

**MARYLAND DEPARTMENT OF HEALTH (MDH)/DEVELOPMENTAL DISABILITIES
ADMINISTRATION (DDA) RATE REVIEW ADVISORY GROUP**

DATE: Thursday, May 18, 2023

TIME: 12:30 PM to 2:30 PM

LOCATION: GoToWebinar

This meeting was held through GoToWebinar only.

Registration for the Rate Review Advisory Group Meeting on Thursday, May 18 2023 12:30PM EST was available at: [Maryland Department of Health DDA Rate Review Advisory Group](https://constantcontact.com) (constantcontact.com)

After registering, participants received a confirmation email containing information about joining the webinar.

MEETING AGENDA FOR May 18, 2023

1. **Welcome and Opening Remarks** - Jennifer McIlvaine, Director of Finance, Medicaid, MDH
2. **Approval of Meeting Minutes** - Jennifer McIlvaine, Director of Finance, Medicaid, MDH
3. **Policy Updates** - Robert White, Director of Fiscal Services and Operations, DDA, MDH
4. **Status of March Action Items** - Jennifer McIlvaine, Director of Finance, Medicaid, MDH
5. **General Ledger Data Collection Process Update** - The Hilltop Institute at UMBC
6. **FY25 Rate Review Priorities** - Robert White, Director of Fiscal Services and Operations, DDA, MDH, and CBIZ Optumas
7. **Open Discussion**
8. **Next Steps and Adjournment** - Jennifer McIlvaine, Director of Finance, Medicaid, MDH

Co-Chairs

1. Jennifer McIlvaine, Director of Finance, Medicaid, MDH
2. Robert White, Operations Director, DDA

Advisory Group Members Present

1. Donna Retzlaff, Spring Dell Center
2. Shauna Mulcahy, The Arc Frederick County (Invited)
3. Scott Hollingsworth, Appalachian Crossroads
4. Gregory Miller, Penn-Mar
5. Karen Adams-Gilchrist, Providence Center
6. Laura Howell, MACS
 - i. Sharon Lewis, MACS (Invited)
 - ii. Maria Dominiak, MACS
7. Christian Parks, Somerset Community Services
8. Karen Lee, SEEC/EAG
9. Carol Custer, SDAN
10. Mat Rice, People on the Go (Invited)

DDA Panelists

1. Bernard Simons, Deputy Secretary
2. Rhonda Workman, Director of Federal Programs and Integrity (Invited)
3. Nicholas Burton, Director of Programs
4. Wesley Hunttemman, Chief of Staff
5. Elizabeth Peters, Deputy Director of Administrative Services

The Hilltop Institute in attendance

1. Christin Diehl, The Hilltop Institute
2. Todd Switzer, The Hilltop Institute (Invited)
3. Cynthia Woodcock, The Hilltop Institute
4. Alice Middleton, The Hilltop Institute

CBIZ Optumas Panelists in attendance

1. Steve Schramm, CBIZ Optumas
2. Caleb Lavan, CBIZ Optumas
3. Megan Frenzen, CBIZ Optumas (Invited)
4. Kris Welch, CBIZ Optumas
5. Winter Tucker, CBIZ Optumas
6. Lesley Le, CBIZ Optumas

MDH/DDA RATE REVIEW ADVISORY GROUP MINUTES

Thursday, May 18 2023

12:30 pm to 2:30 pm

Welcome and Introductions

Dr. Yemonja Smalls, Director of Professional Staff Development, Developmental Disabilities Administration, MDH, called the meeting to order at 12:30 p.m. Dr. Smalls reviewed the logistics of using the webinar feature panel, indicated the meeting was being recorded and that the recording would be available on YouTube.com and the DDA website. Dr. Smalls then introduced Ms. Jennifer McIlvaine, Director of Finance, Medicaid, MDH, to deliver opening remarks.

Ms. Jennifer McIlvaine, Director of Finance, Medicaid, MDH, thanked members for joining the webinar and reviewed the meeting agenda. Ms. McIlvaine then reviewed the DDA vision and mission slide.

