PUBLIC COMMENTS AND RESPONSES

In April 2024, the Utah Department of Health and Human Services' Division of Services for People with Disabilities (DSPD) initiated a study to review payment rates for most services covered by the Acquired Brain Injury Waiver, Community Supports Waiver, Community Transitions Waiver, Limited Supports Waiver, and Physical Disability Waiver. DSPD contracted with the Burns & Associates division of Health Management Associates (HMA-Burns) to conduct this study.

The rate study process encompassed several tasks, including:

- A thorough review of current service requirements and payment policies
- Meetings with DSPD to learn about the service system and payment structures
- Formation of a rate study advisory group that was convened to gather input on system strengths and areas for improvement
- Administration of a provider survey that was emailed to all providers to collect information regarding program designs and costs
- Identification of other data sources to inform the development of rate recommendations, including cross-industry wage and benefit standards and rates paid for comparable services in Utah and other states

Based on this work, initial recommendations were developed for DSPD and presented in a webinar on September 3, 2025. The webinar explained the recommendations, provided information on how to access the initial rate models for review, and opened a 30-day public comment period.

Comments were received in writing from 21 commenters. Of those, 16 were provider agencies, 2 were provider associations, and 3 were advocacy organizations and other interested parties. This report summarizes all comments received during that public comment period.

Several changes to the final recommendations have been made in response to comments, including:

- Urban and rural rate models were pulled back, the final recommendation is to have one, statewide rate model for services included in the rate study
    - The wage assumption in each rate model will be based on statewide Bureau of Labor Statistics (BLS) data, meaning the proposed 10% enhancement to urban wages has been removed
    - Travel assumptions were adjusted to reflect an average of what was calculated for the urban and rural rate models separately
- Final rate models include an administrative rate of 12%, this is an increase from the 10% proposed in the initial recommendations
- An exceptional rate has been added for Host Home (HHS) and Professional Parent Supports (PPS)
- The proposal for a daily rate for Motor Transportation Program (MTP) has been withdrawn and new, mileage-band rate models are included in the final recommendation

General Comments

Several commenters noted that services are underfunded and expressed appreciation for the rate study approach as well as the resulting recommendations. One commenter expressed concern about the overall size of the potential funding increase in comparison to current provider costs.

HMA-Burns and DSPD appreciate the support for the rate study process.

HMA-Burns rate studies focus on development of independent rate models that support transparency and payment consistency. The proposed rate models are not intended to reflect providers' existing costs as these costs will be constrained by the rates providers are currently paid. Instead, the goal is to develop rates that reflect market-based costs to ensure services are financially viable.

Person Centered Supports

Commenters recommend that rate structures and staffing ratios be designed to preserve individual choice, maintain access to one-to-one supports, and encourage smaller, person-centered service settings. They urge the state to avoid policies that could inadvertently promote larger, institutional models or reduce access for those with higher support needs.

The proposed rate models allow for individualized support in group settings, with the hours of support needed for each individual accounted for in the overall tier and rate for the group.

The size of groups in the proposed rate models reflect service options as they exist today. Future policy changes that impact setting size would need to be considered in future rate reviews.

One-to-one service authorization processes are expected to continue as they exist today.

Move to Tiered Rates

Commenters expressed mixed views on the proposed changes to rate models for several services. Specifically, they noted that the recommendation to shift away from the DHHS worksheets to averaging client hours by location was made without sufficient input. While some supported the recommendation for its potential to reduce administrative burden, others highlighted new challenges introduced by the tiered system and raised concern about potential new administrative burdens on providers.

Concern was raised about situations where a person with higher needs leaves a home, potentially incentivizing the provider to accept clients with lower needs but receive the same rate. Other commenters stated replacement of individual rate worksheets with the recommended rate models do not adequately cover the costs of providing services.

DSPD will continue to engage with stakeholders as implementation plans for the final recommendations are developed.

Policies and procedures will need to be developed to operationalize the tier model, which is based on the total hours of service provided to all residents of a group home, and participants in a day program group, employment preparation program or group supported employment. Policies will also be needed to approve changes to tier assignments when staffing changes, based on the number and/or needs of participants served.

With the example raised, rates for all residents will be adjusted when a new person moves into a home or starts with a new day program group. Rates will be adjusted to ensure hours for the tier and corresponding rates account for the needs of current group members, and do not include hours identified for people no longer in the group. For example, if a person with lower needs leaves a home and a person with higher needs moves in, requiring more overall staff hours, the assigned tier for the home would be adjusted to reflect the new staffing level for the home.

