

Draft Rate Study Recommendations for Sections 18, 20, 21, and 29 and Proposed Lifespan Waiver

– on behalf of –

**Maine Department of
Health and Human
Services**

April 14, 2025

BURNS & ASSOCIATES
A DIVISION OF
HEALTH MANAGEMENT ASSOCIATES

HOUSEKEEPING

- Questions will be addressed at the end of the presentation
 - Please use the Chat function to submit questions during the presentation
- A recording of this presentation, the proposed rates models, and supporting documentation will be posted online at <https://www.healthmanagement.com/burns-reports/oads-rate-study/>
- Written comments should be submitted to OADSRateStudy@healthmanagement.com and will be accepted until April 29
 - All comments will be reviewed and summarized
 - Consolidated document of comments and responses will be published
 - Rate models will be revised as appropriate

RATE DETERMINATION PROCESS

22 M.R.S. § 3173-J: Stand-alone section of Maine law, enacted in August 2022 codifying process and principles for MaineCare Rate System

1. Sets schedule for regular rate review and adjustment
 - Annual updates to rates benchmarked off Medicare or other payers
 - For non-benchmarked rates:
 - Department annually develops schedule of rate determination for coming year
 - Rates not being re-determined per schedule receive annual cost of living adjustments
2. Ensures review of relevant state and national data to inform rate amounts and payment models
3. Formalizes clear and transparent process for rate determination
4. Establishes rate system subcommittee of MaineCare Advisory Committee
5. Technical Advisory Panel
 - Advises on related technical matters as appropriate
 - Reviews annual schedule for rate determination

PURPOSE OF PRESENTATION

- Overview draft rate models for services provided through Sections 18, 20, 21, and 29 as well as the proposed Lifespan waiver
 - Public comments will be considered before recommendations are finalized
- Ensure stakeholders understand the materials, data sources, calculations, and recommendations so that they may review and offer comments
 - HMA-Burns will respond to any technical questions that stakeholders need addressed to provide comments
- Encourage participation in public comment process
 - Comments should be submitted in writing to allow for aggregation and review of all feedback
- Implementation of any adopted recommendations will be contingent on federal approval, state rule-making, and the state's budget process

IMPETUS FOR RATE STUDY

- DHHS is developing a new Medicaid-funded home and community-based services waiver – the Lifespan program – to support the needs of individuals with intellectual and developmental disabilities throughout all stages of their lives
 - Offer individuals flexibility to address goals and needs that change across the lifespan
 - Improve supports for individuals transitioning from childhood to adulthood
 - Support innovative services
 - Facilitate greater employment and community participation
 - Promote long-term sustainability, including responding to workforce challenges
- As part of program development, provider payment rates must be established
 - Given overlap with Sections 18, 20, 21, and 29, current payment rates for these programs were included in this rate study
 - Rate methodologies are consistent across programs and the same service would have the same rate across programs

HIGHLIGHTS OF RATE STUDY RECOMMENDATIONS

- Given recency of previous rate study and cost of living adjustments through 2024, most rates would increase modestly
 - Impact varies by service and by provider
- To address ongoing workforce challenges and support program innovation, staff levels would be less prescriptive and/or reduced for key services (consistent with individuals' service plans)
 - “True” per diem rates are proposed for group homes, and staffing thresholds (i.e., 92.5%) are eliminated
 - Reduced staffing ratios for community support programs
 - Remote services are supported when appropriate
- Wage assumptions for direct support professionals exceed the minimum statutory requirement of 125 percent of the state's minimum wage to recognize labor market conditions
 - Rate models also include a comprehensive benefits package
- In Sections 21 and 29 and the Lifespan program, Agency Home Support, Shared Living, Community Support, and Supported Living rates would be tiered, paying higher rates for supporting individuals with greater needs
 - Needs to be assessed using a nationally standardized and normed assessment (Supports Intensity Scale)
 - The highest tier is for individuals with significant behavioral or medical needs

AGENDA

- Project Background
- Rate Study Approach
- Rate Study Recommendations
- Next Steps

PROJECT BACKGROUND

BURNS & ASSOCIATES, A DIVISION OF HMA

SERVICES INCLUDED IN RATE STUDY – EXISTING PROGRAMS*

- Care Coordination (Sec. 18, 20)
- Supports Broker (Sec. 18, 20, 29)
- Home Support-Quarter Hour (Sec. 18, 20, 21, 29)
- Home Supp.-Remote Monitor (Sec. 18, 20, 21, 29)
- Home Support-Level II & III (Sec. 20)
- Agency Home Support (Sec. 21)
- Residential Home Support (Sec. 18, 20)
- Shared Living (Sec. 20, 21, 29)
- Crisis Intervention Services (Sec. 21)
- Community Support (Sec. 20, 21, 29)
- Work Ordered Clubhouse (Sec. 18)
- Career Planning (Sec. 18, 20, 21, 29)
- Work Support-Indiv. (Sec. 18, 20, 21, 29)
- Work Support-Group (Sec. 21, 29)
- Employ. Specialist Svcs. (Sec. 20, 21, 29)
- Respite Service (Sec. 29)
- Community Membership (Sec. 21, 29)

* Professional and clinical services covered by these programs are part of a separate ongoing study

SERVICES INCLUDED IN RATE STUDY – LIFESPAN PROGRAM

- Community Resource Coordination
- Supports Broker
- Home-Based Assistance
- Agency Group Home
- Shared Living
- Community Supported Living
- Respite Breaks and Opportunities
- Facility-Based Day Program
- Community Connections Assistance
- Community and Relationship Connecting
- Integrated Employment Path
- Behavioral Support Consultation Services
- Career Planning
- Job Coaching
- Supported Employment-Exploration
- Job Career Development Plan
- Benefits and Work Incentives Counseling
- Home-Based Independent Living Skills Training
- Self-Employment Start-Up Plan
- Co-Worker Supports-Employment Specialist
- Housing Counseling
- Peer Specialist Service
- Family Empowerment Counseling
- Community Non-Medical Transportation