Approval of Meeting Minutes

The meeting notes from the previous meeting were sent on May 11th, 2023. Ms. McIlvaine motioned to accept the meeting minutes, which Mr. Christian Parks, Somerset Community Services, seconded. The group accepted the minutes without any additional discussion.

Policy Updates

Mr. Robert White, Operations Director, DDA, then reviewed policy updates related to the Employment 1st Subcommittee. The LTSS transition's survey was released, and the Employment 1st subcommittee will be reviewing the feedback provided. Mr. White mentioned that there were four common themes seen in the results: day habilitation rates, transportation, job development rates, and simplification of meaningful day waiver definitions. The subcommittee will be preparing recommendations that they will be forwarding along to the state for consideration.

Status of April Action Items

Ms. McIlvaine then reviewed the status of the April action items.

1. State team to provide update on requested extension to feedback deadline for the FY 25 Data Collection Tool (DCT).
 - a. Following the April RRAG meeting, a communication was shared to extend the feedback date to 4/20/2023. Feedback was received, reviewed, and incorporated into the finalized FY25 DCT shared with providers.
2. State team to follow up with DCAR.
 - a. This will be discussed during today's meeting.

3. Finalize the GL Collection template data collection tool.
 - a. The GL Collection template has been finalized. Hilltop will provide an update on the planned distribution, training, and technical assistance activities later during the meeting.
4. State team to review status of CPI and COLA discussion and send out additional details about analysis.
 - a. CPI has been included in the rates for the BLS wages.
 - b. The COLA will continue to be reviewed annually.
5. Share updated Data Collection Tool for FY25 rate review priorities.
 - a. Distributed to RRAG members by email on 5/11/2023.
 - b. Distributed to DDA providers on 5/12/23 and again on 5/15/23 through constant contact.

Ms. McIlvaine asked the panel if there were any questions regarding the April action items, Ms. Karen Lee, SEEC, asked to confirm if the SEEC rate in the brick for salary was still behind. Mr. White, with the help of Ms. Lesley Le, CBIZ Optumas, stated the data is from May 2021 and they will be applying the inflation factors to bring it forward to 2024 or 2025 for the grades.

Ms. Laura Howell, MACS, asked if CPI had been used in the materials to account for inflation. Mr. White pointed out that it is uncertain if FY25 and 26 COLA's will be accelerated and go into effect this year, due to not knowing how the state wants to address the rates legislatively moving forward. Mr. White did affirm they usually look at the CPI in concert. *Ms. Howell expressed her concerns and emphasized that the DDA reconsider applying CPI to update the BLS (Note: see timestamp - 11:59).* Mr. White reaffirms that the decision to implement rates is still being discussed internally.

Mr. Kris Welch, CBIZ Optumas, added clarity to the discussion of a combination of CPI and COLA, saying the intent is to bring forward our data to the contract period. For the years that there was not a COLA mandated, they used CPI in its place and when the legislature did mandate, that COLA would replace CPI.

Mr. Scott Hollingsworth, Appalachian Crossroads identified two different issues, "This needs to be driven from the BLS. If we cannot get current BLS rates, we have to rely on the CPI." Ms. Karen Adams Gilchrist, Providence Center, also brought up concerns about setting the rates for the future and where COLA would be documented. Mr. Steve Schramm, CBIZ Optumas explained that the documentation covers where COLA is inserted, and that the team has made certain that it represents a particular year's application, and it is a policy decision and is consistent as to what is seen with other states. Mr. Schramm explained that it would be difficult for DDA to substitute their judgment and the place of the legislature for an annual increase, which the team believes there needs to be an annual increase applied.

Ms. McIlvaine asked to clarify if using trending items like the BLS Board uses CPI, but then, only factoring the COLA when figuring out overall budget adjustments.

Mr. Parks made a series of observations regarding the use of CPI vs. COLA listed below:

- It's ultimately about what the state can fund versus what the appropriate rate should be, for the process to provide the service adequately.

- When discussing applying the rate increase into the equation, as opposed to CPI or Cola, risks getting the process off-track from its intended goal of defining the rate.
- It was understood that the state might not be able to afford the requested funding, but the process was to define what this appropriate rate should be.
- By co-mingling the rate increase as opposed to the COLA or in lieu of it, it loses that trajectory by getting off-track.

