

Data Collection and Rate Setting

Aged and Disabled Waiver
Traumatic Brain Injury Waiver
Personal Assistance Service

August 25, 2022

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Agenda

- ▶ Introduction
- ▶ Project Background
- ▶ Cost Survey Results
- ▶ Overview of Rate-Setting Process
- ▶ Draft Rate Builds
- ▶ Next Steps

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Introduction

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Introduction – DHHS

- ▶ Lily Kathee-Harner, DHHS Deputy Director DDD
- ▶ Jeremy Brunssen, DHHS Deputy Director MLTC
- ▶ Karen Houseman, DHHS Program Manager II DDD
- ▶ Danny Vanourney, DHHS Administrator MLTC
- ▶ Swikriti Lamichhane, DHHS Project Manager DDD
- ▶ Charles Waity, DHHS Data Administrator DDD
- ▶ Marlinda Mead, DHHS Program Manager DDD



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Introduction – Optumas Team

- ▶ Martin McNamara, PSM, Project Lead
- ▶ Caleb Lavan, Senior Manager
- ▶ Max Breitweiser, Consultant
- ▶ Andrew Hawn, Consultant
- ▶ Jonathan Kotchevar, Consultant
- ▶ Ainsley Ramsey, Project and Actuarial Support
- ▶ Megan Frenzen, MSc, PhD, Subject Matter Expert



CBIZ Optumas
Consultants • Actuaries • Economists

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Introduction – Myers and Stauffer

- ▶ Krista Stephani, CPA, Project Manager
- ▶ Lesley Beerends, MBA, CPA, Senior Consultant



**MYERS AND
STAUFFER** LC
CERTIFIED PUBLIC ACCOUNTANTS

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Background, Survey Results, & Overview of Rate-Setting Process

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Project Background

- ▶ DHHS has engaged CBIZ Optumas and Myers & Stauffer LC to perform a rate study for:
 - ▶ Aged and Disabled (AD) Waiver services;
 - ▶ Traumatic Brain Injury (TBI) Waiver services; and
 - ▶ Personal Assistance Services (PAS) on the State Plan.
- ▶ Providers had the opportunity to participate in a cost survey, reporting the cost of delivering waiver and/or PAS services. The survey closed June 24, 2022.
- ▶ CBIZ Optumas is developing rate model recommendations for consideration. These are intended to aid DHHS in setting future rates, subject to budget constraints and approval.
- ▶ The rate models presented today are DRAFTS and expected to change after incorporating stakeholder feedback.
- ▶ A final of the rate model version will be presented to stakeholders mid November.

Cost Survey Results

The following cost surveys were completed:

- ▶ 24 from assisted living providers;
- ▶ 14 from other provider agencies; and
- ▶ 167 from independent providers.

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Rate Development Process Overview

The following are all parts of the rate development process:

- Hourly wage for direct service professionals (DSPs);
- Employee-related expenses (ERE)*;
- Staff availability*;
- Program support*;
- Administration;
- Staffing per unit/staffing ratios; and
- Rate structure example.

** Represent alternative costs for independent providers*

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Hourly Wage for DSPs

- ▶ Data Sources:
 - ▶ Bureau of Labor Statistics (BLS) wage data
 - ▶ Data from providers
- ▶ Trend data, as appropriate
- ▶ Program changes:
 - ▶ Minimum wage changes
 - ▶ Other changes
- ▶ Consideration of recent wage changes

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Employee-Related Expenses (ERE)

- ▶ ERE accounts for the non-wage costs related to employees, such as FICA and medical insurance
- ▶ Data Sources:
 - ▶ Data from providers
 - ▶ Similar models in other states
- ▶ Applied as a **percent of wages**

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Staff Availability

- ▶ Accounts for time required to provide the service that is not direct service time (not billable)
- ▶ Data Sources:
 - ▶ Data from providers
 - ▶ Similar models in other states

Total Hours	
Regular Hours	88%
Overtime Hours	5%
Holiday Hours	2%
Vacation Hours	4%
Sick Hours	1%
Other*	0%
Billable Hours	93%
Availability Factor	1.08