RECENT RATE HISTORY FOR SELECT SERVICES IN SECTIONS 18, 20, 21, 29

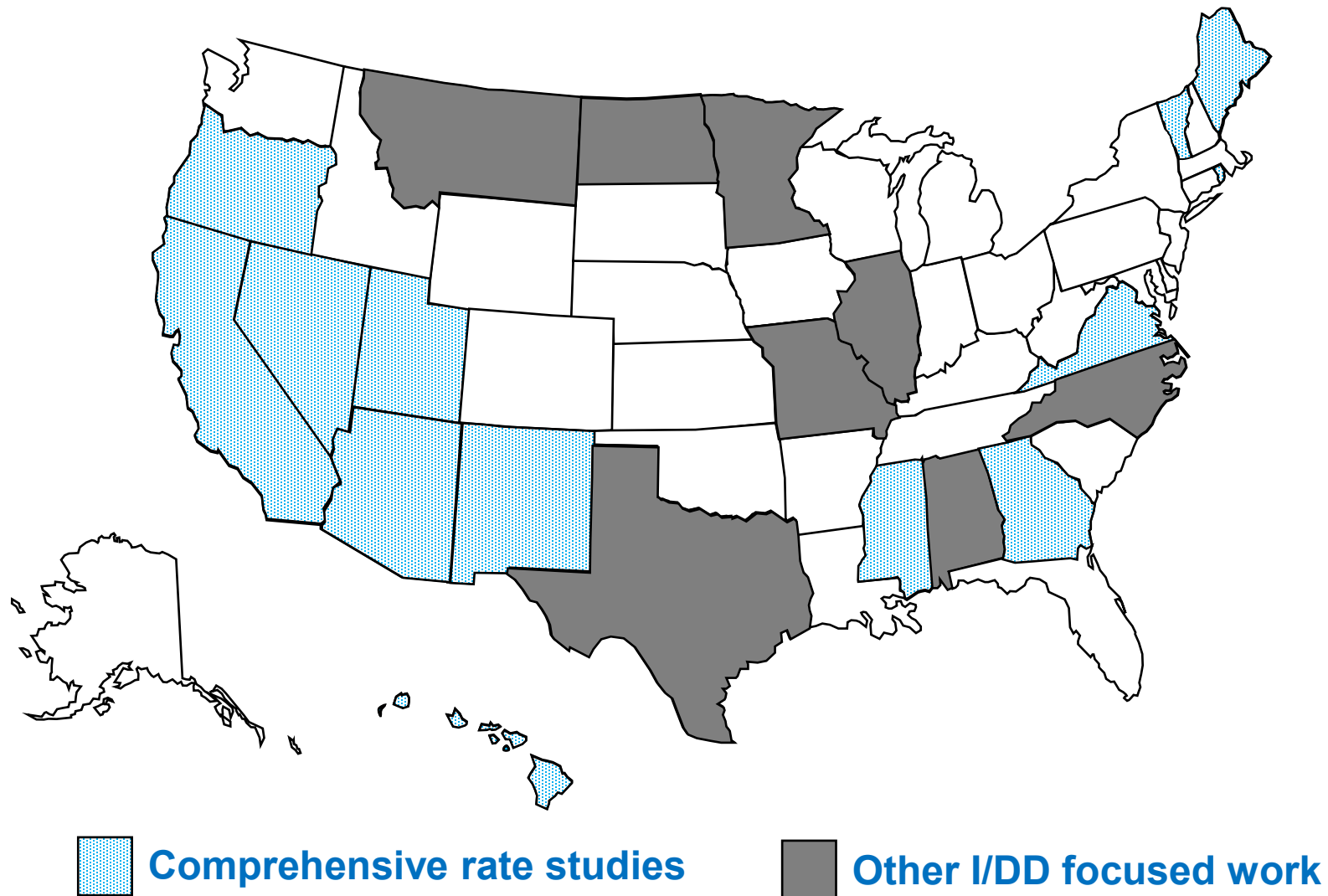
- Most rates in Sections 18, 20, 21, and 29 have been significantly increased since 2020

Service	Unit	Section(s)	Jan. 1, 2020	Jan. 1, 2021	Jan. 1, 2022	Jan. 1, 2023	Jan. 1, 2024	Change '20-'24
Agency Home-First 168	Day	21	\$27.72	\$27.72	\$32.13	\$34.78	\$35.66	28.6%
Res. Level II, 5-8 Beds	Day	18	\$314.31	\$314.31	\$337.74	\$365.57	\$374.86	19.3%
Home Support-Qtr. Hr.	15 min.	21 / 29	\$7.75	\$9.49	\$10.45	\$11.31	\$11.60	49.7%
		18 / 20	\$6.33					83.3%
Comm. Supp.-Indiv.	15 Min.	21	\$6.53	\$11.20	\$11.97	\$12.96	\$13.29	103.5%
		20	\$5.33	\$5.33				149.3%
Comm. Supp.-Group	15 Min.	21	\$6.53	\$7.13	\$7.61	\$8.24	\$8.45	29.4%
		20	\$5.33	\$5.33				58.5%
Comm. Supp.-Center	15 Min.	21	\$6.53	\$6.53	\$6.53	\$7.07	\$7.25	11.0%
		20	\$5.33	\$5.33				36.0%
Work Support-Indiv.	15 min.	21	\$8.46	\$12.00	\$12.59	\$13.63	\$13.98	65.2%
		18 / 20	\$6.91	\$6.91				102.3%

OVERVIEW OF BURNS & ASSOCIATES

- Health policy consultants specializing in assisting state Medicaid agencies and related departments (developmental disabilities and behavioral health authorities)
 - Consulted in approximately 30 states since its founding in 2006
 - Acquired by Health Management Associates in September 2020
- Experience in the intellectual and developmental disabilities field
 - Policy development, including service standards and billing rules
 - Provider rate-setting
 - Using assessment instruments to inform individualized budgets
 - Program operations, including performing fiscal analyses and developing implementation approaches

BURNS & ASSOCIATES' I/DD EXPERIENCE



BURNS & ASSOCIATES' PREVIOUS WORK IN MAINE

I/DD HCBS (Sections 21 / 29)

2014-15 Rates not implemented

Personal Care (Sections 12 / 19 / 96)

2015-16 Rates implemented

Crisis Services (Section 65)

2015 Rates not implemented

Behavioral Health Homes (Section 92)

2015 Rates implemented

TCM/ Behavioral Health (Sections 13 / 17 / 28 / 65)

2016-17 Section 28 rates implemented

2022-23 Rates implemented

Home Health (Sections 40)

2016-17 Rates not implemented

Evidence-Based Treatments (Section 65)

2019-20 Rates implemented

Select HCBS (Sections 18 / 20 / 21 / 29)

2019-20 Rates implemented

Intensive Outpatient (IOP) Services

2020-21 Select rates implemented

Private Non-Med. Institutions (Sec. 97 B and D)

2020-21 Rates implemented (Appendix B and D)

RATE-SETTING APPROACH

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PURPOSE OF INDEPENDENT RATE MODEL APPROACH

- Rate models reflect the costs providers incur to deliver services consistent with the state's requirements and individuals' service/ treatment plans
- Consider data from multiple sources rather than depending on any single source

Policies, Rules, and Standards	Provider and Stakeholder Input	Published Sources	Special Studies
Examples include: Program Regulations Manuals	Examples include: Provider Survey Public Comments	Examples include: BLS Wage Data IRS Mileage Rates	Examples include: Rate Benchmarking

DEVELOPMENT OF INDEPENDENT RATE MODELS

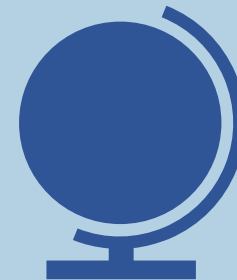
- Specific model assumptions are detailed (e.g. staff wages and benefits, staffing levels, transportation, etc.)
 - Assumptions are not mandates (i.e., a provider does not have to pay the wage assumed in the rate)
- A single service may have multiple rates to account for differences in provider costs



Individual Level of Need
(affecting staffing levels,
staff qualifications, etc.)



