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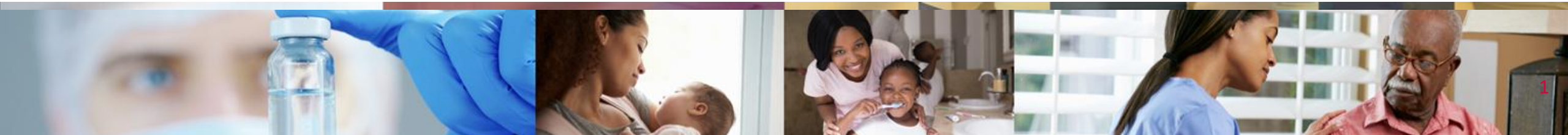
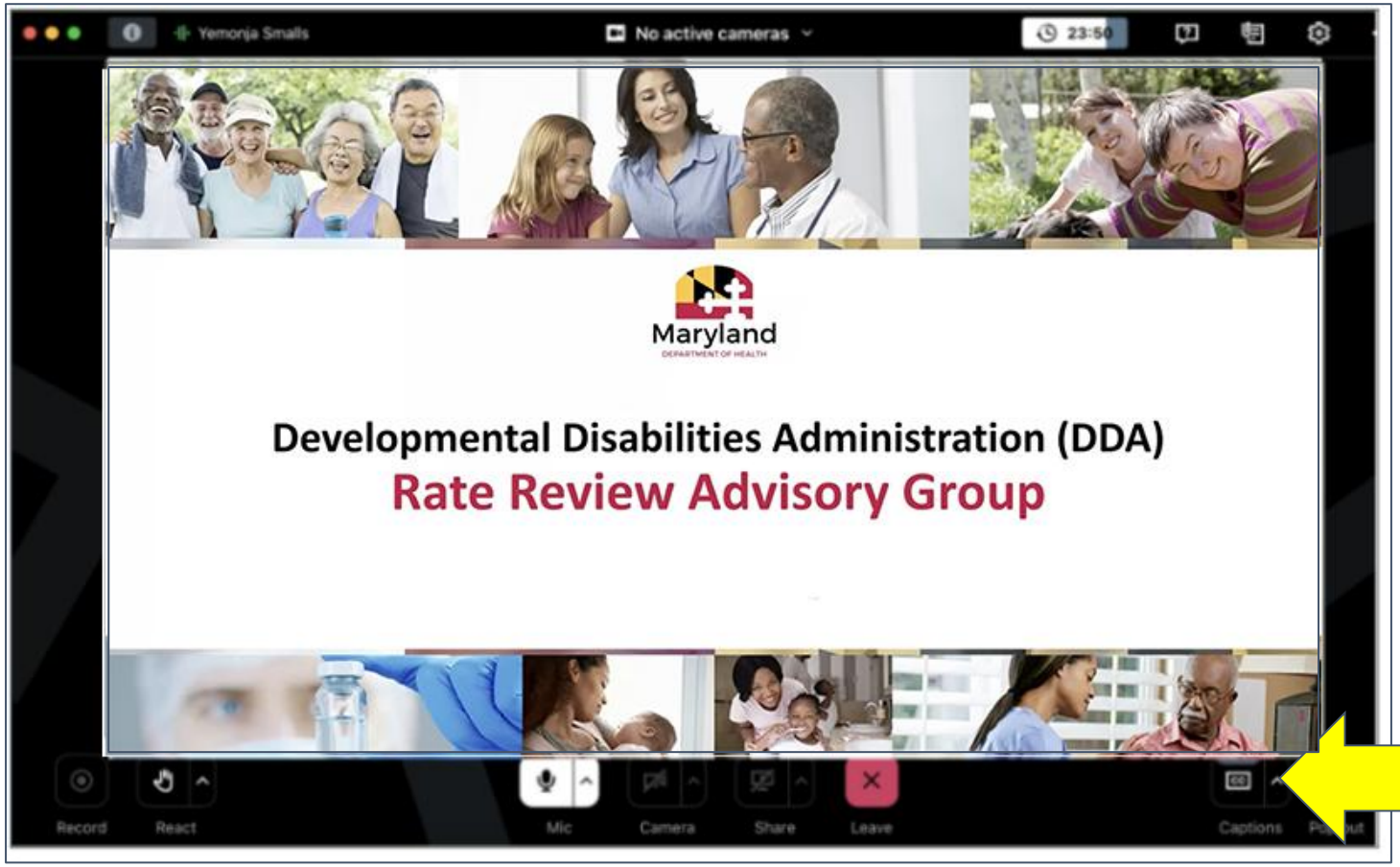
Developmental Disabilities Administration (DDA)

