

Provider Rate Study

**Non-Medical Home and Community Based
Services (NMHCBS) Rate and Network Study**

PROVIDER SURVEY INSTRUCTIONS

– distributed by –

BURNS & ASSOCIATES

.....
A Division of Health Management Associates

– on behalf of –

Arizona Department of Economic Security
Division of Aging and Adult Services

February 15, 2024

TABLE OF CONTENTS

Introduction..... 1
 Assistance with the Survey 1
 Overview of the Survey 1
 Completing and Submitting the Survey 2
Definitions 3
 Administration, Program Support, and Direct Care..... 3
‘Admin and Program Staff’ – Administrative and Program Staff - Wage and Benefit Costs 4
Direct Care Worker Costs 5
 ‘Direct Care Wages’ - Direct Care Workers - Wages, Benefits, Turnover, and Training 5
 ‘Direct Care Time’ – Direct Care Workers – Allocation of Work Hours 5
‘Non Staff Expenses’ 6
‘Staffing Pattern’ Sections 6

INTRODUCTION

The Arizona Department of Economic Security (DES) Division of Aging and Adult Services (DAAS) is in the process of conducting a study to determine the adequacy of current payment rates for Non-Medical Home and Community Based Services (NMHCBS) provided through eight regional Area Agencies on Aging (AAA) and their subcontracted providers. Burns & Associates, a division of Health Management Associates (HMA-Burns), has been contracted to assist with this rate study.

The following services are included in this provider survey:


- | | |
|---|-------------------|
| * Adult Day Care/ Adult Day Health Care | * Attendant Care |
| * Case Management | * Home Health Aid |
| * Home Delivered Meals | * Home Nursing |
| * Housekeeping/ Homemaker | * Personal Care |
| * Respite In-Home | * Respite Group |

As part of the rate study, HMA-Burns has developed a survey to collect data regarding providers' service delivery designs and costs. The survey is voluntary, but all providers are strongly encouraged to participate as the information collected will be a key consideration in the rate study.

Data collected through this survey will be used solely for the purpose of evaluating provider payment rates for the services listed above. HMA-Burns will not share individual provider surveys with DAAS, the AAAs, or any other party and only aggregated data will be reported.

Assistance with the Survey

HMA-Burns recognizes that the survey can be complicated, and has established several resources to assist agencies in completing the survey:

- Guidance for many questions is embedded in the survey itself. Within the survey, select the “” icons to access this guidance.
- These instructions supplement the embedded directions and should be reviewed before completing the survey.
- A recorded webinar that provides a detailed walk-through of the survey instrument will be accessible through the web page established for this project at https://www.burnshealthpolicy.com/daas_nhmcbs_ratestudy/. All providers are encouraged to view the webinar.
- Providers may contact Karl Matzinger with HMA-Burns at any time during the survey period at kmatzinger@healthmanagement.com or (480) 210-5679 for assistance or questions.

Overview of the Survey

The survey is a Microsoft Excel file compatible with Excel 2010 and newer versions. Broadly, it is designed to collect information in six primary areas:

- Wages and Benefits of Administrative and Program Support Staff
- Direct Care Worker Wages, Turnover, and Training
- Allocation of Direct Care Worker Paid Hours
- Benefits for Direct Care Workers

BURNS & ASSOCIATES

- Non-Staffing Operating Expenses
- Service-Specific Productivity and Other Factors

All providers should complete the forms related to Wages and Benefits of Administrative and Program Support Staff; Direct Care Wages, Turnover, and Training; Allocation of Direct Care Worker Hours; Direct Care Worker Benefits; and Non-Staff Operating Expenses. Each individual service has its own Productivity and Other Factors form. Agencies should only complete the forms for the services they provided during the fiscal year in which the survey information is being reported.

Throughout the survey, fields in which agencies may report data are shaded in light green. Examples are shaded in grey. Dark green fields are automatically calculated based upon other responses.

Completing and Submitting the Survey

All reported revenue and cost data should reflect providers' most recently completed fiscal year. For providers that are part of state, local, tribal, or other governmental agencies, revenue and cost data should reflect the lowest operating unit for which revenue and expense information can be reliably reported. For example, if a municipal agency provides home delivered meals through a department or division that provides programs for seniors, only the revenue and expense information for that unit would be reported rather than information about the entire municipal government.