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Program Support

- ▶ Non-DSP service-specific component of the rate, such as supervision or clinical support
- ▶ Data Sources:
 - ▶ Data from providers
 - ▶ Similar models in other states
 - ▶ Service definitions
- ▶ Applied as a **percent of wages**

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Administration

- ▶ General business supports that are necessary for providing services
- ▶ Data Sources:
 - ▶ Data from providers
 - ▶ Similar models in other states
- ▶ Applied as a **percent of rate**

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Staffing per Unit/Staffing Ratios

- ▶ Matches the number of DSP hours to the service unit
- ▶ Data Sources:
 - ▶ Data from providers
 - ▶ Similar models in other states
 - ▶ Service definitions
- ▶ Applied as a **multiplier to other components**

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Draft Rate Builds

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Draft Rate Build – Personal Assistance Service

	Rate Buildup
Wage	\$ 16.75
ERE	20.00%
Availability	1.39
Adjusted Wage	27.93
Program Support*	38.70%
Administration*	15.35%
Total Per Staff Hour	\$ 43.63
Hours	0.25
Rate (Quarter Hour)	\$ 10.91

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Personal Assistance Service (Ind)

	Rate Buildup
Wage	\$ 16.75
ERE	8.28%
Availability	1.18
Adjusted Wage	21.47
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 22.92
Hours	0.25
Rate (Quarter Hour)	\$ 5.73

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Personal Care Service

	Rate Buildup
Wage	\$ 16.75
ERE	20.00%
Availability	1.39
Adjusted Wage	27.93
Program Support*	38.70%
Administration*	15.35%
Total Per Staff Hour	\$ 43.63
Hours	1.00
Rate (Hourly)	\$ 43.63

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Personal Care Service (Ind)

	Rate Buildup
Wage	\$ 16.75
ERE	8.28%
Availability	1.18
Adjusted Wage	21.47
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 22.92
Hours	1.00
Rate (Hourly)	\$ 22.92

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Chore

	Rate Buildup
Wage	\$ 15.37
ERE	14.84%
Availability	1.24
Adjusted Wage	21.88
Program Support*	36.65%
Administration*	15.21%
Total Per Staff Hour	\$ 32.45
Hours	1.00
Rate (Hourly)	\$ 32.45

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Companion

	Rate Buildup
Wage	\$ 15.42
ERE	20.00%
Availability	1.22
Adjusted Wage	22.63
Program Support*	30.00%
Administration*	15.35%
Total Per Staff Hour	\$ 33.42
Hours	1.00
Rate (Hourly)	\$ 33.42

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Companion (Ind)

	Rate Buildup
Wage	\$ 15.42
ERE	8.28%
Availability	1.08
Adjusted Wage	17.95
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 19.16
Hours	1.00
Rate (Hourly)	\$ 19.16

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Adult Day Health

	Rate Buildup
Wage	\$ 18.01
ERE	20.00%
Availability	1.31
Adjusted Wage	28.30
Program Support*	66.00%
Administration*	15.35%
Total Per Staff Hour	\$ 51.81
Hours	1.50
Rate (Daily)	\$ 77.72

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Assisted Living Facility (Urban Single Occupancy)

	Rate Buildup
Wage	\$ 18.65
ERE	21.36%
Availability	1.29
Adjusted Wage	29.13
Program Support*	37.77%
Administration*	18.00%
Total Per Staff Hour	\$ 46.58
Hours	1.80
Rate (Daily)	\$ 83.84

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)



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Draft Rate Build – Extra Care for Children

	Rate Buildup
Wage	\$ 16.75
ERE	20.00%
Availability	1.28
Adjusted Wage	25.68
Program Support*	22.09%
Administration*	15.35%
Total Per Staff Hour	\$ 34.71
Hours	1.00
Rate (Hourly)	\$ 34.71

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Extra Care for Children (Ind)

	Rate Buildup
Wage	\$ 16.75
ERE	8.28%
Availability	1.09
Adjusted Wage	19.82
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 21.16
Hours	1.00
Rate (Hourly)	\$ 21.16

