

Senior and Long Term Care Provider Rate Workgroup Meeting Minutes

March 22, 2022

11:00 AM (MST) – 2:00 PM (MST)

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. Update on Survey Submissions

Guidehouse presented an update on the Survey Submissions.

- Attendee: Wanted to comment that perhaps the anomaly with assisted living is due to the fact that you're capturing large and small providers based on Medicaid participation. Quite often the smaller facilities are the ones doing a quite a bit of Medicaid, and so they're probably hitting the threshold but they're still small facilities in terms of their ability to understand and complete the survey. Many of the large assisted living facilities (ALFs) simply don't participate in Medicaid, so I do think what you're calling a large facility and expecting to participate at normal rates are probably not large, and some of what you're looking at as small are not truly small. I don't think this is reflective.
- Attendee: Following up on the previous comment, what are your plans going forward? Are you going to take the 9% for assisted living and run with it? Is there an effort to get more survey responses?
 - GH: We have done extensive outreach to the ALFs, including some dedicated meetings and putting together materials specific for ALF that we didn't do for other provider groups. We tried to make it clear that the types of data we were looking for were not hard to collect. There's not much more we can do in terms of designing other survey instruments since we are asking for straightforward data in terms of wages. I don't see what additional outreach will add. We do have a small sample size, however when you consider the majority of the costs in these services is dominated by wage and personnel costs, you're dealing with labor pools that are fairly similar to other populations that we are covering, so we can draw from those. We have a strong enough sample size to see what is different amongst ALFs, and also SLTC-funded services – we are seeing some contrast in wages between SLTC and other services. The data we are getting is falling within expectations. We want to have a big enough sample to see the contrast between SLTC and other population, but we are particularly

looking at costs that are similar among programs. DSPs, home health aids, personal assistants are the dominant practitioners and we have significant data on these roles. The key piece where we may have gaps will be around some service-specific features of the ALFs, but these are the kind of factors that aren't always captured well in a survey and is one of the reasons we form a workgroup to ensure rate models really reflect service delivery.

3. Wage Analysis

Guidehouse presented on the Wage Analysis.

- Attendee: We were reported under one ID for years, but then we were told to use new numbers based on location. We put these into new billing system, which crashed, and they told us to hold off for now until hopefully June. When you talk about these provider ID numbers, I don't think you can find good data on that because it's a mess at least for our company.
 - GH: I can't speak to your particular situation, but it's common for us to receive a survey that's been filled out for several locations all under a single enterprise. You wouldn't be the only provider that might show up under multiple organizational IDs in the claims data.
- Attendee: As I was going through the process, I became aware that there was no way for us to demonstrate presently the staffing shortages that we are all experiencing right now. My concern is, I think this is our golden opportunity to share this with the legislature and if we don't also show them the lengths we have to go through right now to fill these positions, they aren't going to understand how important wages are in the bigger context.
 - GH: The survey data is not showing where the shortages are. You are correct, there is nothing in the survey to reflect current vacancies and you're not the only one to raise that concern. We are discussing how data of that sort might impact rate calculations and how that information might be useful to think about wages as a whole. We are looking at reported wages as they exist today.
- Attendee: Two key areas to spearhead this would be overtime and amounts of contracted direct support.
 - GH: Even though we didn't ask a lot of questions about vacancies, the overtime you suggested is a good indirect indicator that there are shortages. If you have a lot of people using overtime, that gets expensive very quickly. In optimal operating conditions, we shouldn't see a lot of overtime. We know it's being used to overcome limitations and for retention purposes.

4. Wage Trends

Guidehouse presented on Wage Trends.

5. Benefits Reporting

Guidehouse presented on Benefits Reporting.

6. Peer State Comparisons: Representative Service Rates

Guidehouse presented on the Peer State Rate Comparison.

- Attendee: You might have different categories that I can't relate to, so I think it'd be beneficial to ALF folks if we had a chart that had labor specific to ALF.
 - GH: The numbers specific to ALF would be in the residential column. That's the service category you want to look at. Given the goals of our rate study, we do need to look at these numbers more broadly
- Attendee: I don't see the staffing shortage changing at all anytime soon for these providers, so somehow we do have to bake in what they need to do to hire workers.
 - GH: I don't want to be misinterpreted as saying I'm not inclined to count the additional costs of things like overtime. I'm not inclined to represent mandatory overtime within the rates. What I'm interested in is a rate that would decrease some of that need for overtime and that burnout rate. That doesn't mean we aren't also adjusting our wage assumptions. If you've got a \$15 hourly wage, and you find that once you include overtime, the real pay is actually \$17.50, what I mean in this case is that I'm inclined to treat \$17.50 as the true wage.
- Attendee: Do you know how at this point you might factor in the contract labor?
 - GH: We collect costs for employees versus contractors. We are very interested in services that may be more reliant on contract labor. We look at what it would cost if these people were your employees.
- Attendee: In the home care section, where are additional calculated costs (non-billable) accounted for in setting rates?
 - GH: We develop assumptions around what those costs are and lost productivity, even things like mileage – there are parts of the survey to collect this information. We ask what time is taken up by traveling and adjust for productivity changes due to non-billable time.

7. Public Comment

- Public Attendee: The wages reported are highly dependent on DCW funding. How is that being calculated into the study?
 - GH: This will be addressed as we go.

8. Next SLTC Workgroup meeting is scheduled for April 20, 2022 from 1-4pm MST. This will be an in-person meeting with a virtual option. Meeting will be held in room 303 of the Capital Building in Helena, MT.

9. Adjournment @ 2:00 PM (MST)

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