Rate Review Advisory Group

January 30, 2026



Housekeeping



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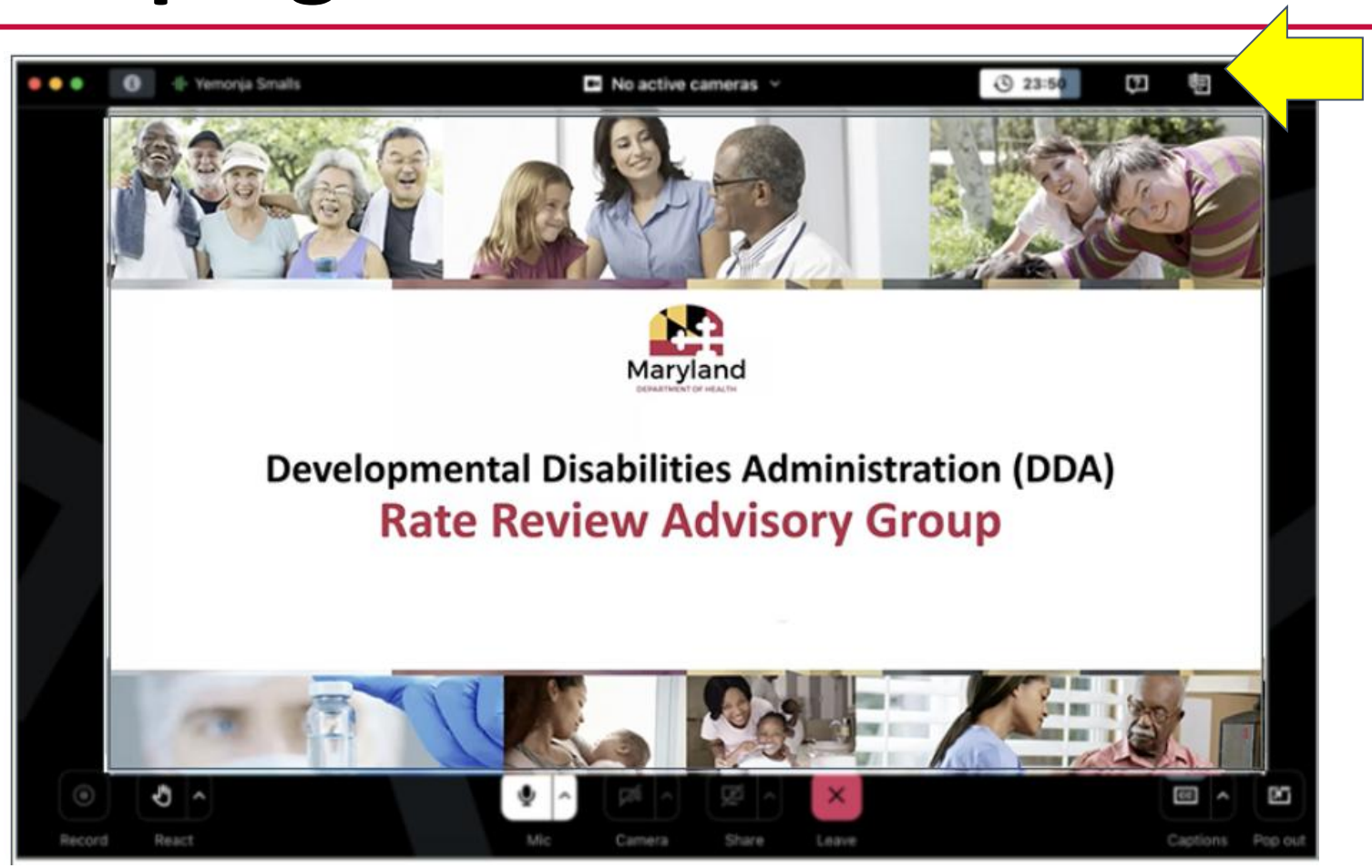