Service Setting
(e.g., facility or
community-based)



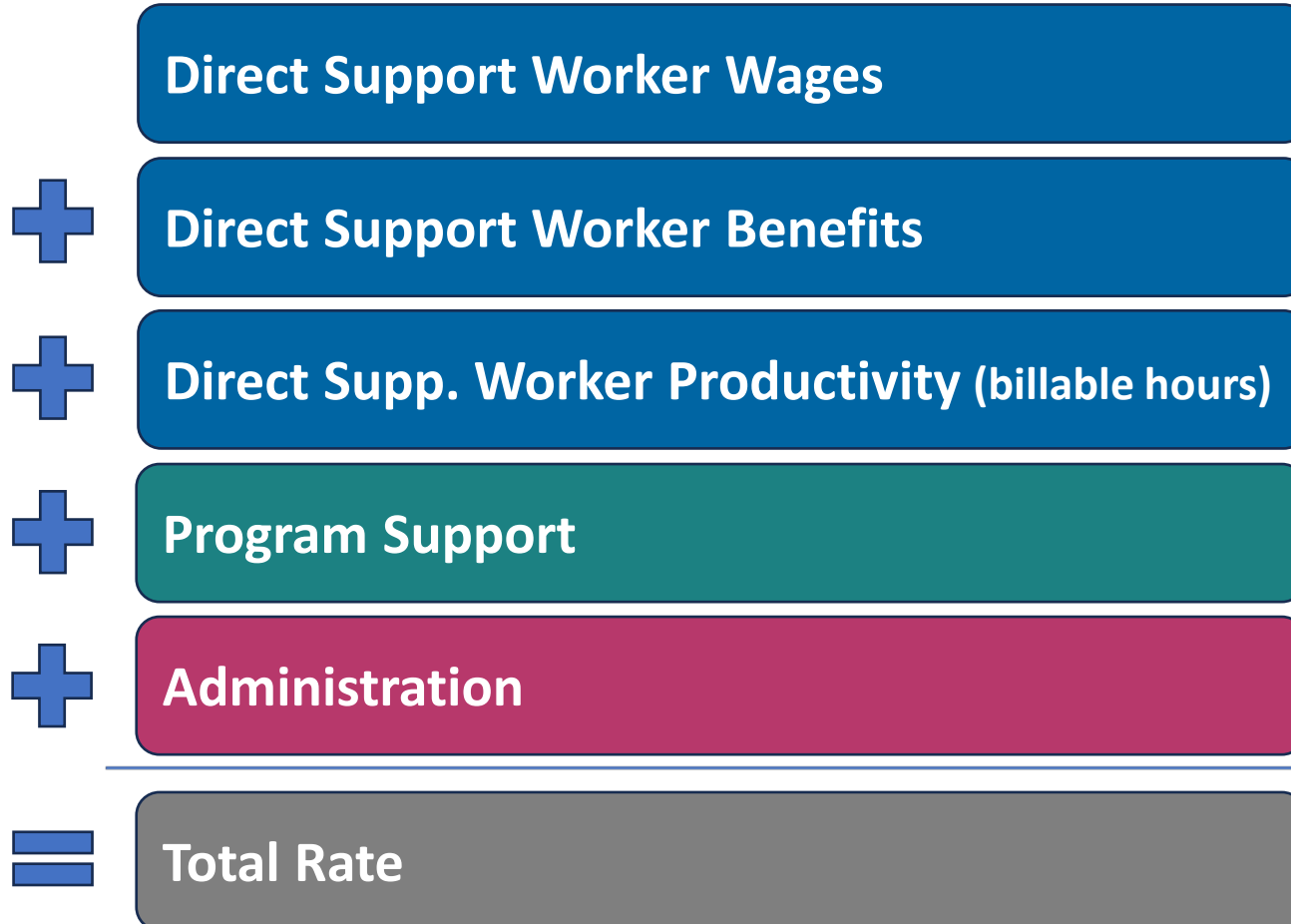
Geography
(e.g. urban and rural)



**Staff Qualifications and
Training**
(e.g., RNs and LPNs)

DEVELOPMENT OF INDEPENDENT RATE MODELS (CONT.)

Five factors in all HCBS (non-facility) rate models:



Other factors vary by service, such as:

- Staffing levels/ staffing ratios
- Clinical supports
- Attendance/ occupancy
- Transportation-related costs
- Program facilities and supplies

RATE MODEL EXAMPLE – HOME SUPPORT–QUARTER-HOUR

	Unit of Service	Hour
Direct Support Staff Wages and Benefits	- Direct Support Professional Hourly Wage	\$19.76
	- Employee Benefit Rate (as a percent of wages)	38.3%
	Hourly Staff Cost Before Productivity Adj. (wages + benefits)	\$27.33
	<i>Productivity Assumptions</i>	
	Total Hours	40.00
	- Travel Time (between members)	2.20
	- Participating in Care Plan Meetings	0.44
	- Recordkeeping	0.88
	- Employer and One-on-One Supervision Time	0.88
	- Training	0.96
	- Paid Time Off	3.85
	"Billable" Hours	30.79
	Productivity Adjustment Factor	1.30
	Staff Cost After Productivity Adj. per Billable Hour	\$35.53
Mileage	- Number of Miles Traveled per Week	100
	- Amount per Mile	\$0.700
	Weekly Mileage Cost	\$70.00
	Mileage Cost per Billable Hour	\$2.27
Admin./ and Program Support	Cost per Billable Hour Before Admin. and Other Overhead	\$37.80
	- Program Support Funding per Day	\$30.00
	Program Support Cost per Billable Hour	\$4.87
	- Administration Percent	15.0%
	Administrative Cost per Billable Hour	\$7.53
	Total Cost per Billable Hour	\$50.20
	Rate per 15 Minutes	\$12.55

- Direct support staff wages and benefits
 - Largest component of costs (60-80 percent) when including productivity
 - Data gathered from multiple sources
 - Review of staff qualifications and responsibilities
 - Provider survey
 - Bureau of Labor Statistics data
- Accounting for 'productivity'
 - Rate models seek to reflect a 'typical' week for direct support staff by establishing productivity adjustments for non-billable time
 - Examples include training, travel, documentation, and employer time

RATE MODEL EXAMPLE – HOME SUPPORT–QUARTER-HOUR (CONT.)