Tiered rates can support people with different levels of need in the same home or day program. Individual choice will not be limited because hours will be adjusted for all residents and/ or day program participants when a new person permanently joins or leaves a group.

URBAN VS. RURAL RATES

Commenters raised concerns about implementing separate rates for urban and rural areas of the state. They noted that many disability service providers in Utah operate across multiple counties, making it difficult to manage variable staff rates for each county in addition to tiered rates for individuals in services.

Based on public comments and modest variation between the proposed urban and rural rates for most services, HMA-Burns has withdrawn the recommendation for separate urban and rural rates. Consistent with current practices, final proposed rates are the same statewide.

Travel assumptions in the statewide rate models were adjusted to reflect an average of the calculation for the separate urban and rural rate models. The wage assumptions in the rate models reflect the statewide medians reported by the Bureau of Labor Statistics (BLS).

DSP WAGES

One commenter felt the assumed wage for direct support professionals (DSPs) is too high. Other commenters said the wage assumptions in the proposed rate models reflect the 'true cost' of recruiting, hiring, and retaining DSPs.

Wage assumptions in the rate models are based on Utah-specific wage information published by the Bureau of Labor Statistics (BLS). For direct support professionals, the wage assumption is based on a weighted average of multiple BLS job classifications to reflect the varied roles of DSPs. The rate study applies a 12.46 percent inflationary adjustment to address the length of time between when the data was collected and when the new rates are projected to be implemented, 20 months at 7.3 percent (ten-year average).

BLS Standard Occupational Classification	Weight	BLS Wage without Inflation	Inflated Wage
Home health and personal care aide (31-1120)	60%	$17.29	$19.44
Social and human service assistant (21-1093)	10%	$19.47	$21.90
Nursing assistant (31-1131)	10%	$18.51	$20.82
Psychiatric aide (31-1133)	10%	$17.02	$19.14
Recreation worker (93-9032)	10%	$14.93	$16.79
Total	**100%**	**$17.37**	**$19.53**

As the table shows, the rate study includes a DSP wage assumption of $19.53 per hour. Costs for recruiting, hiring, training, and retaining DSPs are captured in other areas of the rate models including the administrative and program support assumptions.

HEALTH INSURANCE

A commenter raised concerns about the health insurance cost estimates. They noted that the rate models include $739.80 per employee per month for direct care workers, which is higher than providers' current costs. The commenter noted that larger providers are already required to offer health insurance, so the costs are already covered. It was noted that if funded, the Legislature should require benefits be provided.

Health insurance costs were estimated based on Utah-specific data from the United States Department of Health and Human Services' (DHHS) Medical Expenditure Panel Survey (MEPS) related to take-up rates, plan types (employee only, employee plus-one, and family), and employer costs. Based on MEPS data for private sector employers in Utah, the rate models assume an overall employee participation rate of 74 percent. Additionally, because the MEPS data reflects 2023 costs, the rate models apply an inflationary adjustment to the cost of each plan type.

As noted by the commenter, the resulting cost estimate exceeds providers' current costs. However, providers' expenses are constrained by current reimbursement rates, which may not allow them to offer high quality plans. For example, plans may not cover families or include low deductibles. The use of market-based cost data is intended to allow providers to effectively compete for high-quality staff.

PROGRAM SUPPORT COSTS

Commenters expressed concerns about how costs are categorized between program support and direct support in the rate study. They believe that some activities reported by providers as direct support were instead classified as program support or productivity assumptions. This may have led to an overstatement of direct support costs and an understatement of program support costs, potentially misrepresenting the true costs necessary for high-quality services.

The proposed rate models include funding for program operations including supervision, quality oversight, training, curriculum development, and other program-specific expenses. The rate models do not seek to delineate specific assumptions for every individual program support cost. Based on the analysis of data from the provider survey conducted as part of the rate study, we believe the mix of support costs compared to direct support costs is reasonable.

Overall, program support equates to about 12 percent of the recommended rates. Since the recommended rates are roughly 24 percent higher than current rates, the program support funding equates to about 15 percent of current rates. In comparison, provider survey responses indicated a program support rate of 9.2 percent.