Ms. McIlvaine thanked the panel for their feedback and transitioned the presentation to Hilltop for an update to the General Ledger.

General Ledger Data Collection Update

Ms. Christin Diehl, The Hilltop Institute, said that the General Ledger (GL) template had been finalized and there are upcoming technical assistance opportunities. Ms. Diehl recapped the key highlights and issues as follows:

1. Training and technical assistance will be available to support providers with understanding the data collection template and implementing any required changes in anticipation for data collection and reporting, starting on July 1st.
2. All Training and technical assistance will be centralized and provided by the Hilltop DDA team to ensure consistent messaging, information, and guidance.
3. Three training sessions will be offered and recorded for those providers who are not able to attend live sessions. Providers can reach out directly to Hilltop for technical assistance questions, to schedule one-on-one meetings, and to request additional technical assistance as needed. Providers are encouraged to review the documents prior to the training sessions and are welcome to reach out to Hilltop via the designated email address with questions at any time. These training sessions will follow the question-and-answer sessions that will be scheduled for the FY 25 Data Collection Tool, and will allow providers to prioritize completing the Data Collection Tool by June 9, 2023.

The General Ledger Collection Template will be distributed this afternoon. The template will be used to collect data for fiscal year 2024, and the template will be due in September of 2024 following the end of the fiscal year. Ongoing technical assistance will continue and will be available to all providers throughout 2024.

Mr. Hollingsworth asked Hilltop what their thoughts were on the attestation of providers, what they will be attesting to, and their general thoughts. Ms. Diehl replied that the attestations used will be like the attestations used for MCOs and other data that had been collected. There will be a copy of that association in the instructions that will go out.

Ms. Maria Dominiak, MACS, asked for confirmation that the tool was a draft and if there will be any further changes based on the incoming feedback from the provider community. Ms. Diehl stated that the tool for FY24 could be considered finalized, however, changes would be discussed and reviewed for

future years. Ms. Diehl also addressed concerns regarding whether the GL Template would be mandatory for providers to complete and submit. It was expressed that while the tool is not currently mandatory, it is essential that providers share cost data to inform a data drive rate review process and allow for a rate rebase in the future. RRAG members were asked to share the importance of the data collection with their providers and networks. . Mr. Parks expressed concerns regarding the tool being optional, and asked if the data points related to billable and non-billable wage hours, similar to those in the FY25 DCT, would be incorporated into the final GL draft. Ms. Diehl confirmed that the GL allows for all non-wage time to be added across the cost categories, captured differently than the current DCT format.

Ms. McIlvaine clarified that this was considered a review year and deciding whether to adjust the rates based on that data collection versus rebate years, which includes taking a completely fresh set of data and looking at all assumptions again which is where all of this comes together. Ms. McIlvaine was asked if the data would be used to inform FY27 and if there are going to be several more cycles of data or ad-hoc data requests before the data would be available to inform a full rebase of rates. Ms. McIlvaine deferred to Optimus to provide perspective. Mr. Welch clarified that there has not been a final decision around the topic and he believed that there would be one year of general ledger data, which seems like a reasonable possibility but that it needs to be discussed, and understands they are interested in having a rebase sooner rather than later.

Ms. Dominick expressed concern that the rates as of right now were based on 2014 GL data and that there needs to be a long process of data collection, but that hoped the tool could also be used to collect historical data and to be used to inform the rate setting to get accurate rates and assumptions. Mr. Schramm expressed there are considerations needed in regard to using data from 2014, and reiterated the importance of locking the GL template down as soon as possible so data collection could begin.

FY25 Rate Review Priorities

The team transitioned to Optimas and reviewed rate priorities and focus areas for FY25 and presented a walk-through for the data collection tool.