For cost-related data providers are asked to allocate expenses across the various programs that they operate. This is done to ensure all costs are fairly allocated to NMHCBS services without over-allocating costs to these programs in comparison to other programs that may be supported by a provider. For example, if your agency delivers NMHCBS services through the AAAs as well as services through AHCCCS or through the DES Division of Developmental Disabilities, only a portion of your agency's executive director's or CEO's salary should be allocated to the AAA NMHCBS services since this position also supports other programs. The survey therefore distinguishes between AAA NMHCBS programs and all other programs provided by your agency.

When saving the survey, add your agency's name to the beginning of the file name; e.g., "ABC Agency NMHCBS Rate Study Provider Survey".

The deadline for submitting completed surveys is March 14, 2024. Submit completed surveys to Karl Matzinger at kmatzinger@healthmanagement.com.

Partially completed surveys will be accepted. If any information requested in the survey is unavailable, leave that field blank. Similarly, if there is any schedule that your agency cannot complete, that form may be left blank. Even if a submitted survey is incomplete, the information that your agency is able to provide will be considered as part of the analysis of survey responses.

If there are any factors that you believe should be considered but were not included in the survey, note those issues (and any other comments) in the transmittal email when submitting the survey. You may also submit any other documentation that you would like considered as part of this study.

DEFINITIONS

Administration, Program Support, and Direct Care

The survey asks providers to differentiate between administrative, program support, and direct care costs. There are not always clear distinctions between these categories and definitions of these terms vary. For the purposes of this survey, the following guidelines should be used:

- | | |
|-----------------|--|
| Administration | Includes expenses associated with the operation of your agency, but which are not program-specific and which cannot be allocated to individual services. Employees that are typically considered administrative include general management, finance/accounting, information technology, and human resource staff. Expenses associated with these staff (for example, their office space) are also considered administrative. Other non-staff examples include service provider taxes, office equipment and furniture, office supplies, and all general insurance that cannot be allocated to specific services. |
| Program Support | Includes expenses that are neither direct care nor administrative. Such activities are program-specific and can be allocated to an individual service but are not on behalf of a specific participant. Examples include first-line supervisors as well as staff responsible for program design, quality assurance, and training direct care workers. Expenses associated with these staff (for example, their office space) are also considered program support. Non-staff program support expenses may include accreditation and professional licensing fees and personal protective equipment for staff providing services. |
| Direct Care | Includes the salaries and benefits of staff providing direct, billable NMHCBS as well as other activities specifically related to direct care. For example, time spent traveling between service visits and writing progress notes after a billable service should be categorized as direct care even though that time may not be directly billable. Direct care also includes transportation expenses for persons who receive services, the facility in which programs are delivered (for example, the building in which an Adult Day Care program is operated), and program materials and supplies (for example, cleaning supplies). |

‘ADMIN AND PROGRAM STAFF’ – ADMINISTRATIVE AND PROGRAM STAFF - WAGE AND BENEFIT COSTS

This form is used to report wage and benefit cost details for the administrative and program support staff within your agency, while a second form, Direct Care Workers – Wages, Turnover, and Training, collects information related to staff who provide direct, billable AAA NMHCBS. Staff should only be listed on one of the two forms based on their primary function.

Job Title Enter the job title for each administrative or program support employee.

If your organization has multiple employees within a given job title (e.g., three Human Resource Specialists), you may list them in the same row if their time is allocated similarly (e.g., each spends 100 percent of their time on administrative functions; see the discussion below for the Allocation of Staff Time/ Cost columns).

This level of detail is requested to ensure direct care workers are not reported on this schedule. For external reporting purposes, only a total cost for wages and for benefits will be reported and organization-specific data will not be released.

Time Allocation For the employee(s) listed on each line, there are six columns across which employees’ work hours should be allocated based on the area supported (AAA NMHCBS programs and all other programs) and, within each area, their function (administrative, program support, and direct care). The total across the six columns should equal 100 percent. Although this form is only intended to capture information regarding administrative and program support staff, the direct care columns are included because reported staff may perform direct care duties at times.