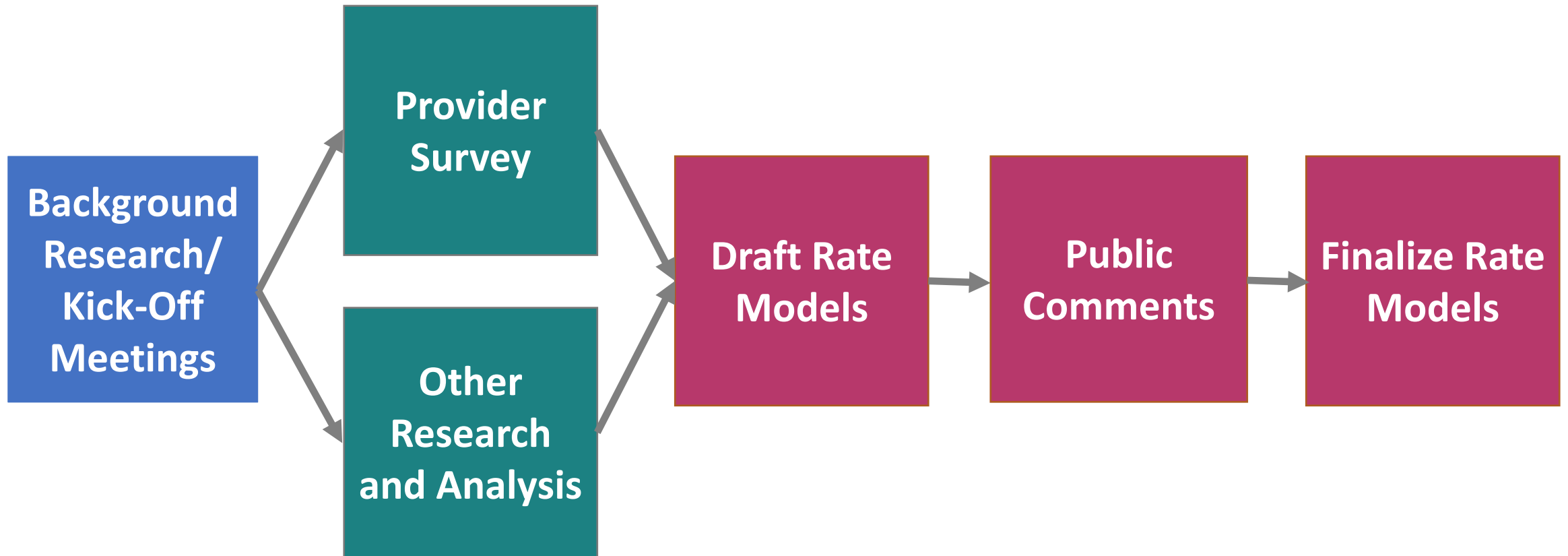
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	Hourly Staff Cost Before Productivity Adj. (wages + benefits)	\$27.33
	<i>Productivity Assumptions</i>	
	Total Hours	40.00
	- Travel Time (between members)	2.20
	- Participating in Care Plan Meetings	0.44
	- Recordkeeping	0.88
	- Employer and One-on-One Supervision Time	0.88
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	Total Cost per Billable Hour	\$50.20
	Rate per 15 Minutes	\$12.55

- Program support
 - Activities that are program specific, but not billable
 - Examples: supervision, training, and program development
- Administration
 - Organizational costs that are not program-specific
 - Examples: executive management, accounting, and human resources
- Other costs vary by service
 - Examples: mileage, staffing ratios, program attendance rates, and program facility and supplies costs

BENEFITS OF INDEPENDENT RATE MODEL APPROACH

- Transparency
 - Models detail cost drivers, data sources, and assumptions that produce the final rate
- Ability to Advance Policy Goals and Objectives
 - For example, targeted adjustments can be made to improve direct support staff salaries or benefits, reduce staff-to-client ratios, incentivize employment and community-based services, promote innovation, etc.
- Efficiency in Maintaining Rates
 - For example, models can be adjusted for inflation, specific cost factors (e.g., IRS mileage rate), or to meet budget targets

RATE STUDY PROCESS



PHASE I: KICK-OFF MEETINGS AND BACKGROUND RESEARCH

- Task 1: Background Research
 - Review program regulations, manuals, and other materials to document the requirements for each service
 - Explore current and future policy changes impacting services or provider costs
 - Compile and review current rate and payment data
- Task 2: Kick-Off Meetings with DHHS and Provider Representatives (late 2023)
 - Presentation of independent rate model approach
 - Review project workplan
 - Discuss costs of delivering services and issues confronting the system

PHASE II: DATA COLLECTION AND ANALYSIS

- Task 3: Provider Survey (early 2024)
 - Design survey to collect information regarding costs and service delivery design
 - Results inform – but do not dictate – rate model assumptions
 - Provide technical assistance
 - Written instructions, recorded webinar to walk-through the survey, dedicated contact for questions
 - Analyze survey results
 - Review submitted surveys and perform statistical analysis
 - Received surveys from 43 of 159 providers that accounted for 46 percent of services delivered in fiscal year 2023
 - Discuss findings and present results

PHASE II: DATA COLLECTION AND ANALYSIS (CONT.)

- Task 4: Other Research and Analysis
 - Collect independent data for individual cost drivers (e.g., BLS wage data)
 - Identify benchmark payment rates, programmatic assumptions (e.g., caseloads and staffing levels), and billing policies
 - For services with tiered rates, consider alignment of assessed needs with staffing levels and staffing ratios

PHASE III: RATE DEVELOPMENT AND IMPLEMENTATION

- Task 5: Draft Rate Models
 - Consider changes to service standards as well as billing requirements
 - Develop draft model structures identifying cost factors for each service
 - For services with existing rate models, updated cost assumptions and made targeted adjustments as appropriate
 - For other services, developed models following the framework for existing models
 - Populate rate models with cost assumptions
 - Consider provider survey and other independent data sources
 - Develop rate model appendices and other supporting documentation

PHASE III: RATE DEVELOPMENT AND IMPLEMENTATION (CONT.)

- Task 6: Public Comments
 - Post proposed rate models and supporting materials online
 - Includes recorded webinar to explain the proposals
 - Accept written comments
 - Review and summarize comments

PHASE III: RATE DEVELOPMENT AND IMPLEMENTATION (CONT.)

- Task 7: Finalize and publish rate models
 - Revise rate models based on public comments as warranted
 - Post final materials online
 - Provide implementation support as necessary
 - Estimate fiscal impact
 - Create briefing materials
 - Develop phase-in plan as needed

RATE STUDY RECOMMENDATIONS – ACROSS SERVICES

BURNS & ASSOCIATES, A DIVISION OF HMA

WAGE ASSUMPTIONS - BUREAU OF LABOR AND STATISTICS DATA

- Appendix A of the rate model packets
- Maine wage data published by the Bureau of Labor and Statistics used as the starting point for establishing market-based wage assumptions
 - *Comprehensive:* Wage levels are published for more than 800 occupations based on data from 1.2 million establishments representing 57% of the employment in the United States
 - *Cross-industry:* It is not limited to a single industry so estimates for a given occupation are representative of the overall labor market
 - *Regularly updated:* Released once per year – in early April for the previous May (so most recent data published in April 2025 reflects May 2024 survey data)
 - *State-specific:* Data is published for individual states

WAGE ASSUMPTIONS - SELECTING WAGE BENCHMARKS

- The BLS publishes various wage estimates (e.g., at the 10th, 25th, 50th, 75th, and 90th percentiles)
 - The rate models use median (50th percentile) wage values, as these are the wages at which half of staff are expected to earn more and half are expected to earn less
- Inflated BLS wage data to July 2025 based on Bureau of Economic Analysis data for net earnings growth in Maine
 - Models include 6.09 percent increase to BLS data based on 14 months at the estimated 5.2 percent annual growth rate over the past ten years
- Verified that rate models comply with requirement that rates fund direct support worker wages that are at least 125 percent of the minimum wage
 - 2025 minimum wage is \$14.65, so rates must support at least \$18.32