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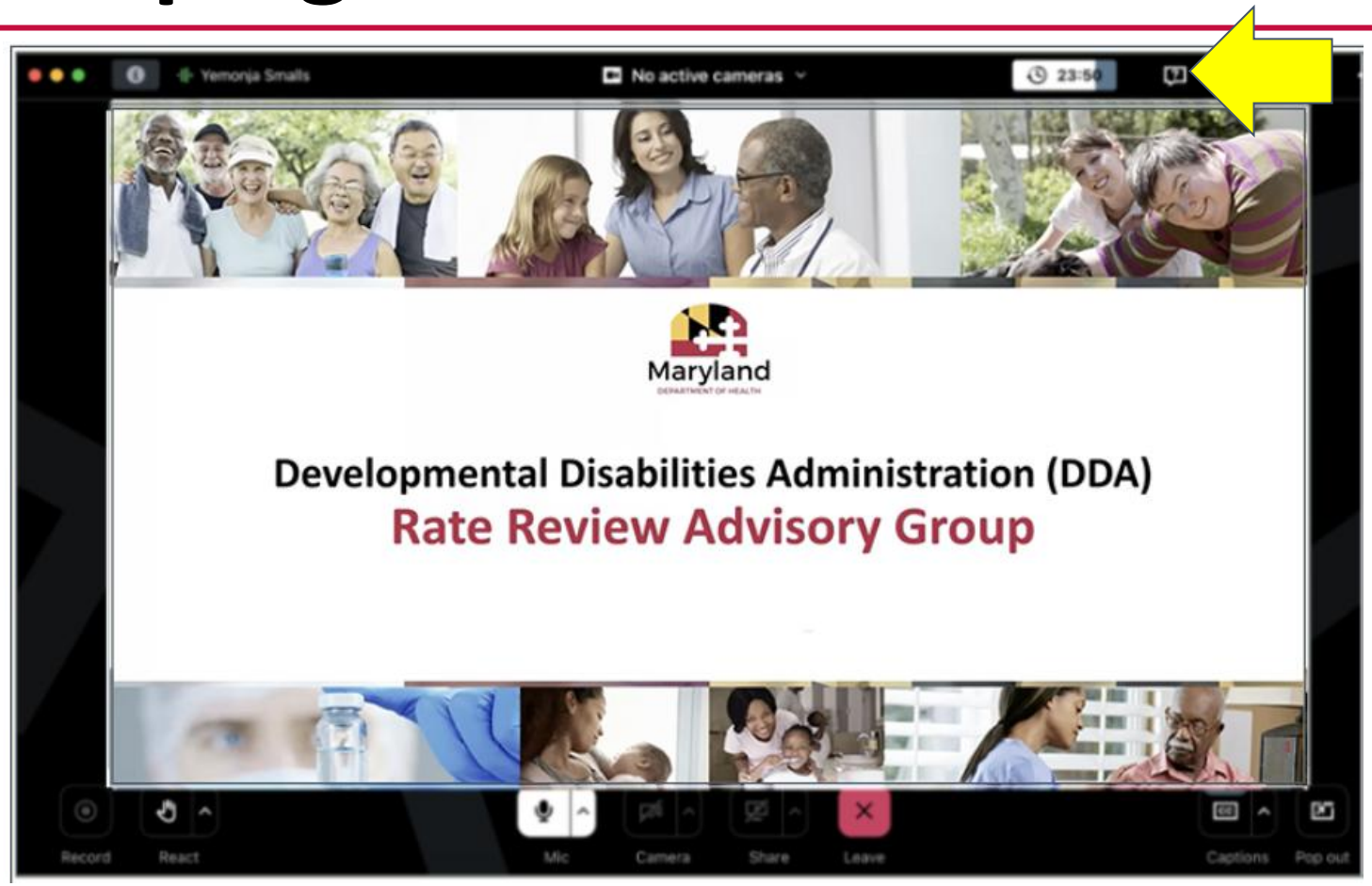

