



**BURNS & ASSOCIATES**  
A DIVISION OF  
HEALTH MANAGEMENT ASSOCIATES

**NOW and COMP Rate Study –  
Final Recommendations**

- prepared for -

**Georgia Dept. of Behavioral Health  
and Developmental Disabilities**

**April 14, 2023**



## ■ Presentation Overview

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- + This presentation summarizes the changes made to the draft rate study recommendations released in December
  - + Recommendations and rates that have not changed can be found at <https://www.burnshealthpolicy.com/georgiawaiverrates/>
  
- + Agenda
  - + Rate Study Overview
  - + Public Comment Process
  - + Public Comments and Recommended Revisions



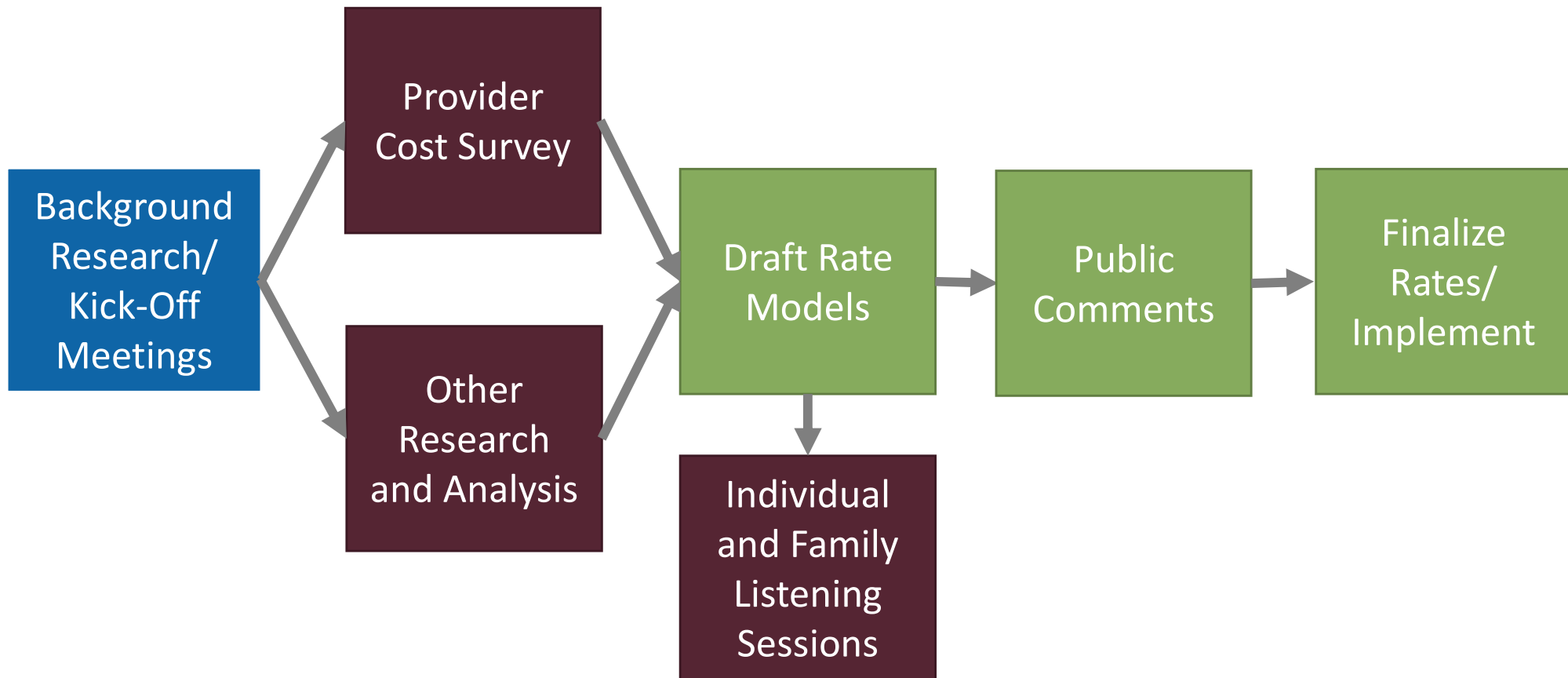
# **RATE STUDY OVERVIEW**

**BURNS & ASSOCIATES, A DIVISION OF HMA**

## ■ Rate Study Overview

- + Rate study includes all waiver services, including an analysis of spending limits
  - + Financial Support Services providers were engaged after the initial set of recommendations; after review, the rate study recommended maintaining the current rate (with all applicable Appendix K increases)
- + Rate models should reflect the reasonable costs providers incur to deliver services consistent with the state's requirements and individuals' service plans
  - + Rate models informed by a review of service requirements, data from a provider survey, benchmark data (e.g., Georgia-specific wage data), and public comments
  - + Rate models were developed independent of budgetary considerations
- + Rate models are transparent, outlining specific cost assumptions
  - + Allows adequacy of rates to be reviewed over time and updated as needed, and can support development and enforcement of service requirements