WAGE ASSUMPTIONS - CROSS-WALKING BLS OCCUPATIONS

- For each service, BLS occupations are chosen to represent staff qualifications
 - For some positions, there is a match to a single BLS occupation (e.g., nurses)
 - For other positions, there is not a one-to-one match
 - For example, the BLS combines direct support professionals with staff in other industries in the home health and personal care aide classification
 - This classification may not represent the varied roles of DSPs so the rate models construct a weighted average of multiple BLS classifications

BLS Standard Occupational Classification	Weighting	Median Wage (Adj.)
31-1120 Home health and personal care aides	70%	\$19.21
21-1093 Social and human services assistants	10%	\$23.63
31-1133 Psychiatric aides	10%	\$21.22
39-9032 Recreation workers	10%	\$18.32
Weighted Average Wage		\$19.76

WAGE ASSUMPTIONS - COMPARISON TO PROVIDER SURVEY RESULTS

- Wage assumptions included in the rate models are higher than wages reported through the provider survey
 - For example, services with the greatest number of survey responses

Service (with greatest number of survey responses)	Provider Survey ¹ (No. of Surveys)	Proposed Rate Models	Percentage Difference
Agency Home Support	\$19.04 (23)	\$19.76	4%
Home Support-Quarter Hour	\$18.25 (22)	\$19.76	8%
Community Supports	\$18.79 (27)	\$20.03	7%
Work Support – Individual	\$19.09 (11)	\$23.13	21%

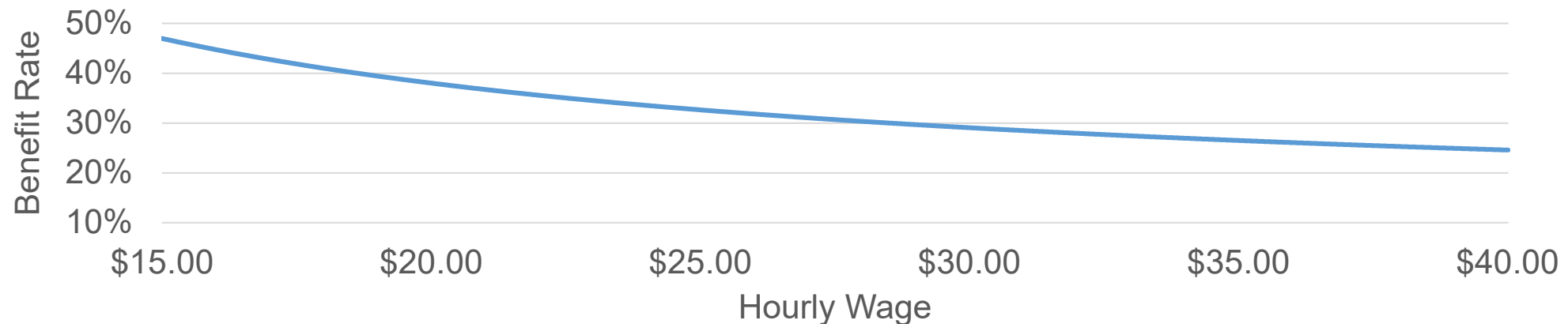
¹ Based on the calculated weighted average without outliers among employees, excluding employees reported as having supervisory responsibilities and contractors.

PAYROLL TAX AND FRINGE BENEFIT ASSUMPTIONS

- Benefit assumptions for direct support staff (Appendix B of the rate model packets)
 - Payroll taxes (FICA, unemployment insurance, paid family and medical leave, workers' compensation)
 - 25 paid days off per year (holiday, vacation, and sick leave)
 - \$704.55 per month for health insurance
 - Based on assumed employer cost for a mix of employee only, employee plus-one, and family coverage options (take-up rate, mix of plans, and employer share of costs based on Maine-specific data from U.S. DHHS' Medical Expenditure Panel Survey)
 - \$200.00 per month for other benefits (e.g., vision and dental insurance, retirement contribution, disability insurance, etc.)

PAYROLL TAX AND FRINGE BENEFIT ASSUMPTIONS (CONT.)

- Benefit assumptions are translated to benefit rates as a percentage of wages
 - Since certain benefit assumptions are fixed, the benefit rate (as a percentage of wages) declines as the wage increases
 - For example, the \$704.55 assumed for health insurance represents a larger percentage of the wage of someone making \$20 per hour than for someone earning \$40 per hour
- Benefit rate assumed in rate models, by wage level (excludes paid time off, which is incorporated as a productivity adjustment / reduction in billable hours)



PRODUCTIVITY ASSUMPTIONS

- Productivity assumptions for direct support staff (Appendix C of the rate model packets)
- Productivity adjustments recognize costs associated with direct support workers' non-billable responsibilities
 - Ensures providers are compensated for worker responsibilities that cannot be billed directly, such as the time spent in training or traveling between service encounters
 - Example
 - An employee earning \$20 per hour (wages and benefits) and working 40 hours per week earns \$800 per week
 - However, if the employer can only bill for 32 hours per week, a productivity adjustment of 1.25 is required (work hours divided by billable hours)
 - Thus, the agency must be able to bill \$25.00 per service hour (\$20 multiplied by 1.25) to cover the cost of all wages and benefits, including non-billable time

PRODUCTIVITY ASSUMPTIONS (CONT.)

- Standard assumptions
 - All services include 200 annual hours (25 days) for paid time off, an average of 3.85 hours per week
 - In general, rate models include 50 annual hours for training (0.96 hours per week)
 - For select services requiring more training (e.g., Tier 4 services), 62 annual hours are included (1.19 hours per week)
 - Most services include 1.00 hour per week for supervision and employer time
- Other productivity adjustments vary across services
 - Examples include travel between service encounters, attending planning meetings, program set-up/ clean-up, recordkeeping and reporting, and collateral contacts

ADMINISTRATION AND PROGRAM SUPPORT

- Program support funds activities that are program-specific, but not billable
 - Functions include supervision, training, program development and oversight, quality monitoring, and coordination of care activities
 - Costs include wages and benefits of staff performing these functions, other expenses supporting these functions (e.g., office-related costs, travel)
- Incorporated in the rate models as a fixed daily amount to account for differences in individual and group services and in high-cost and low-cost services
 - Services are funded at \$30 per day

ADMINISTRATION AND PROGRAM SUPPORT (CONT.)