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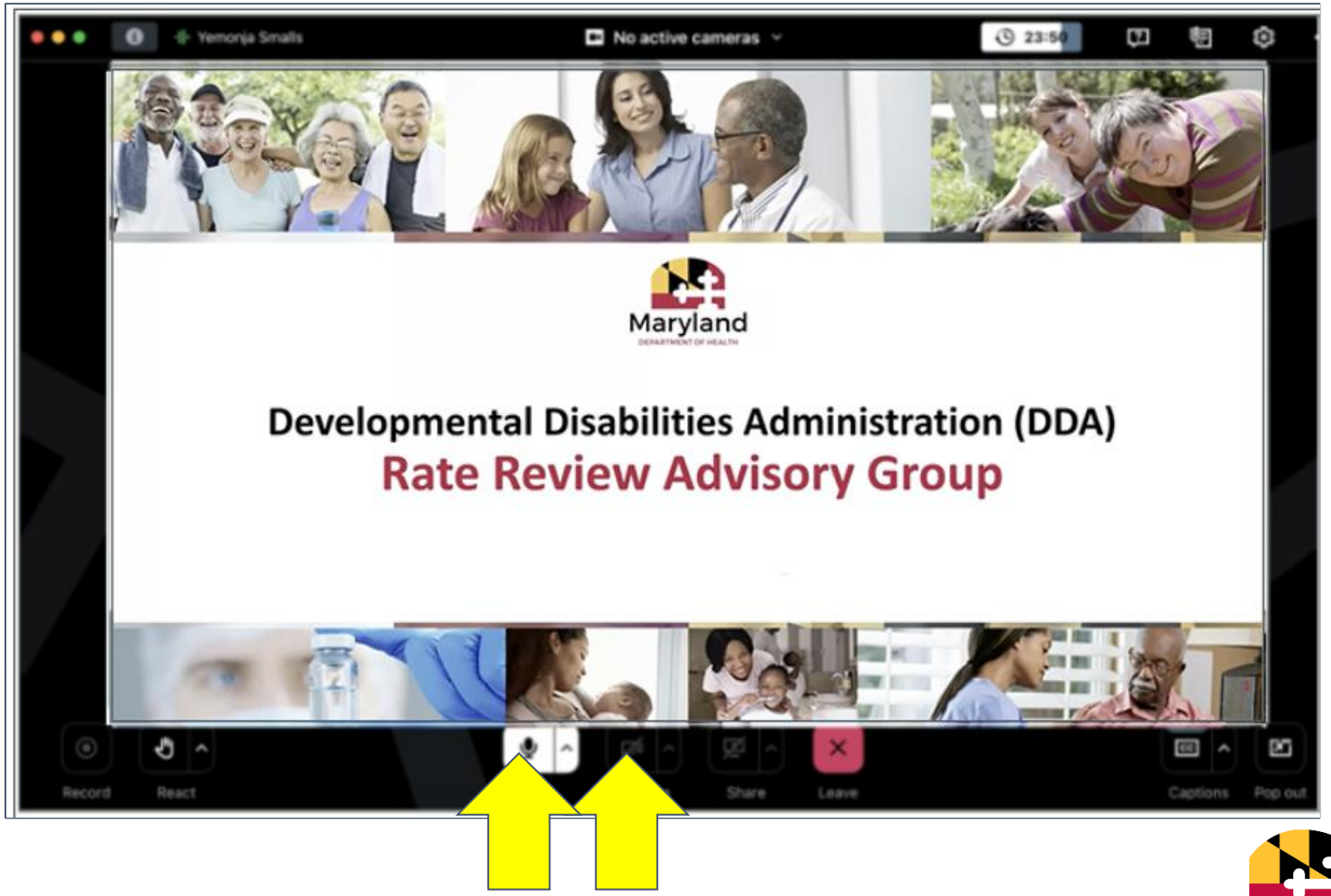

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Conduct

The free expression of diverse viewpoints is a fundamental value of our group. This freedom carries the responsibility to engage respectfully, which means treating one another with dignity and respect in good faith.

Uncivil behavior, disruptive actions, abusive language, threats, or harassment will not be tolerated and may result in removal from the meeting.

