

**Attachment 6: Addendum to Presentation of Draft
Rate Models**



BURNS & ASSOCIATES
A DIVISION OF
HEALTH MANAGEMENT ASSOCIATES

**Rate and Payment Options Study
Public Comment Addendum**

- prepared for -

**Rhode Island Department of
Behavioral Healthcare,
Developmental Disabilities and
Hospitals**

January 13, 2023



■ Purpose of Presentation

- + Provide overview of the changes to *initial* recommendations from the rate and payment options study
 - + In consideration of Public comments received, changes have been incorporated into the Rate Models
 - + This packet denotes the specific changes in assumptions and/or methodology incorporated into the rate models
 - + All changes noted, would be as compared to the version previously provided October 14, 2022



RATE MODEL CHANGES

BURNS & ASSOCIATES, A DIVISION OF HMA

■ Summary of Results

- + Overall, proposed rates continue to provide for an increase to provider revenues by 20 to 25 percent compared to current (fiscal year 2023) rates
 - + These increases are in addition to the substantial rate increases – generally 30 to 35 percent – granted during the last two fiscal years
 - + Rate increases vary by service with the largest increases associated with services that have not been adjusted in recent years
 - + A very small handful of proposed rates for individual services are lower than current rates (but higher than the rates in place prior to the recent increases)

■ Payroll Tax and Fringe Benefit Assumptions

- + Benefit assumptions for direct care staff
 - + \$619.05 per month for health insurance
 - + Based on an 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 Rhode Island specific data from U.S. DHHS' Medical Expenditure Panel Survey)
 - + An additional adjustment to inflate costs from 2021 to 2024 was incorporated. Adjustments of 2%, 6% and 6% (per year) were compounded to the prior assumption
 - + This change will have the effect of increasing the ERE contribution percentage for all services

■ Group Homes – Bases of Rates

- + Proposed rates **will not** vary by home size
 - + Single rate for homes developed

- + Professional services will remain ‘bundled’ within the 24-hour Group Home services and will not be separately billable

■ Shared Living Arrangement – Payment to Home Providers

- + In addition to the standard model, proposal adds rates for models where the Shared Living home provider is responsible for the total care of the individual (that is, the individual does not receive other paid or unpaid day or employment services)
 - + For Tiers A, B and C
 - + Rate models assume 35 percent increase in the payment to the home provider
 - + For Tiers D and E
 - + Rate models assume 70 percent increase in the payment to the home provider
- + This enhanced rate previously included an allowance for Respite, which has been removed to align with the standard model

■ Community-Based Supports and Center-Based Supports – Bases of Rates

- + While in the proposed methodology, each tier is associated with an assumed staffing ratio, there will not be any requirements on the programs to maintain a pre-defined staffing ratio
- + In addition to the group rates, a one-to-one rate for center-based services has been added to the rate schedule

■ Respite – Bases of Rates

- + The approach to the rate for Respite, Daily has been altered from the proposed rates
 - + Rates for multiple individuals (1:2 and 1:3) have been eliminated
 - + The 1:1 rate has been set to be equivalent to the Enhanced SLA, Tier E rate to comport with the general use of the service
 - + Further, the Respite, Daily rate will only be billed when more than nine (9) hours of services are provided

■ Job Discovery and Job Development – Overview

- + For Job Discovery

- + The title has been amended to Discovery

■ Job Coaching – Bases of Rates

- + To account for additional responsibilities within the Therap program, an additional 0.50 hours per week have been added to the non-billable activities for Job Coaching under the Recordkeeping and Reporting category
- + Reimbursement to providers will continue to be based on the number of hours of support provided

■ Transportation - Bases of Rates

- + Rates based upon the number of individuals transported on a one-way trip have been eliminated.
- + A single rate for all transportation billings is now included

■ Professional Services – Bases of Rates

- + Additional licensed categories have been added to the proposed rates
 - + BCABA
 - + Licensed practical nurse
- + As with other categories these proposed rates vary by location (office/ clinic/ telehealth, and home/ community)

■ Support Facilitation and Fiscal Intermediary – Overview

- + The proposal related to the Fiscal Intermediary has been retracted.
 - + BHDDH will continue to reimburse for these services under the current structure using the current Support Facilitation rate structure
 - + The expectations of this service will likely be impacted by the implementation of Conflict Free Case Management thus precipitating the withdrawal of the proposed rate
- + Current Supports Brokerage service covers both information and assistance with self-direction and fiscal intermediary services
 - + The proposal to revise the service name to Support Facilitation has been withdrawn and the current name of Supports Brokerage has been retained