## Introduction and Overview of Rate Study Process



## ■ Highlights of Rate Proposal

- + Fiscal impact measured as percentage change in spending levels based on current, non-temporary rates and fiscal year 2021 utilization (review of 2020 utilization did not produce a meaningful difference)
  - + Draft rates would increase provider revenues by 37.9 percent
  - + The revised rate models based on public comments would increase provider revenues by about 45 percent
  - + Impacts vary by service and provider
  
- + Cost drivers
  - + Length of time since rates have been reviewed
  - + Need for significant investment (wages and benefits) in direct care workforce to address low wages that hinder recruitment and retention, and impact quality
  - + Rate models additionally increase funding for program support (e.g., supervision, program development, quality assurance)



# **PUBLIC COMMENT PROCESS**

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## Public Comment Process

- + HMA-Burns recorded and posted online a webinar walking through the recommendations
  - + DBHDD issued a special bulletin with a link to the webinar and worked with stakeholder groups to communicate the availability of the information
  
- + A series of meetings was held to present the draft recommendations, including:
  - + Dec. 7: Rate Study Advisory Group
  - + Jan. 3: Service Providers Associations for Developmental Disabilities (SPADD)
  - + Jan. 5: Developmental Disabilities Advisory Council
  - + Jan. 5: Participant-Direction Advisory Group
  - + Jan. 5: Supported Employment providers
  - + Jan. 6: All providers
  - + Jan. 10: Georgia Council on Developmental Disabilities



## Public Comment Process

- + The public comment period ran from December 12<sup>th</sup> through January 20<sup>th</sup>
  - + Requests for extension were granted and all comments received after the deadline were accepted
  
- + 387 comments were received from multiple individuals and stakeholder groups
  - + 220 waiver participants, family members, and other individuals
  - + 157 providers and direct service professionals
  - + 10 others, such as provider associations and advocacy organizations
  
- + All comments were considered, and a summarization of received comments and DBHDD's responses is being developed

A person's hands are shown typing on a laptop keyboard. The image is overlaid with a semi-transparent blue filter. The text is centered over the image.

# **PUBLIC COMMENTS AND RECOMMENDED REVISIONS**

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## ■ Wage Assumptions

- + Wage assumptions in the draft rate models were based on Georgia-specific wage information published by the Bureau of Labor Statistics (BLS)
  - + Generally used the median wage for the relevant BLS occupational classifications for each service
  - + Increased BLS data to account for wage growth since the BLS survey
- + For direct support professionals (DSPs), this approach resulted in a wage assumption of \$15.18 per hour
  - + The wage assumption was 7-15 percent higher than wages reported through the provider survey for key services
  - + Current job postings generally list wages of \$14-\$15 per hour

## ■ Wage Assumptions (cont.)

- + Wage assumptions were a primary concern of commenting providers
  - + For DSPs, many providers recommended using the 75<sup>th</sup> percentile wage of \$18.86 per hour rather than the median wage as recommended
- + In response to comments, wage assumptions were increased for most services
  - + All wage assumptions tied to BLS median wages – including services provided by DSP, Support Coordination, and Supported Employment-Individual have been increased by 10 percent
- + For DSPs, the new wage assumption is \$16.70 per hour
  - + To ensure rate increases are directed to front-line staff, it is recommended that providers be subject to a wage floor requiring them to pay DSPs – excluding those providing Community Access-Group and Prevocational services – at least \$14.00 per hour

## ■ Community Access-Group and Prevocational Services

- + The draft recommendations proposed to replace the current one-size-fits-all rate with rates that vary based on an individual's level of need (as already done with residential services) and setting (with higher rates for community-based supports)
  - + Most rates and overall provider payments would have increased, but some rates would decrease and any provider that primarily delivers center-based supports to individuals with modest needs would experience a reduction
- + HMA-Burns' analysis suggests overall payments would have increased, but many providers suggested revenues would decline and objected to any rate decreases
  - + In response, the rate models for facility-based CAG services have been withdrawn and the current (non-temporary) rate will be maintained
  - + The tiered community-based CAG rates – all of which are now higher than the current rate – would still be implemented to incentivize more integrated services
    - + In response to comments, community-based CAG rate model assumptions were increased for mileage (from 200 to 250 miles per week) and program support (from \$10.00 to \$12.50 per individual per day)
  - + Additionally, no changes will be made to the Prevocational rate and the current (non-temporary) rate will be maintained for all levels of need and settings

