

Communication on Retainer Fees 7/29/2020.

HCQI Liaisons- please distribute this to your nursing agencies as soon as possible.

RE: Provider Notice on COVID-19 Initiatives- **Retainer Fees**

This is an important update regarding retainer fees. In the Provider Notice on COVID-19 Initiatives that was distributed in April, it was specified that the nursing agency could bill up to 30 days for retainer fees per participant. HFS has now approved for **2 additional episodes up to 30 days**, of retainer fees for each participant. Agencies are able to bill retroactively for the 2 additional episodes as long as parameters below are met.

Parameters that still apply:

- The retainer fee covers a shift that would have been staffed- had there not been a current health emergency. Retainer fees are specifically related to the following situations:
 - Regularly scheduled nurse refused to cover shift due to Covid-19.
 - Family refuses to let regularly scheduled nurse in the home due to Covid-19.
- The retainer fee is determined by the nursing agency on a participant level and should be based on typical utilization of allocation or hours received during the last month that the participant received services.
- A day is counted as a 24-hour period and can be one shift or many shifts (must be based on typical services).
- Retainer fees may not be used for shifts that continue to be covered.
- If there are dual agencies involved for a participant, both nursing agencies should be communicating clearly and frequently with each other to discuss billing of retainer fees. As stated above, the agencies should refer to the last couple of months they were staffing to determine what should be billed as retainer fees. This should be clearly communicated with the other nursing agency.
- Total nursing hours, including retainer fees, may not exceed approved resource allocation.
- Retainer fees do not apply to shifts covered by parents as paid caregivers.
- Retainer fees cannot be billed at an overtime rate.
- Retainer fees can only be billed when Medicaid is the payer. Retainer fees do not cover what private insurance was typically covering.

Nursing agencies should still be advised to maintain all supporting documentation in the case of a future audit. Since federal funds are being utilized for retainer fees, it is important that the nursing agency have supporting documentation and remains accountable to what is being billed.

Again, all previous parameters as outlined in the initial Provider Notice, and both Q & A's, still apply. We hope this new approval is helpful to the agencies at a time of continued uncertainty. Please reach out with any questions.

Thank you,

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