Mr. Welch pointed to the data source column which had been updated to reflect where Optimas intends to gather information from. Highlighted in gray is the potential data Optimas is looking to collect from the DCT. See below for the topics:

1. Facility
2. Program Support
3. Distribution of transportation costs
4. Non-billable time adjustment
5. Structure change (group sizes)
6. Base wage
7. Training

8. Service Adjustment (closures)

Afterwards, Mr. Welch gave a cursory walkthrough of the data collection tool. Features described in Mr. Welch's demonstration were as follows:

- The first is an instructions tab:
 - This includes details of how to populate each of these tabs, and describe what is present there and what we are aiming to collect.
- The second tab is a Request for Provider Information
 - This includes the organization name, Medicaid number, provider number, and the person completing the template
- The data collection portion is asking for various data components that include details on total DSP wages, program support costs, and facility costs.
 - Some additional notes in the column headers were added to provide some general guidance on what should be included in each column. If more details are needed, there is a more detailed |Cost Categories| tab describing what to include and exclude in each category.
 - The tab also includes an area to provide comments for any additional context providers think are relevant or important to note regarding their populated data
- The next tab in red is a structural change tab. The intention of this tab is to provide a space for providers to share any thoughts or feedback on the current service structure of Day Habilitation. Currently, the services are defined as 2 to 1, 1 to 1 small group, and large group. Is there a different way DDA should look at group sizes?
- The last tab of data collection was proposed from MACS as part of the RRAG feedback. The proposed template is intended to collect similar information as the Program Support and Facility tab.. However, the tab is asking for a more detailed breakout of the information and for more than the Program Support and Facility tab asks for.

Mr. Welch shared where various feedback had gone into the tool and opened the panel to any questions.

Ms. Adams Gilchrist made a comment that the tabs from MACS might be too granular, and that further instructions may be helpful. Mr. Parks asked, in regard to the training turnover tab, if the employee DSPs who work with the Day Habilitation, or if they were looking for metrics for all DSP support. Mr. Welch commented that for the tool, they are just looking for center-based day habilitation, but there might be an option for the suggestion at a later stage.

Mr. Hollingsworth asked if the tool accounted for the amount of hours spent training, to which Mr. Welch explained the intent was the number of individuals. The training hours that are being multiplied, or the training that would be applied will be based on the updated training matrix and training requirements that is in process by DDA. The team also discussed if the center-based services would have a hybrid of where the services would be provided.

Ms. Adams Gilchrist suggested that it would be helpful to find out how many people are receiving day habilitation services, how many people are receiving employment services, and how many people are receiving CDS. Mr. White added that once the meeting was over, the team would send out a letter with the data accompanying the tool for the providers.

The team then went on to discuss the Q&A sessions, including meeting dates, response thresholds, consistency and how much credibility to place on the data collected. The dates are still to be determined, and the response thresholds were suggested to be placed around 40% to be collected. Mr. Welch concluded the walkthrough and discussed that the information needs to be collected by June 9th. The expected dates for the question and answer session are May 21st and the 29th. The completed DCT should be sent to the RRAG team inbox. This information would include 4 tabs, training, turnover, service structure, group size feedback, and MACs proposed data collection tool. Mr. Welch then turned over the panel to Ms. Le to walk over additional components.

Ms. Le went over a brief update to the Rate Priorities/Focus Areas table, listed below are the topics covered:

- Most of the priorities depend on the responses and results from the finalized FY25 DCT. Including Program Support and Facility components, group structure, and a portion of training.
- Received a draft for the training matrix, Optumas working on how it will impact the rates.
- Some initial results on the BLS and service adjustments and possible options were being decided for possible options.

Next, Ms. Le went over the updates to the Base Wage Analysis:

- A comparison was made of the FY24's rates.
 - The 2018 BLS data was inflated to FY24 using the inflation factors used in the past.
- The latest 2021 BLS data was pulled and the same inflation factors were applied to bring the wages to a comparable FY24 base for the Day Habilitation services.
 - This is not intended to be the final BLS rate, but meant to help as a comparison point for the prior 2018 BLS wages to the latest 2021 BLS wages
 - Initial results show that the newest BLS Rest of State average wage is three percent higher than what was projected from the 2018 BLS wages and about 6% higher in the Geographic Differential average wage for all groups except for large group, which is

showing 5% lower than the 2018 BLS data.