## ■ Community Access-Group and Prevocational Services (cont.)

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- + The draft recommendations also proposed to lower the maximum allowable staffing ratio from the current 1:10 to 1:8 in a facility and 1:5 in the community
  - + No changes have been made to this recommendation, but DBHDD does not intend to begin enforcement of the lower requirements until 2025
  - + Based on the provider survey, very few providers operate at a 1:10 ratio so few will have to hire additional staff

## ■ Supported Employment-Individual

- + Current standards permit providers to bill the Supported Employment-Group rate for 'job maintenance' for individuals working at least 60 hours per month, but there is no rate methodology to support the use of the SEG rate in this way
  - + Provider is paid based on the hours an individual works regardless of amount of support provided
- + Draft proposal included a \$340 rate for the first hour of support provided in a month to cover infrastructure costs and then a rate billed for each hour of support provided
  - + Intended to be a short-term solution to allow time for development of a formal framework that pays providers based on hours that an individual works
    - + Requires additional data collection and provider engagement
  - + Rates would vary by level of need (to encourage services for those with greater needs) and length of time on the job (to encourage fading)

## ■ Supported Employment-Individual (cont.)

- + Commenters stated the ‘first hour’ rate with additional billing for supports provided would cut many providers’ revenues
  - + However, a provider’s revenue would increase for any individual to whom they provide at least eight hours of support per month (i.e., providers would only experience a reduction if they are billing \$500-\$700 per month while providing only a few hours of support)
  
- + In response to these comments and ARPA maintenance of effort complications, the short-term proposal has been withdrawn
  - + Current policies for job maintenance would be retained (e.g., the proposal to lower the threshold for billing maintenance to 40 hours worked in a month has also been withdrawn) at the current (non-temporary) rate
  - + Rate for direct job coaching is substantially increased, from about \$35 per hour to about \$60 per hour
  - + DBHDD will work with providers on the longer-term plan (tiered rates based on the number of hours an individual works) for a 2025 implementation



## ■ Community Residential Alternative

- + The draft recommendations proposed to increase the amount of funding that Host Home agencies must pass-through to their contracted homes from 60 percent to 65 percent to align with the rate model assumptions
  - + In response to comments, the current 60 percent ratio will be retained
- + Some commenters objected to the current 344-day annual billing limit for Group Home and Host Home services
  - + This policy is not changing as it benefits providers (effectively paying for up to 21 absences per individual per year)
  - + However, DBHDD will update the policy to reset the billing limit when an individual changes providers during their plan year
    - + With this update, it is impossible for a provider to be worse off with the 344-day rates than with a rate calculated on a 365-day billing year

## ■ Participant-Directed Services – Personal Assistance Retainer

- + Personal assistance retainer (PAR) allows families to pay their Community Living Services staff when the individual is unavailable to receive services
- + The rate study proposed to eliminate the PAR due to limited utilization and other options to achieve the same goal (e.g., paying higher wages to allow staff to save for unpaid time off)
  - + In response to comments, the proposal has been withdrawn
    - + Also applies to CLS agencies
  - + Additional guidance or training will be offered to ensure the appropriate use of the PAR (e.g., the PAR cannot be used to offer paid vacations to their staff)

## Participant-Directed Services – Wage Caps

- + The rate study proposed to establish wage caps on the wages paid to participant-directed staff providing Community Living Services, Community Access-Individual, and Respite
  - + The wage caps were aligned with the staff wage and benefit assumptions in the agency-based rate models
  - + Intent was to ensure compliance with federal law that requires rates (whether for agencies or self-directed services) to be economic and efficient, to establish some parity between DSPs regardless of employer, and to ensure reasonable use of individual budgets