If your agency does not already have a methodology for allocating costs across programs, it is recommended that your organization conduct a one-week time study in which staff maintain logs and record (no less frequently than once per hour) the program on which they are working. After that week, each employee’s time would be allocated based on their log. For example, if an employee worked 40 hours and 10 of their hours were related administration of AAA funded NMHCBS programs, 25 percent of that employee’s time would be allocated to administration, as appropriate, with the remaining 75 percent reported in the Other Programs columns. If a time study is not feasible for your organization, contact HMA-Burns to discuss other potential allocation methodologies.

DIRECT CARE WORKER COSTS

The survey includes three forms to collect information regarding direct care workers.

‘Direct Care Wages’ - Direct Care Workers - Wages, Benefits, Turnover, and Training

This form collects information regarding the wages paid to your agency’s direct care workers, including staff employed or contracted by your agency to provide direct care and program support. Providers do not need to list direct care and program support staff who do not provide the AAA funded NMHCBS services included in this provider survey (i.e., staff for whom no time would be allocated to a service covered by this rate study do not need to be reported). The form additionally collects information regarding actual payroll tax and benefit expenses as well as turnover and training hours.

Under the Job Titles column, providers may report staff individually or grouped by job title (e.g., attendant care worker or home delivered meal worker). Do not group staff with different employment classifications (i.e., employee or contractor) or supervisory responsibilities (i.e., do not include supervisory and non-supervisory staff on a single line even if the same job title is used for these staff).

‘Direct Care Time’ – Direct Care Workers – Allocation of Work Hours

This form seeks to allocate the work time of the direct care workers reported on the Direct Care Wages form. To complete this form, informed judgement will be necessary to estimate staff time over the course of the reported fiscal year.

The job titles listed on the Direct Care Wages form are automatically transferred to this form. For the staff in each job title, report the percentage of their time spent on the AAA NMHCBS funded service listed in each column during the reported fiscal year. For the listed services, consider both direct service time and associated activities (e.g., time spent traveling between individuals). Columns C through K should only reflect time spent on the AAA NMHCBS funded services. If the worker also provides the services listed under columns C through K but through other programs (such as AHCCCS or DES’ Division of Developmental Disabilities), this time should be allocated in column L.

Zeros do not need to be reported. The total allocation of time across the columns C through L should equal 100 percent. If it does not, an error message will appear to the right of the table.

‘NON STAFF EXPENSES’

This form collects information for all non-wage and benefit expenses including administrative, program support, and direct care expenses. For each category of expense, report the total expense for your agency’s most recently completed fiscal year. Lines 39 through 43 are available to report expenses that do not fit well into the provided categories.

It is understood that there may be some differences regarding how agencies categorize their expenses. Agencies are not required to report an amount for each listed expense and should use the categories that are closest to their own accounting classifications. For example, an agency’s accounting system may combine advertisement expenses for job postings with other advertising expenses. In this case, the agency can report its total advertisement expense on Line 34 (advertising) rather than trying to break out the advertisement expense related to job postings on Line 29.

The total expense for each category should be entered in column D and the expense should be allocated across columns E through J based on the area supported (AAA NMHCBS programs and all other programs) and, within each area, their function (administrative, program support, and direct care). The total across the six columns should equal 100 percent.

‘STAFFING PATTERN’ SECTIONS

Each of the service-specific forms includes a section that requests information regarding the ‘Staffing Pattern’ for a typical week for a direct care worker providing the service, reflecting the average across the agency’s workforce. The staffing pattern sections and questions related to staffing should reflect current operations.

To complete this section, report the total number of hours that a direct care worker typically works in a typical week in the first line of the section. Then, in the remaining lines, report the activities in which they are typically engaged. The sum of hours for all reported activities must be equal to the total number of work hours reported on the first line of the section.

As necessary, there are ‘Other activities’ lines that can be used for responsibilities not provided on the predefined list. Do not use these lines to report hours associated with training, holidays, or paid time off as, in general, training and paid leave is not assumed to be part of a worker’s typical work week (that is, most staff do not participate in training or take time off every week). Information related to training and paid time off is collected elsewhere in the survey.

It is understood that the number of hours that a direct care worker typically works and how they spend their time may vary from week-to-week. To complete this section, informed judgement will be necessary to consider these variations and determine what constitutes a ‘typical’ week. This could be done for example, by considering how much time a direct care worker spends on each of these activities over the course of a year and then dividing that total by 52. For example, direct care workers may spend 26 hours per year participating in training so your agency would report 0.5 hours per week (26 divided by 52).