ADMINISTRATIVE COSTS

Commenters expressed concern that the rate study does not adequately account for administrative costs. They emphasized that these costs—such as insurance for vehicles used in

client transportation and medical liability insurance for providers—are essential, unavoidable expenses that directly affect the quality and stability of service delivery.

The proposed rate models do not seek to delineate specific assumptions for every individual administrative expense. The composition of administrative costs is expected to vary from one provider to another so the assumed administrative rate is intended to represent a reasonable average.

The rate models include 12 percent of the total rate for administrative costs. Since the final recommended rates for agencies are about 24 percent greater than current rates, the administrative funding in the rate models translates to about 15 percent of current rates, which exceeds the 13.7 percent administrative rate reported in the provider survey.

NEW LICENSING FEES

Commenters request that the recent increases in Office of Licensing fees be incorporated into the rate models.

As described in the previous responses, the rate models include increased funding for program support and administration, which is intended to cover increased costs such the higher licensing fees.

SUPPORT COORDINATION

Several commenters raised concerns about the expansion of support coordinator duties. While there was some support for reducing caseload sizes, many expressed reservations about a strict cap, especially in rural communities. Commenters recommend that caseload caps remain flexible and be determined by individual coordinators and agencies. They also suggest that any rate, caseload, or workload recommendations be considered a new baseline, with future cost-of-living adjustments not used to justify further increases in administrative or contractual workload. Consideration should be given to grandfathering experienced staff during transitions, and to the cumulative impact of new requirements on workload and compensation. The potential for additional SCE responsibilities tied to moving other services to tiered rates was noted as a future workload issue.

The proposed rate model for Support Coordination accounts for anticipated workload increases in the new contract by assuming an average caseload of 34, which is lower than the average reported in the provider survey of 36.

HMA-Burns continues to recommend reducing the maximum allowable caseload from 46 to 40 cases to ensure alignment between service levels and payments. As noted, the rate model assumes an average caseload of 34; if providers are operating at a caseload of 46, individuals are receiving less support than assumed. The recommended caseload maximum remains above the rate model assumption to offer some flexibility and to account for turnover, onboarding new cases, differences in individual acuity, and similar operational considerations. If the maximum allowable caseload remains 46, HMA-Burns recommends increasing the caseload assumption in the rate model, which would reduce the rate.

344-Day Billing Limit

Commenters discussed the recommendation to establish a 344-day billing year for Host Home Services (HHS), Professional Parent (PPS) and Residential Habilitation Supports (RHS). Some noted that, while paying providers for a full year of service over 344 days is not a major issue, the proposal introduces operational and accounting complexities.

The proposed 344-billing day proposal ensures providers will not experience a loss in revenue if an individual is occasionally absent from their home. The proposed rate models for these services estimate the annual cost of providing care, but rather than dividing this cost by 365 days, the models divide by 344 days. This results in a higher daily rate, ensuring providers earn a full year of revenue even if the individual is absent for up to 21 days. Since a provider is fully paid for a full year of support after they bill for 344 days, they cannot bill for more than 344 days.

Using the proposed rate for a four-bed, level 4 home with an assumed annual cost of $157,005 (which translates to $430.15 per day, or $456.41 based on a 344-day billing year), the table below compares the revenue a provider would earn at various levels of attendance.

Days Present	Revenue at 344-Day Rate	Revenue at 365-Day Rate	Difference
365	$157,005	$157,005	$0
355	$157,005	$152,703	$4,302
344	$157,005	$147,971	$9,034
330	$150,615	$141,949	$8,666

As the commenter says, operational changes within agencies may be needed to adjust to the change in billing. However, HMA-Burns believes the financial benefit to the provider agency offsets the upfront administrative workload.

Residential Habilitation Supports

Commenters stated the recommendation for a six-level structure with rural/urban distinctions across homes of three to six or more individuals is overly complex. Commenters recommend a simplified structure, including a 2-person home rate and development of a custom process for unique arrangements including homes that support people with high needs.

Policies and procedures will be needed to identify initial tier levels for each group home, based on the total number of residents and staff hours provided to all residents. Similar policies and procedures will be needed to accommodate changes in the number of residents and staff hours based on resident needs, on an ongoing basis.

Exceptions policies will need to be developed based on the proposed rate structures for people with higher support needs This may include development of a custom tool to identify hours of support needed by an individual with exceptional needs, while accounting for hours included in the final rate models.