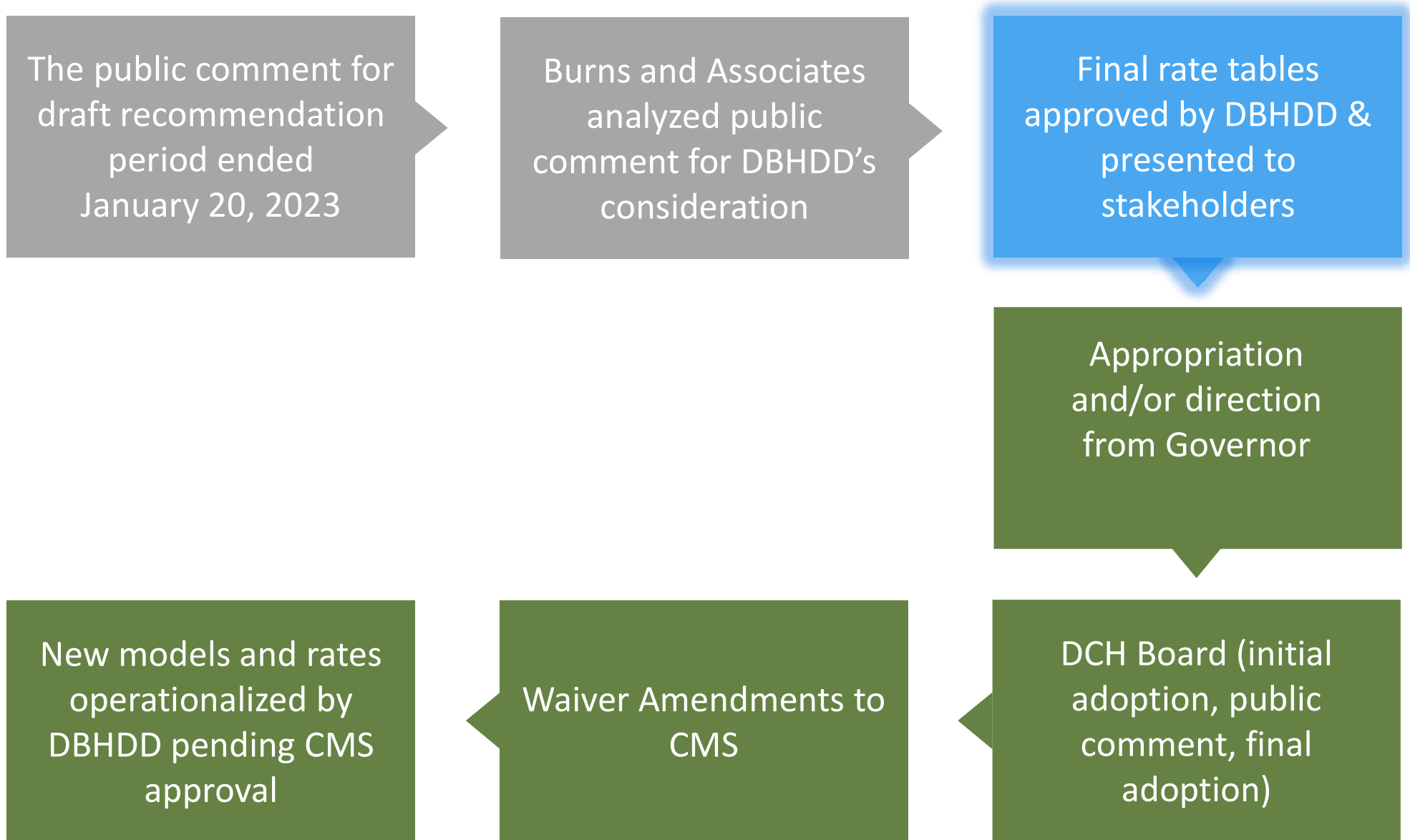
## Participant-Directed Services – Wage Caps (cont.)

- + In response to comments, the recommendations were modified
- + Wage caps would not apply to CAI vendors (but language would be added that their rates must be equal to their usual and customary rates when applicable)
- + Wage caps would be set at the full agency rate (less the cost of payroll taxes) to ensure rates are economic and efficient
  - + Full agency rates (before accounting for payroll taxes)
    - + Community Living Support - \$39.92
    - + Respite - \$37.52
    - + Community Access-Individual - \$42.20
  - + Example of accounting for payroll taxes, assuming these taxes total 12 percent
    - + For CAI, the maximum allowable wage would be \$37.67 (\$42.20 divided by 112 percent)
  - + More than 95 percent of employees are already below the caps

## Other Changes

- + To allow more flexibility in scheduling, daily and monthly limits on CAG and Prevocational services would be eliminated (the annual limit remains)
- + Recordkeeping productivity adjustment was added to 15-minute Respite
- + Billing for Adult Therapies would be expanded (allowing for more activities to be billed) and simplified (consolidated into fewer procedure codes)
- + Lifetime cap on Assistive Technology would be eliminated

## Summary and Next Steps



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