



JEB BUSH, GOVERNOR

RHONDA M. MEDOWS, MD, FAAFP, SECRETARY

December 22, 2003

Dear Developmental Services Waiver Provider:

On November 1, 2003, the rates for Developmental Services (DS) waiver residential habilitation and adult day training services were reduced to ensure that DS waiver spending for FY 2003-04 is within its annual appropriation. The purpose of this letter is to make you aware that claims billed at unapproved rates will be considered overpayments and will be subject to recoupment. In addition, providers who bill at unapproved rates may be subject to investigation for improper billing.

Providers are expected to follow and abide by the provisions of the Developmental Services Waiver Coverage and Limitations Handbook, which states, "All rates shall be determined by the operating agency and subject to the availability of appropriated funding from the Florida Legislature." This fiscal year, the Legislature mandated that expenditures under the DS Waiver not exceed the amount appropriated and authorized the Department of Children and Families Developmental Disabilities Program (DCF/DDP) to make rate adjustments accordingly. Initial rate revisions were effective July 1, 2003, with the understanding that further reductions in rates may be necessary should the Department of Children and Families estimate that expenditures would be greater than the amount budgeted without further rate adjustments. Recent trend analyses by the Department of Children and Families indicate that spending for residential habilitation and adult day training services is projected to exceed funding allocations by the end of the fiscal year, based on current payment data for these two services. Therefore, DCF/DDP implemented a rate reduction for these services effective November 1, 2003.

If you have questions, please contact your local office of the Department of Children and Families.

Sincerely,

Bob Sharpe  
Deputy Secretary for Medicaid

cc: Shelly Brantley, Director  
Developmental Disabilities Program Office