As noted above, the recommendation to have both urban and rural rates has been withdrawn.

HOST HOMES

Commenters identified concerns with the proposed Host Home Services (HHS) rate structure. They noted that the recommended rates would result in a significant revenue loss compared to current rates, particularly for agencies serving individuals with higher behavioral and/or medical needs. Commenters said the proposed rates do not account for the higher costs associated with supporting individuals with greater needs. The proposal to separate out additional supports to be billed separately was supported by a commenter. A commenter also recommended a tiered structure like that proposed for RHS.

Concern was raised about mandating a minimum daily payment amount for contracted home providers because it may blur the distinction between independent contractors and employees. A commenter said agencies often pay contracted providers a higher percentage of the rate than the minimum assumed in the model.

In response to commenters' concerns about supporting individuals with higher needs, a rate for people that meet exceptional need criteria is included in the final recommendations. The exceptional rate includes a family home payment amount that is 25 percent higher than the standard Host Home family payment amount, or $200 per day for the exceptional rate and $160 per day for the standard rate. Review criteria and a consistent process for identifying people with exceptional needs will be needed.

Given the nature of the service, it is difficult to apply an hour-based, tiered rate approach to Host Home and Professional Parent services. Future assessment-informed levels and rate structures may be applied to this service.

The recommended minimum payment amount for Host Home family providers is based on the family payment amount included in the rate model. This does not prevent an agency from paying a family a higher amount. The minimum is proposed to ensure host families are adequately compensated for their efforts. Setting a minimum amount mitigates concerns about interfering in the employer/ employee relationship because one fixed payment amount is not required.

BEHAVIOR CONSULTATION

Commenters expressed that the proposed rate increases for behavior consultants are not sufficient. They noted that these rates will continue to limit providers' ability to recruit and retain BCBA-level staff in a competitive labor market. Commenters said rates should be consistent with Medicaid reimbursement rates for Applied Behavioral Analysis (ABA).

The final recommended rate modes are based on Bureau of Labor Statistics (BLS) data for the following positions:

- BC1 – substance abuse / mental health counselor (bachelor's level, salary of $74,000)
- BC2 – healthcare social worker (master's level, salary of $81,000)
- BC3 – psychologist, classification used for BCBAs (doctorate level, salary of $100,000)

Medicaid state plan Applied Behavioral Analysis (ABA) and DSPD Behavior Consultation services are different services offered under distinct modalities. ABA is available primarily for individuals with an autism spectrum diagnosis and is focused on direct treatment and case supervision. Behavioral Consultation is available to people eligible for several DSPD waivers as

a consultative service that provides education and training to caregivers and staff on techniques designed to decrease challenging behavior.

DAY SUPPORT AND EMPLOYMENT

Commenters raised concerns about the proposed shift to billing Day Support Group (DSG) services in 15-minute increments rather than as a daily rate. They noted that DSG services often require intensive staffing, high transportation costs, and have significant variability in the service delivery model. Concern was raised about the administrative burden to track and bill for services in 15-minute increments. One commenter felt 15-minute increments were not applicable to group settings, suggesting that the DSP would have to only work with one client (and bill for that one client) during each 15-minute segment, ignoring others in the group during that time.

Concern was raised about applying different rates to community settings, as compared to facility settings. It was noted this might impact a person's choice. Additional details on implementation were requested. A commenter indicated the proposed rates do not account for absences in day support settings.

HMA-Burns recommends 15-minute units for day programs because it aligns payments with the amount and type of service provided. It also gives individuals more flexibility to mix and match day support types (facility, community) and employment services without the risk of duplicative billing. Separate unit rates for community and facility settings allow payments to more accurately reflect the cost of service provision, understanding that aspects of community services cost more than facility-based services such as vehicle-related expenses. Appropriately accounting for provider costs when supporting people in different settings should not impact individual choice of service setting.

HMA-Burns is not aware of any state's policy that requires staff providing group support to focus on only one client at a time, ignoring others for that 15-minute unit of time. Rates are based on the expectation that staff support all participants in a group, and the provider bills for each individual at the appropriate rate for the designated staff-to-client ratio during that time.

Policies and procedures will need to be developed to identify group service staffing hours and tiers for Day Support participants by agency, by setting designation (community or facility), and/or other criteria. Policies will also need to establish processes to ensure staffing ratios align with the designated tier and rate for group participants, at a set time interval. The review processes can allow for expected variations by evaluating compliance with tier ratios over a period of time such as a week or a month, rather than expecting rates to be adjusted daily or hourly based on individual absences.