- Accounting for just the BLS wage change results in approximately an 8% increase to the rest of the state rate and an 11% increase to the geographic differential rates.
- That percentage increase shared is a comparison of the fully funded rates.

Afterwards, Ms. Le opened for any questions regarding the updates, to which Ms. Dominiak had asked two questions, where the historical BLS, May 2018, and projected forward to FY24 versus the May 21 projected to FY24, what are the factors taken from 18 to 21 and then 21 to 24? Ms. Le responded that the factors from 18 to 24 were built into the rate model from last year, and a mix of CPI and COLA increases. The 2021 BLS wages were projected to 24 using the same factors without further changes.

The second question Ms. Dominiak asked was how was the BLS estimated from 8% to 9% and were there other components included in the rate increase? Ms. Le answered that they had taken the fully funded rate from FY24 and updated the BLS wage which impacts all the other components and compared the final rate. However, no other components were adjusted in this comparison as the other components had not been fully determined yet, and they were just comparing the wage with the final rates with a wage difference.

Further feedback had been provided from the team, which is listed below,

- Mr. Hollingsworth, “Just to comment again on the impact of the geographic differential, and, just as a reminder, PCIS the difference in the geographic differential of 7%. Current rates and LTS are about 13%, meaning people in the Geographic differential, now getting 13% more per unit of service, compared to 7%. And now, there's going to be another shift there. I just think, as a community, we need to keep an eye on that, because it does have an impact on, especially providers, adjacent to those jurisdictions. I know we're all competing for the same pool of DSPs and while I don't have a recommendation, I just think it's something we need to be cognizant of.”
- Ms. Howell, “I think at some point, it might be worth a policy discussion about what's then an acceptable range for the two categories of rates and whether that gets kept in some way, some methodology.”
- Mr. Gregory Miller, Penn-Mar, “If you look at the map of how the rest of the State is lumped together, it's not comparable across the rest of the State... There are certain realities to the differentials based on where people are located.”

Next, Ms. Le moved onto the Service Adjustment Analysis table. Ms. Le presented an update on the essential service adjustment assumption, as well as a recap on how Optumas called data from Maryland State closures, which is defined as liberal or closure for any county. Ms. Le further

elaborated on how they calculated the service adjustment, the total number of cultures over the last three years, which total at 32, and divided this by the number of workdays, which is estimated to be about 240 days a year.

Ms. Le moved on to explain that the DDA decided to use the most recent years of closure data to update that assumption, which is 4.4%, which will be passed through in the Day habilitation rates, which accounts for approximately 8.8% increase to all the Day Habilitation rates. The 0.8% increase was the impact of just updating the service adjustment calculation and no other component. Mr. Parks made a recommendation for using a larger window for calculations to provide a consistent average.

Ms. Dominick asked if the team were proposing to update the BLS for just Day Habilitation and not the other services. Mr. White explained that this is currently being decided internally and that their focus is primarily on the rate priorities for FY25 cycle. If changes were to be made, the team would be updated on the new decision.

Mr. White thanked the team for their feedback and transitioned the presentation to Ms. McIlvaine for next steps and adjournment.

Open Discussion

No additional discussion.

Next Steps and Adjournment

Ms. McIlvaine closed the meeting and noted the following next steps:

- There will be a communication about extending the feedback deadline.
- The next meeting will be on Thursday, June 22nd from 12:30PM to 2:30PM
- Members of the public who would like to observe the meetings, can register through the DDA Training Calendar at [Constant Contact Events](#).
- Meeting connection links will be sent one day and one hour prior to the meeting. Meeting minutes will be made available following the meeting.
- If questions regarding registration or would like to request accommodations, please contact Dr. Smalls at yemonja.smalls@maryland.gov
- Reminder of the meeting dates for this rate review cycle.
 - Thursday, June 22, 2023 from 12:30 to 2:30PM
 - Thursday, July 20, 2023 from 12:30 to 2:30 PM
 - Thursday, August 10, 2023 from 12:30 to 2:30 PM

The team is thanked for attendance and continued feedback and discussion. If anyone should have

further questions or feedback, please email Ms. McIlvaine.

Meeting adjourned.