



Developmental Disabilities Provider Rate Workgroup Meeting #5 Minutes

April 21, 2022
1:00 PM –4:00 PM (MST)

This meeting was a hybrid meeting with the option to attend in person or join by Zoom. The following is the information to connect into the meeting:

Meeting Room Location:

Montana State Capitol, Room 152
1301 East Sixth Ave, Helena MT

Zoom Invite Information:

Join Zoom Meeting

<https://mt.gov.zoom.us/j/81631227940?pwd=bk14dWZQZmc1NTkxbGVhYkplNWVNQT09>

Meeting ID: 816 3122 7940
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Join by SIP

81631227940@zoomcrc.com

Join by H.323 (Polycom)

<http://162.255.37.11/##81631227940>

Agenda

1. Welcome

Jackie Jandt with DPHHS welcomed attendees to the meeting
Coy Jones with Guidehouse presented the agenda for the meeting and began facilitating

2. Provider Cost and Wage Survey Response Update

Guidehouse presented an update on Survey Response rates.

3. Wage Analysis

Guidehouse presented on the Wage Analysis.

- Attendee: Concern on job coaches. Few responses in survey numbers, so unsure if it is indicative of wages across state.
 - GH: Going back to the data it is smaller numbers, but not concerned that the numbers we do have are not representative, especially when compared to BLS where our numbers are coming in higher. This didn't raise any flags for us. Paid slightly higher premium than DSP, but within a few dollars, which the results match. We got information from 25 FTEs and responses were between \$15 and \$20.
 - Attendee: Entry level wages for DSPs around \$19 an hour. In smaller communities we pay \$1 or \$1.50 lower to start, and a smaller pool to hire from. Higher competition with hospitals and competing against higher pay in hospitals in rural areas, whereas urban areas we are competing with higher pay in retail.
 - GH: Still a work in practice for geographic factors. We recognize there is a need for a geographic factor.
- Attendee: Does this compare non-profit to profit? Non-profits pay quite a bit in bonuses just to supplement pay rates. I'd pay my job coaches a bit less than other providers might because I'm waiting until the end of the year to make sure I have the necessary amount of supplemental pay
 - GH: This is all private employer data. So, it's a combination of for profit and non-profit providers.
- Attendee: I'm surprised that supplemental includes overtime and the response rate was so low for providers reporting that component, did you have that data for DDP providers?
 - GH: We assumed we would see a larger number of providers reporting it, but it was under 1/3. But among the 29, or so providers from who we got this information, it was anywhere between 1-15%. The survey was a large task to complete, it's not surprising that some providers didn't fill out that information. We were most interested in typical wages. We told providers we'd accept partially completed surveys. That probably accounts for the lower response rate. Of 29 providers, 12 were DDP. The range of supplemental pay was 1-15% for most part, there were a few that reported north of 20%
- Attendee: Has there been conversation around supplemental pay program and implications of that for the future?
 - GH: We need more discussion of how a program like that will influence wages.
 - Attendee: And probably not just wages, but retention. That went a huge way toward retaining staff.
- Attendee: When talking about baseline wages are you talking about starting wages?
 - GH: It doesn't include supplemental pay or inflation, it's just raw numbers. When I said "starting" I meant Guidehouse's starting point, not a starting wage. These wages aren't adjusted for overtime pay, supplemental pay, or inflation.

- Attendee: With inflation, when you are building that in at a point in time, how does that carry forward?
 - GH: There's a distinction between a rate study and a rate rebase. A rebase can be frequent and regular, doesn't involve a survey. You could go back to the BLS and look at what has changed over the course of a year, or use one of the inflation indexes we are talking about.
- Attendee: The recommendations for DSP, will be great for some communities and won't work for others who are already at the highest wages they can manage. I look forward to more conversation on that.

4. Employee-Related Expenses (ERE)

Guidehouse presented on Employee-Related Expenses.