- Administration funds activities that are not program-specific
 - Examples include executive management, accounting, and human resources
 - Costs include wages and benefits of staff performing these functions, other expenses supporting these functions (e.g., facility-related costs, travel), information technology, professional services, etc.
- Rate models include 15 percent of the total rate for administration
- Total funding assumptions for program support and administration are consistent with provider survey results (approximately 26 percent of total costs)

TIERED RATES

- Propose to tier rates for several services in Sections 21 and 29, and Lifespan to account for more intensive supports for individuals with significant or specialized needs
 - Replaces medical add-on
- Individuals: applies to those with most significant general, medical, and/or behavioral support needs, as well as those with specified challenges in communication
- Services: generally applies to shared and/or 24-hour services: group homes, shared living, community supported living, community support, and certain outcome-based employment rates
 - Additionally, many one-to-one services include a higher 'Tier 4' rate

TIERED RATES – SUPPORTS INTENSITY SCALE

- For services with tiered rates in Sections 21 and 29 and the Lifespan program, the Supports Intensity Scale (SIS) will be used to assess general, medical, and behavioral support needs
 - Standardized assessment tool designed to measure the pattern and intensity of supports that individuals with I/DD require to be successful in community settings
 - Developed by American Association on Intellectual and Developmental Disabilities
 - First launched in 2004; re-normed second edition released in 2023
 - Research published in peer-reviewed journals demonstrates reliability and validity
- OADS has also adopted supplemental questions to identify individuals with potential extraordinary medical or behavioral support needs

TIERED RATES – ESTABLISHING SUPPORT LEVELS AND RATE TIERS

- Human Services Research Institute contracted to develop support level framework
 - Analyzed results of assessments for a sample of service participants in Maine
 - Compared results to dataset of nationwide assessments
 - Reviewed a sample of files to test preliminary recommendations
- HSRI proposes a six level framework (which are collapsed to four rate tiers)

Level	Level Description	SNI Score	1A (Med.) Score	1B (Behav.) Score	Rate Tier
1	Low general support needs	Up to 82	< 9	< 11	1
2	Moderate general support needs	83-97	< 9	< 11	2
3	Moderate to high general support needs	98-113	< 9	< 11	3
4	High general support needs	114 +	< 9	< 11	4
M	Extraordinary medical support needs	Any	9 +	< 11	4
B	Extraordinary behavioral support needs	Any	Any	11+	4

REMOTE SUPPORTS

- Several services include lower rates for services delivered remotely
 - When appropriate based on an individual's needs, meant to encourage innovation
 - Rates reflect greater efficiency in remote delivery (that is, no travel time)
- Services
 - Home Support-Quarter Hour
 - Work Support-Individual
 - Support Broker
 - Home-Based Independent Living Skills Training
 - Self-Employment Start-Up Plan
 - Job Coaching
 - Co-Worker Supp.-Employ. Specialist
 - Peer Specialist
 - Housing Counseling
 - Behavioral Support Consultation

RATE STUDY RECOMMENDATIONS – SERVICE-SPECIFIC

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UPDATES TO EXISTING RATE MODELS

Service	Unit	Current Rate	Proposed Rate	% Change	Notes
Home Support-Quarter Hour	15 Min.	\$10.94	\$12.55	15%	also rates for 1:2 and 1:3
Home Support-Qrtr. Hr., Tier 4	15 Min.	\$10.94	\$13.50	23%	
Sec. 18, Level II, 2-4 Beds	Day	\$441.06	\$499.71	13%	no changes to assumed staffing levels based on 350-day billing year
Sec. 18, Level II, 5-8 Beds	Day	\$353.64	\$405.13	15%	
Sec. 18, Level III, 2-4 Beds	Day	\$645.87	\$686.73	6%	
Sec. 18, Level II, 5-8 Beds	Day	\$543.41	\$543.08	0%	
Sec. 20, 2-4 Beds	Day	\$474.30	\$537.47	13%	
Sec. 20, 5-6 Beds	Day	\$430.04	\$491.92	14%	

UPDATES TO EXISTING RATE MODELS (CONT.)

Service	Unit	Current Rate	Proposed Rate	% Change	Notes
Comm. Member.-Individual	15 Min.	\$12.54	\$13.75	10%	
Comm. Member.-Indiv., Tier 4	15 Min.	\$12.54	\$14.72	17%	
Work Ordered Day Clubhouse	Day	\$120.85	\$124.34	3%	
Career Planning	Hour	\$64.01	\$68.21	7%	also in Lifespan
Employment Specialist	15 Min.	\$15.09	\$16.35	8%	
Work Support-Individual	15 Min.	\$13.19	\$14.43	9%	
Work Support-Indiv., Tier 4	15 Min.	\$13.19	\$15.54	18%	

DEVELOPMENT OF RATE MODELS FOR EXISTING SERVICES

Service	Unit	Current Rate	Proposed Rate	% Change	Notes
Care Coordination	15 Min.	\$19.80	\$24.96	26%	
Supports Brokerage	15 Min.	\$17.43	\$19.75	13%	
Respite	15 Min.	\$9.58	\$11.58	21%	limit of 12 hours/ day; also rates for 1:2 and 1:3
Respite-Daily	Day	\$318.93	\$585.76	84%	both Respite also in Lifespan
Work Support, 2 Members	15 Min.	\$6.91	\$8.31	20%	
Work Support, 3 Members	15 Min.	\$5.20	\$6.12	18%	
Work Support, 4 Members	15 Min.	\$4.23	\$5.03	19%	
Work Support, 5 Members	15 Min.	\$3.69	\$4.38	19%	
Work Support, 6 Members	15 Min.	\$3.31	\$3.95	19%	
Crisis Intervention	15 Min.	\$9.05	\$14.83	64%	

DEVELOPMENT OF RATE MODELS FOR NEW LIFESPAN SERVICES

Service	Unit	Proposed Rate	Notes
Home-Based Assistance	15 Min.	\$12.42	also rates for 1:2 and 1:3
Home-Based Assistance, Tier 4	15 Min.	\$13.37	
Home-Based Ind. Living Skills	15 Min.	\$15.10	time-limited service for targeted training
Comm./Relationship Connecting	15 Min.	\$15.89	also rate for 1:2
Comm./Relation. Connect., Tier 4	15 Min.	\$16.98	
Comm. Connections Assistance	15 Min.	\$14.23	also rates for 1:2 and 1:3
Comm. Connections Assist, Tier 4	15 Min.	\$15.12	
Comm. Non-Med. Trans.-Std.	Mile	\$3.27	Providers would bill per mile for the miles that the individual is transported
Comm. Non-Med. Trans.-Whlchair	Mile	\$3.40	

DEVELOPMENT OF RATE MODELS FOR NEW LIFESPAN SERVICES (CONT.)

Service	Unit	Proposed Rate	Notes
Integrated Employment Path	15 Min.	\$14.63	also rate for 1:2
Integrated Employ. Path, Tier 4	15 Min.	\$15.71	
Job/Career Development, Tier 1	Plan	\$2,714.80	billable after submission and approval of the plan (rates assume some plans will not be completed); rate models assume more hours per plan based on assigned tier (Tier 1=40 hours; Tier 2=50 hours; Tier 3=60 hours; Tier 4=70 hours)
Job/Career Development, Tier 2	Plan	\$3,393.50	
Job/Career Development, Tier 3	Plan	\$4,072.20	
Job/Career Development, Tier 4	Plan	\$4,750.90	
Supported Employment Explor.	Report	\$2,169.30	billable after submission and approval of the plan
Co-Worker Supp.-Employ. Spec.	15 Min.	\$16.35	co-worker rate negotiated based on their wages
Self-Employment Start-Up Plan	15 Min.	\$16.15	
Job Coaching	15 Min.	\$14.54	
Job Coaching, Tier 4	15 Min.	\$16.54	

DEVELOPMENT OF RATE MODELS FOR NEW LIFESPAN SERVICES (CONT.)

