facilities from \$50 to \$75

***All of these changes increase provider reimbursement and money available to individuals receiving services.***

### Sources

<sup>1</sup> [https://www.capitol.hawaii.gov/sessions/session2024/bills/HB2215\\_.HTM](https://www.capitol.hawaii.gov/sessions/session2024/bills/HB2215_.HTM)

<sup>2</sup> [https://www.capitol.hawaii.gov/sessions/session2024/Testimony/HB2215\\_HD1\\_TESTIMONY\\_HHS\\_03-15-24\\_.PDF](https://www.capitol.hawaii.gov/sessions/session2024/Testimony/HB2215_HD1_TESTIMONY_HHS_03-15-24_.PDF)

# Revised QI Memo Access and Purpose

- Stakeholders are encouraged to review the published revised QI Memo reflecting rate updates effective January 1, 2025
  - [Link to QI Memo-2501A](#)
- Providers will continue rate negotiations with the health plans and can use the fee schedule to inform that process

The screenshot shows a web interface with a navigation bar at the top. The first tab, 'QUEST Integration', is highlighted with a red border. Other tabs include 'Fee-For-Service', 'Community Care Services', and 'CTR'. Below the navigation bar, the section 'QI Memos - 2025' is displayed, containing a list of four items. The third item, 'QI-2501A - Fee for Service Rates for HCBS eff 1.1.2025', is highlighted with a red border.

**QUEST Integration** Fee-For-Service Community Care Services CTR

**QI Memos - 2025**

- **QI-2505** - Plan Staff Services Reporting (Replaces QI-2323A)
- **QI-2502** - My Choice My Way - Long Term Services and Support (LTSS) Choice Form
- **QI-2501A** - Fee for Service Rates for HCBS eff 1.1.2025
- **QI-2501** - Fee For Service Rates For Home and Community-Based Services (HCBS) Effective January 1, 2025

# HCBS Residential Services Rate: PNA and Room & Board Components

Room and board and PNA updates based on legislative and federal direction, changes between CY 2024 and 2025:

Calendar Year	Cost Share	SSI		PNA
		State Share	Federal Share	
2024	\$469	\$652	\$943	\$50
2025	\$493	\$784	\$967	\$75

**Room and Board (R&B) Payment Increases:** R&B provider payments reflect increases for cost share and SSI populations effective

**Personal Needs Allowance (PNA) Increases:** The legislature increased the PNA to support individuals residing in long-term care facilities from \$50 to \$75

**Sources:**

- Personal Needs Allowance (PNA) Increase. State of Hawaii Department of Human Services. Med-QUEST Division. (09/04/2024) Authority: H.A.R. Chapter 17-1724.1-63 (b)(1).
- 2025 SSA RSDI, SSI AND VA COST OF LIVING ADJUSTMENT (COLA) INCREASE. PPD NO 24-010. State of Hawaii Department of Human Services. Med-QUEST Division. (12/16/2025). Authority: H.A.R. Chapters 17-1719, 17-1719.1, and 17-1724.1.

**Notes:**

- Per QI Memo 2501A - HCBS members residing in CCFFHs/E-ARCHs shall be reimbursed at the "Supplemental Security Income (SSI) Domiciliary Care Standards" rate. These SSI members fall into the rate code grouping "No Cost Share/SSI". HCBS members who are citizens of the Republic of the Marshall Islands, the Republic of Palau, the Federated States of Micronesia, and certain other immigrant populations who are not eligible for SSI shall be reimbursed at the "Cost Share, Spousal, and non-eligible SSI" rate.

# HCBS Residential Services Rate: Service Rate Component

CY 2025 services rates are increasing by an average of 32 percent over CY 2024

Procedure Code	Modifier	Type of Service	Oahu 2024	Oahu 2025
S5140		CCFFH Level 1: Cost Share/Spousal & non-eligible SSI	\$63.90	\$65.50
T2033	U1	E-ARCH Level 1: Cost Share/Spousal & non-eligible SSI	\$63.90	\$65.50
S5140	TG	CCFFH Level 2: Cost Share/Spousal & non-eligible SSI	\$82.10	\$105.45
T2033	U2	E-ARCH Level 2: Cost Share/Spousal & non-eligible SSI	\$82.10	\$105.45
S5140	TF	CCFFH Level 1: No Cost Share/SSI	\$27.58	\$28.40
T2033	TF	E-ARCH Level 1: No Cost Share/SSI	\$27.58	\$28.40
S5140	22	CCFFH Level 2: No Cost Share/SSI	\$45.78	\$68.36
T2033	22	E-ARCH Level 2: No Cost Share/SSI	\$45.78	\$68.36

*Note: Neighbor Island rates are based on the Oahu rate cohort plus \$5*

## Legislatively Appropriated Funding Increases

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- The budget represents the "low scenario" options for select services included in Phase I and II HCBS rate studies

# CY 2025 Residential Rates by Component

		Calendar Year 2025 HCBS Residential Rates			
Island	Rate Cohort	Room and Board (R&B) Payment Less PNA	Medicaid Service Rate	Total Provider Payment (R&B + Medicaid Rate)	Medicaid Service Rate
		Monthly			Daily
		A	B	C = A + B	D = B / 31
Oahu	Cost Share Level 1	\$418.00	\$2,030.42	\$2,448.42	\$65.50
Oahu	Cost Share Level 2	\$418.00	\$3,269.01	\$3,687.01	\$105.45
Oahu	SSI Level 1	\$1,676.00	\$880.52	\$2,556.52	\$28.40
Oahu	SSI Level 2	\$1,676.00	\$2,119.11	\$3,795.11	\$68.36
Neighbor Island	Cost Share Level 1	\$418.00	\$2,185.42	\$2,603.42	\$70.50
Neighbor Island	Cost Share Level 2	\$418.00	\$3,424.01	\$3,842.01	\$110.45
Neighbor Island	SSI Level 1	\$1,676.00	\$1,035.52	\$2,711.52	\$33.40
Neighbor Island	SSI Level 2	\$1,676.00	\$2,274.11	\$3,950.11	\$73.36

# Limitations

*The information contained in this presentation has been prepared for the State of Hawai'i Med-QUEST (MQD). This presentation is intended to facilitate a March 14, 2025 meeting with MQD and Medicaid home and community-based services (HCBS) stakeholders to discuss updates to the calendar year 2025 residential service rates and is not considered complete without oral comment.*

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# Thank you

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