- Attendee: When looking at MEPS data, does it look at deductibles?
 - GH: I can't recall if it specifically goes into deductibles. The numbers we're using are simply reflecting what employers are buying. That data may be available, but we didn't assume a particular deductible plan, just pulled what typical plans offer and the employer contribution to that.
- Attendee: Is there any data on MEPS about health insurance and where that goes into the future?
 - GH: I'm not sure that BLS track that in a way that we can pull a number. There are inflation indexes out there that are historical, footnoted in the slides.

5. Administrative and Program Support Costs

Guidehouse presented on Administrative and Program Support Costs.

6. Residential Rate Models

Guidehouse presented on Residential Rate Models.

- Attendee: My understanding is it's almost impossible to find LPNs now, so people are using primarily RNs
 - GH: That's an important policy choice that the state needs to consider. We set the rate with a LPN because the requirement states it needs to be a LPN, but if the reality is only a RN is available in this service, then we can certainly adjust that and reflect the cost for a RN, and it would be more than 10%.
- Attendee: When we serve people in their homes, we can only serve 10 or less per staff because we would be falsifying contracts.
- Attendee: I want to comment – that supervision across 65 people living in homes in community, and one supervisor, 2 admin assistances, plus more just to cover. I don't think it even comes close. The other piece is the transportation, our folks are all over the place. They drive more during the day than they see clients.

- GH: It's still a work in progress when we're looking at mileage assumptions. We are looking at particular mileage assumptions per service, and an area where we may go back to supported living rates and look at what the data is telling us about mileage that is staff travel and not client transportation. But I will note that 27% is a big change, so hopefully some of those costs will be covered with such a substantial increase.
- Attendee: It's really exciting to look at a rate study with such substantial increases, shows that you really looked at the complexities of our state so thank you all for your hard work.
 - GH: Thank you.
- Attendee: One thing that corrals a lot of this is the limitation of the home to have 3-4 people in it, but it's based on the top rate, so you can't have more than what makes up that \$5k in one home. It's a combination, so that rate may not just be about hours, in fact I've never heard of it in terms of hours. It's more about supervision.
- Attendee: We have rate differentials for small agency. What is that?
 - GH: We don't have factors yet for large versus small agency, we are actively working on that.

7. Cost Reporting Update

Guidehouse presented an update on Cost Reporting.

- Attendee: Can you give us more input about what you're asking for with cost reporting?
 - GH: Cost reporting may include information like collecting wages from your organizations and different elements of expenses. The cost and wage survey was very comprehensive. We want to establish a minimum data set that all providers can report on. We will share this template with you. You will review the information we're asking for and if you believe you'll be able to report that information, inform us if you feel like we're missing an integral part of the information. Also want to make sure the template is a user-friendly way of reporting. We will collect this feedback and incorporate it into the final deliverable.
 - Jackie with DPHHS: House Bill 155 is requiring us to report this plan, Poorna is working on a template to incorporate into our plan. So it's just collecting your feedback on the functionality and comprehensiveness of the template.
- Attendee: Will this be mandated for providers down the road?
 - GH: Those are some of the program questions that we want to ask because it really does depend on who is included in this process. I expect that we'll recommend the process be mandatory for the included providers, but one of the questions we want to address is, are you a Medicaid-dependent provider in order to survive as a business. The plan needs to be able to answer this for HB 155. If Medicaid-dependent, they really need the Medicaid rate to be sustainable. In order to come up with a sustainable rate, need to know the cost pressures on these providers. We want to know who is eligible, who it should be mandatory for, and what exemptions should be in place for this cost report.

- Attendee: One of the concerns providers will put forward is we all have different accounting systems. Some of them are pretty in-depth and some are simplistic.
 - GH: That's the feedback we are looking for from the focus group. Given the varied accounting systems, will this template make sense?
- Attendee: I think we need a different system and have for a long time. The state folks have worked very hard with us to be partners in trying to make sure that the state services are provided in a good way, and I feel like every state out there is struggling. I don't know that there is any state that has decent rates, hopefully on a federal level people are paying attention. On a state level, our folks are definitely partners more than opponents and I hope they know that.

8. Public Comment

- There were no public comments.

Adjournment @ 2:00 PM (MST)

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