Service	Unit	Proposed Rate	Notes
Comm. Resource Coord., First Yr.	Month	\$459.11	assumes average caseload of 24
Comm. Res. Coord., After First Yr.	Month	\$392.15	assumes average caseload of 28
Peer Specialist Services	15 Min.	\$12.49	
Family Empowerment Counseling	15 Min.	\$12.77	
Benefits/ Work Incentive Counsel.	15 Min.	\$14.14	
Housing Counseling	15 Min.	\$14.10	
Behav. Supp. Consultation-LCSW	15 Min.	\$21.99	
Behav. Supp. Cons.-BCBA/Psych.	15 Min.	\$29.14	

350 DAY BILLING YEAR FOR FULL-TIME RESIDENTIAL SERVICES

- Rates for Group Home and Shared Living services are based on a 350-day billing year
 - Rate models estimate the annual cost of providing services, but rather than dividing by 365 days, the model divides by 350 days
 - Results in rates that are 4.3 percent greater than they would be at 365 days
 - Allows a provider to earn a full year of revenue after billing 350 days, holding providers harmless for up to 15 absences per year, recognizing that most costs are fixed in the short-term
 - Since providers are paid for a full year of services after 350 days, they are limited to 350 billing days during a member's plan year
 - If an individual changes providers during their plan year, the limit would reset
- Current models for Sections 18 and 20 homes already assume a 350-day year

AGENCY HOME SUPPORT (SECTION 21) AND GROUP HOMES (LIFESPAN)

- Current Agency Home Support payments based on a per staff hourly rate with the number of staff hours determined on a home-by-home basis
 - Converted to a uniform daily rate for all home residents in the home, but providers historically required to deliver 92.5 percent of funded hours
- Propose to establish 'true' per diem rates based on standard assumptions of appropriate staffing levels, which vary based on home size and an individual's assessed needs
 - Homes would be required to provide adequate staffing to meet resident needs, but would not be required to manage to the staffing assumptions
- Proposed framework intended to accommodate various operating models
 - Rates are not discounted if overnight staff sleep (but asleep staff will only be permitted if documented as appropriate in all residents' support plans)
 - Providers may use remote supports to complement on-site staffing if documented as appropriate in all residents' support plans

AGENCY HOME SUPPORT (SEC. 21) AND GROUP HOMES (LIFESPAN) (CONT.)

- Developed rate models for these services
- Rates vary by home size
 - Separate rates for homes with 2 residents, 3 residents, and 4 or more residents
 - Home size based upon licensed capacity
 - Reflects providers' higher per-person costs for smaller homes due to the need to cover certain fixed costs (e.g., base staffing), though total costs will be higher in larger homes
 - Services in 1-bed homes would be authorized and billed on an hourly basis
- Rates vary based on an individual's assessed needs and resulting tier
 - Homes may have residents with different assessed needs so different rates may be paid for individuals in the same home

AGENCY HOME SUPPORT (SEC. 21) AND GROUP HOMES (LIFESPAN) (CONT.)

- Appendix D of the rate model packets outlines assumed staffing levels
- Assumptions cover daytime hours and overnight hours
 - Staffing assumptions are not meant to dictate providers' actual staffing plans
 - Since individuals may have different schedules, all models cover 24-hour staffing
 - Example for three-bed homes

Hours in a Week	168.00	168.00	168.00	168.00
Daytime Hours	112.00	112.00	112.00	112.00
Overnight Hours	56.00	56.00	56.00	56.00
Number of Staff on Shift During Daytime Hours	1.00	1.00	2.00	2.00
Number of Staff on Shift During Overnight Hours	1.00	1.00	1.00	1.00
Base Staff Hours	168.00	168.00	280.00	280.00
Shift Overlap Hours per Week (0.25 Hours per Shift per Day)	5.25	5.25	5.25	5.25
Floating Staff Hours	20.00	60.00	0.00	40.00
Total Additional Staff Hours for Residence	25.25	65.25	5.25	45.25
Total Hours per Home per Week	193.25	233.25	285.25	325.25
Hours per Client per Week	64.42	77.75	95.08	108.42

AGENCY HOME SUPPORT (SEC. 21) AND GROUP HOMES (LIFESPAN) (CONT.)

- Assumed staffing exceeds models in other states, even after accounting for acuity (other than Oregon, comparison states also use the SIS to assign rate tiers)

Tiers	1	2	3	4
2-Person Homes – Hours per Person per Week				
Maine – Proposed	86.6	102.6	110.6	118.6
Georgia (3 or fewer beds)	53.7	60.3	73.7	102.0
Virginia (4 or fewer beds)	60.5	73.9	82.4	100.3
Oregon (3 or fewer beds)	46.0	67.7	96.7	117.0
Rhode Island (3 or fewer beds)	42.0	52.0	62.0	72.0 - 82.0
3-Person Homes – Hours per Person per Week				
Maine – Proposed	64.4	77.8	95.1	108.4
Georgia (3 or fewer beds)	53.7	60.3	73.7	102.0
Virginia (4 or fewer beds)	60.5	73.9	82.4	100.3
Oregon (3 or fewer beds)	46.0	67.7	96.7	117.0
Rhode Island (3 or fewer beds)	42.0	52.0	62.0	72.0 - 82.0

AGENCY HOME SUPPORT (SEC. 21) AND GROUP HOMES (LIFESPAN) (CONT.)

- Assumed staffing exceeds models in other states, even after accounting for acuity (other than Oregon, comparison states also use the SIS to assign rate tiers)

Tiers	1	2	3	4
4-Person Homes – Hours per Person per Week				
Maine – Proposed	53.3	63.3	76.3	90.3
Georgia (4 bed)	45.3	55.3	66.5	90.5
Virginia (4 or fewer beds)	60.5	73.9	82.4	100.3
Oregon (4 and 5 beds)	37.3	60.0	75.6	96.9
Rhode Island	42.0	52.0	62.0	72.0 - 82.0

AGENCY HOME SUPPORT (SEC. 21) AND GROUP HOMES (LIFESPAN) (CONT.)