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Home Delivered Meals

	Rate Buildup
Wage	\$ 17.20
ERE	15.00%
Availability	1.11
Adjusted Wage	22.03
Program Support*	60.00%
Administration*	25.00%
Total Per Staff Hour	\$ 43.13
Hours	0.17
Rate (Per Meal)	\$ 7.19

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Personal Emergency Response System

	Rate Buildup
Wage	\$ 25.91
ERE	20.00%
Availability	1.39
Adjusted Wage	43.20
Program Support*	10.00%
Administration*	15.35%
Total Per Staff Hour	\$ 55.29
Hours	1.00
Rate (Hourly)	\$ 55.29

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Respite

	Rate Buildup
Wage	\$ 18.01
ERE	20.00%
Availability	1.27
Adjusted Wage	27.37
Program Support*	38.70%
Administration*	15.35%
Total Per Staff Hour	\$ 42.76
Hours	0.33
Rate (Hourly)	\$ 14.25

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Respite (Ind)

	Rate Buildup
Wage	\$ 16.75
ERE	8.28%
Availability	1.08
Adjusted Wage	19.61
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 20.93
Hours	1.00
Rate (Hourly)	\$ 20.93

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Transportation

	Rate Buildup
Wage	\$ 12.96
ERE	20.00%
Availability	1.19
Adjusted Wage	18.57
Program Support*	10.00%
Administration*	10.00%
Total Per Staff Hour	\$ 50.13
Hours	0.03
Rate (Per Mile)	\$ 1.25

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Transportation (Ind)

	Rate Buildup
Wage	\$ 12.96
ERE	8.28%
Availability	1.05
Adjusted Wage	14.77
Program Support*	0.00%
Administration*	2.00%
Total Per Staff Hour	\$ 40.59
Hours	0.03
Rate (Per Mile)	\$ 1.01

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Home Again

	Rate Buildup
Wage	\$ 16.75
ERE	20.00%
Availability	1.30
Adjusted Wage	26.11
Program Support*	38.70%
Administration*	15.35%
Total Per Staff Hour	\$ 40.80
Hours	1.00
Rate (Hourly)	\$ 40.80

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Home Again (Ind)

	Rate Buildup
Wage	\$ 16.75
ERE	8.28%
Availability	1.12
Adjusted Wage	20.27
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 21.64
Hours	1.00
Rate (Hourly)	\$ 21.64

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

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Draft Rate Build – Independent Skills Building

	Rate Buildup
Wage	\$ 16.75
ERE	20.00%
Availability	1.39
Adjusted Wage	27.93
Program Support*	38.70%
Administration*	15.35%
Total Per Staff Hour	\$ 43.63
Hours	1.00
Rate (Hourly)	\$ 43.63

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Draft Rate Build – Independent Skills Building (Ind)

	Rate Buildup
Wage	\$ 16.75
ERE	8.28%
Availability	1.18
Adjusted Wage	21.47
Program Support*	5.00%
Administration*	2.00%
Total Per Staff Hour	\$ 22.92
Hours	1.00
Rate (Hourly)	\$ 22.92

* Calculated as a percent of Total per Staff Hour/percent of Hourly Rate (for Administration)

Next Steps & Contact Information

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Next Steps

- ▶ Send feedback to martin.mcnamara@optumas.com by Friday, September 2, 2022.
- ▶ CBIZ Optumas will review feedback and incorporate into the rate models.
- ▶ Providers can find more information about this and other projects by subscribing for updates on the following webpages:
 - ▶ <https://dhhs.ne.gov/Pages/Medicaid-Providers.aspx>
 - ▶ <https://dhhs.ne.gov/Pages/AD-Provider.aspx>
- ▶ A follow up meeting will be scheduled to discuss incorporated feedback.

**The rate models presented are DRAFT and expected to change with stakeholder feedback. Recommendations are intended to aide DHHS in setting future rate, subject to budget constraints and approval.*

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Contact

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