Welcome and Opening Remarks

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Agenda

- Welcome and Opening Remarks
- Approval of Meeting Minutes
- Calendar Year 2026 Rate Review Advisory Group Membership
- Calendar Year 2026 Priorities Discussed
- Calendar Year 2026 RRAG Timeline
- Calendar Year 2026 Rate Rebase Process
  - FY25 GL Template - Updates
  - Wage Data - GL Template, BLS, and Productivity Factor
  - The Brick Model - Components
  - Additional Data - 990's
- Open Discussion
- Public Comment
- Next Steps and Adjournment

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Approval of Meeting Minutes

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Rate Review Advisory Group Membership

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Rate Review Advisory Group Membership

Seat	Open or Reserved	Position	Incumbent
1.	Reserved	Industry Representative	Laura Howell, *MACS*
2.	Reserved	User of Services	Jessica Gallatin, *SDAN*
3.	Reserved	Industry Representative	Donna Retzlaff, *Spring Dell Center*
4.	Reserved	Industry Representative	Karen Adams-Gilchrist, *Providence Center*
5.	Open	Industry Representative	David Ervin, *Makom*
6.	Open	Industry Representative	Karen Lee, *SEEC*
7-8.	Open	Industry Representatives	Chris Parks, *Somerset Community Services* Matt Morgan, *Fello*
9.	Open	At-Large	Gregory (Greg) Miller, *Penn-Mar*
10.	Open	Self-Advocate, Current or Past User of Services	Mat Rice, *People on the Go*
11-12.	Designated	State chairs	Robert White, *DDA* Nick Gabor, *DDA* Jennifer Maher, *Medicaid*

Calendar Year 2026 RRAG Priorities

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CY26 RRAG Priorities Discussed

Brick

- Rate Rebase - Calendar Year 2026
- Productivity Factor - Calendar Year 2026
- Acuity - Future Rate Setting

Services

- Employment Services - included in Calendar Year 2026 Rebase
- Meaningful Day Services - included in Calendar Year 2026 Rebase

Calendar Year 2026 RRAG Timeline

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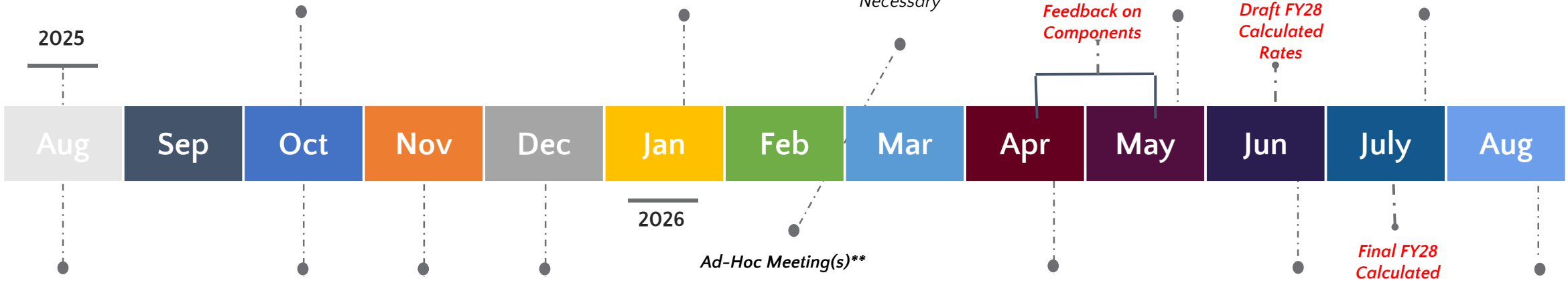
MD DDA Calendar Year 2026 RRAG Timeline

Fiscal Year 2028 Rate Setting Cycle



CY25 Meeting

Finalize FY27 Rate Cycle Activities and Discuss Priorities for FY28

General Ledger Template Due

DDA/Hilltop accepting submissions, due no later than 10/31

MIDSEC Meetings

Presentation of Expenditure Trends and Utilization Statistics

CY26 Meeting #1*

Discuss CY26 Schedule, Priorities, Rate Rebase Process, Wages/BLS/Prod, BRICK, and Addt'l Data