Service		Unit	Proposed Rate
Tier 1	2 Beds	Day	\$534.19
	3 Beds	Day	\$427.33
	4+ Beds	Day	\$347.95
Tier 2	2 Beds	Day	\$609.11
	3 Beds	Day	\$489.41
	4+ Beds	Day	\$404.57
Tier 3	2 Beds	Day	\$662.33
	3 Beds	Day	\$587.54
	4+ Beds	Day	\$478.16
Tier 4	2 Beds	Day	\$773.10
	3 Beds	Day	\$719.46
	4+ Beds	Day	\$604.43
1 Bed		15 min.	\$9.32
1 Bed, Tier 4		15 min.	\$10.24

- Current hourly rates
 - \$33.64 (first 168 hours)
 - \$31.91 (additional hours)
 - \$40.51 (medical add-on)
- Proposed rates translate to about \$40 to \$45 per staff hour
- Impact of proposed rates will vary by home based on current funded staffing
 - Any revenue decreases would be due to fewer assumed hours (as rates per hour are increasing) so the providers' costs would be lower

SHARED LIVING (SECTIONS 20, 21, 29 AND LIFESPAN)

- Developed rate models for this service
- Proposed rates vary by assessed level of need, based on assumed larger payments to home providers when supporting individuals with greater needs

	Tier 1	Tier 2	Tier 3	Tier 4
Assumed Annual Payment to Home (per person)	\$41,975	\$47,450	\$52,925	\$58,400

- Agencies would not be required to pay their subcontracted homes the assumed amounts, but would be required to pay at least 65 percent of the total rate
- Propose to eliminate “Increased Level of Support” rates
 - Agency-provided direct support staffing would be separately authorized and billed
- Separate rates for homes with one, two, or three residents
 - Rate models assume subcontracted homes receive full payment for each person
- Rate models also include assumptions for agency expenses such as recruiting, overseeing, supporting and training home providers

SHARED LIVING (SECTIONS 20, 21, 29 AND LIFESPAN) (CONT.)

Service		Unit	Current Rate ^{1,2}	Proposed Rate	% Change
Tier 1	1 Member	Day	\$189.49	\$173.52	(8%)
	2 Members	Day	\$142.12	\$160.11	13%
	3 Members	Day	\$113.69	\$155.64	37%
Tier 2	1 Member	Day	\$189.49	\$191.92	1%
	2 Members	Day	\$142.12	\$178.52	26%
	3 Members	Day	\$113.69	\$174.04	53%
Tier 3	1 Member	Day	\$189.49	\$210.32	11%
	2 Members	Day	\$142.12	\$196.91	39%
	3 Members	Day	\$113.69	\$192.45	69%
Tier 4	1 Member	Day	\$189.49	\$228.73	21%
	2 Members	Day	\$142.12	\$215.32	52%
	3 Members	Day	\$113.69	\$210.84	85%

¹ For comparability purposes, current rates have been converted to a 350 billing day equivalent

² Proposed rates unbundled agency-provided direct supports so Increased Level of Support rates are not listed

COMMUNITY SUPPORTED LIVING (LIFESPAN)

- Provides supports to an individual in a community residence of their choosing
 - Supports are both planned and as-needed
 - Individuals may choose to live together to share supports
- Proposed payment model
 - Monthly payment unit
 - Rates vary based on assessed needs, with more hours assumed for individuals with greater assessed needs

	Tier 1	Tier 2	Tier 3	Tier 4
Weekly Hours of Support	15	20	22	25

- Rate model also includes other supports
 - Coordination functions
 - On-call costs to provide 24-hour / 365-day support
 - Professional supports

COMMUNITY SUPPORTED LIVING (LIFESPAN) (CONT.)

- Proposed payment model billing rules
 - Providers bill the full monthly rate if they deliver at least 80 percent of the hours assumed in the rate model
 - Only in-person hours count towards the threshold
 - Intended to account for the variability in service needs (e.g., in some months, an individual may require more than 100 percent of the assumed hours)
 - If a provider does not achieve the 80 percent threshold in a given month, the provider bills separately for oversight/ coordination and direct support
 - Monthly oversight and coordination rate covers 'fixed' expenses such as on-call costs and program coordination
 - Direct support is billed at an hourly rate for the number of hours of support actually delivered

COMMUNITY SUPPORTED LIVING (LIFESPAN) (CONT.)

Service	Unit	Proposed Rates – Bundled	Proposed Rates – Unbundled
Tier 1	Month	\$5,366.30	\$2,339.47
Tier 2	Month	\$6,279.83	\$2,339.47
Tier 3	Month	\$6,645.23	\$2,339.47
Tier 4	Month	\$7,953.79	\$2,729.29
Direct Support, Standard	15 minutes		\$11.05
Direct Support, Tier 4	15 minutes		\$11.90

HOME SUPPORT-REMOTE MONITORING (SECTIONS 18, 20, 21, AND 29, AND LIFESPAN)

- Propose to revise the billing approach for Remote Monitoring
 - Establish a \$250 billing unit for monitoring function
 - Replaces current hourly billing approach
 - Up to six units per month can be authorized as part of the person-centered planning process based on the amount of support needed
 - Need for remote interactive support would be incorporated in the number of authorized billing units and would not be separately billable
 - In-person responses would continue to be billed based on a 15-minute rate
- Not available as a paid service in provider-controlled settings (e.g., a group home provider can arrange for remote monitoring, but would pay the cost out of their per diem rate)

COMMUNITY MEMBERSHIP-GROUP / COMMUNITY SUPPORT (SEC. 21 & 29) AND FACILITY-BASED DAY PROGRAM (LIFESPAN)

- Developed rate models for this service
- Rates vary by location of service (community or center-based)
 - Community rates are higher due to smaller group sizes and mileage expenses
 - If an individual receives facility-based and community-based rates on the same day, provider would bill both rates
- Rates vary based on assessed need
 - More intensive staffing assumed for individuals with greater needs
- Reduced staffing ratios compared to current standards
 - Regardless of group composition, providers have to meet minimum standards (1:6 in a facility and 1:4 in the community)

Service	Tier 1	Tier 2	Tier 3	Tier 4
<i>Facility-Based</i>				
Current	1:3	1:3	1:3	1:3
Proposed	1:6	1:5	1:4	1:3
<i>Community-Based</i>				
Current	1:2	1:2	1:2	1:2
Proposed	1:4	1:3	1:2	1:2

COMMUNITY MEMBERSHIP-GROUP / COMMUNITY SUPPORT (SEC. 21 & 29) AND FACILITY-BASED DAY PROGRAM (LIFESPAN) (CONT.)

Service	Unit	Current Rate	Proposed Rate	% Change
<i>Facility-Based</i>				
Tier 1	15 Minutes	\$6.84	\$4.27	(38%)
Tier 2	15 Minutes	\$6.84	\$4.68	(32%)
Tier 3	15 Minutes	\$6.84	\$5.25	(23%)
Tier 4	15 Minutes	\$6.84	\$6.58	(4%)
<i>Community-Based</i>				
Tier 1	15 Minutes	\$6.84	\$5.74	(16%)
Tier 2	15 Minutes	\$6.84	\$6.72	(2%)
Tier 3	15 Minutes	\$6.84	\$8.68	27%
Tier 4	15 Minutes	\$6.84	\$9.21	35%

- Lower rates primarily due to reduced staffing ratios (which reduce provider costs)



NEXT STEPS

BURNS & ASSOCIATES
A DIVISION OF HMA

PUBLIC COMMENTS

- Draft recommendations are published for public comment at <https://www.healthmanagement.com/burns-reports/oads-rate-study/>
- Written comments should be submitted to OADSRateStudy@healthmanagement.com and will be accepted until April 29
 - All comments will be reviewed and summarized
 - Consolidated document of comments and responses will be published
 - Rate models will be revised as appropriate

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