The rate models for Day Support Group services include a member attendance rate of 85 percent to recognize that many costs are fixed regardless of attendance.

MOTOR TRANSPORTATION PROGRAM (MTP)

Commenters raised concerns about the methodology and adequacy of the proposed rates for Motor Transportation Program (MTP) services. Commenters referenced previous studies indicating a range of actual costs and highlighted that recent regulatory changes have increased transportation demands without corresponding rate adjustments. Commenters

propose a session rate that covers transportation to and from the day program, and community trips that now occur during the day program session.

Based on public comments, a new approach is included in the final recommendation which moves trip units into mile "bands" of under 10 miles, 10 to 25, 25 to 40, 40 to 55, and more than 55. Payment rates vary based on the distance traveled to account for higher costs associated with longer trips.

The final proposed rates continue to reflect shared rides, assuming an average of three people per trip. Each billable unit is a one-way trip with a maximum of two billable trips per individual, per day.

The band to be billed is based on the total number of miles traveled for a given trip, defined as starting when the first rider is picked up and ending when the last rider is dropped off. The same band will apply to all riders regardless of the number of miles any given rider is transported.

For example, a trip begins when rider one is picked up. Rider one is driven eight (8) miles to rider two's location (8 miles total). Riders one and two are driven ten (10) miles to rider three's location (18 miles total), and all three riders are driven four (4) miles to their destination, a total of 22 miles. Since the total trip is 22 miles, all three riders are billed at the 10 to 25 mile band, including rider three who was only driven 4 miles.

MTP is funding for trips to and from day program only. Mileage costs for trips taken within the program day are accounted for in the DSG/ DSP rate models.

PERSONAL BUDGET ASSISTANCE (PBA)

Commenters raised concerns regarding the move to quarter-hour billing units for Personal Budget Assistance (PBA). They noted that tracking services in 15-minute increments would significantly increase administrative duties. Additionally, commenters noted that many PBA services are conducted in batches, making the 15-minute increment model impractical. Commenters recommend that PBA rates remain session-based for Residential Habilitation Services (RHS) and be transitioned out of Supported Living (SLH, SLN).

HMA-Burns recommends a 15-minute billable unit for Personal Budget Assistance (PBA) to ensure providers are paid for the amount of service provided. Based on a review of paid claims, about 25 percent of PBA services are currently billed at a 15-minute unit rate. Waiver services are meant to be specific to an individual so the move to 15-minute units for all billing will require changes in how time is tracked for those entities that handle PBA services in "batches".

NURSING SUPPORTS

Commenters noted that the study does not address PN1 and PN2 nursing codes, despite their importance in supporting medically fragile individuals and those transitioning from institutional settings into the community.

Nursing Supports (PN1 and PN2) were outside the scope of this study.

IMPLEMENTATION

Several commenters said that the success of the rate study will depend on how recommendations are implemented. Commenters proposed the establishment of collaborative stakeholder groups to develop an implementation plan. Some suggested that implementation include a transparent and inclusive prioritization process that evaluates services based on their impact to individuals. Others recommended that implementation occur in phases, across all service codes rather than selecting specific service codes for the initial phases of implementation. Inflationary adjustments are noted to be needed if implementation stretches over several years. Others advocated for early adoption of the recommendations and approval of funding.

One commenter addressed the proposed implementation of new rate models, emphasizing the need for a test or sample implementation to determine the actual impact and increased costs. They noted that the funding increase is significant and could divert resources from others, including individuals on waiting lists. Other commenters suggested DSPD review policies in other states that have tiered rates before moving forward with implementation.

DSPD plans to actively engage with stakeholders on development of an implementation plan. Legislative approval for any funding increase will be needed. Policies and procedures will need to be developed to facilitate transition to the recommended tiered levels and rate structures.

ADDITIONAL QUALITY MEASURES

Commenters expressed concern with the implementation of additional quality measures as part of the rate study. They noted that the study's recommendations were developed using the current quality system, and introducing new or expanded measures would fundamentally alter the results and require a reevaluation.

DSPD will work with stakeholders to identify and implement any new quality measures. As discussed above, the proposed rate models include increased funding for program support and administrative, in part to support investment in quality improvement activities.