Ad-Hoc Meeting(s)**

Meeting as Necessary

Ad-Hoc Meeting(s)**

Meeting as Necessary

Collect Feedback on Components

CY26 Meeting #2

Present Prelim Re-basing Data from analyses of FY24/FY25 GL, including comparison with Addt'l Data when appropriate

CY26 Meeting #3

Presentation of BLS results, Updated Analyses and Results by Service

Draft FY28 Calculated Rates

CY26 Meeting #4

Presentation of Proposed FY28 Rate Updates

CY26 Meeting #5

Presentation of FY28 Final Rate Model Impacts

Final FY28 Calculated Rates

CY26 Meeting #6

Finalize FY28 Rate Cycle Activities and Discuss Priorities for FY29

Due to the complexity of the re-basing, analyses presented in advance will identify requested feedback
****Added two potential ad-hoc meetings as necessary***

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Rate Rebase Process Outcomes

- **Stakeholders understand the process** by which rates are reviewed and **feedback is collected**
- Adhere to a **structured process** to support and build upon the existing Brick methodology
- Timely processes for collection and review of feedback to enable **long-term development and maintenance of DDA rates**
- **Data-informed and-driven programs** and **stewardship** of public funds
- **Support the members DDA serves to help them achieve their desired outcomes**

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Calendar Year 2026 Rate Rebase Process

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Calendar Year 2026 Rate Rebase Process

Calendar Year 2026 Rate Rebase Process

- Fiscal Year 2025 GL Template - Updates
- Wage Data - GL Template, BLS, and Productivity Factor
- The Brick Model - Components
- Additional Data - 990’s

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Rebase - Fiscal Year 2025 GL Template Updates

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Fiscal Year 2025 GL Template Updates

- **Submissions**
  - Total providers required to submit: **333**
    - **211 (63%)** providers have submitted a complete template for review
    - **122 (37%)** providers have not submitted a template

- **Review and Resubmissions**
  - All **211** submitted templates have been reviewed by Hilltop
    - **168 (*50% of 333*)** templates fully completed (second or third submission)

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Fiscal Year 2024 - 2025 Data Collection Improvements

- Engagement with providers led to higher rates of follow-through in the submission process - 168 of the 211 (80%) providers that submitted a completed first submission have fully completed the submission process.
- Fiscal Year 2025 saw a 6% increase in response rate to feedback - 80% of feedback emails led to resubmissions.

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Fiscal Year 2024 - 2025 Data Collection Improvements (continued)

- Approximately 30 templates did not require feedback in Fiscal Year 2025, while all templates in Fiscal Year 2024 required feedback emails.
- Improved timeliness - Fiscal Year 2025 template submissions were received closer to the target due date (10/31/25) than in Fiscal Year 2024.

Fiscal Year 2025 Template Improvements & Areas for Improvement

Fiscal Year 2025 Implemented Improvements

- Enhanced user experience utilizing macros for service tab selection.
- Development of drop-down menu items to simplify and standardize data inputs.
- Rollout of training videos tailored to specific feedback items from providers.
- Utilization of secure internal AI tool to supplement reviews of GL templates on DSP staffing patterns, cost item and cost category allocation, and BRICK component analysis.

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Fiscal Year 2026 Template Improvements & Areas for Improvement

Fiscal Year 2026 Areas for Improvement

- Streamlining of data entry
  - In Fiscal Year 2025, macros/ActiveX content caused delays in data collection new web platform will no longer require providers to submit excel documents.
- Implementation of data quality measures and alerts at the time of data entry
  - DSP wage check & DSP/ERE component check to be included on new Summary tab.
- Faster feedback turnaround time

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Rebase - Wage Data

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Wage Data - GL Template

- **Wage estimates** - updated this cycle starting with the reported wages in the General Ledger, cross checking those with BLS wage data and any other relevant data

- **Productivity factor** - modeled wages are expected to match actual paid wages for DSPs by service

- **Estimated wages** - trended forward to the middle of the rate period, December 31, 2027 for the Fiscal Year 2028 cycle

Wage Data - BLS Update

- **Occupation codes/wage data** - updated annually in early May. Subject to occasional revision (e.g., code may change or be added/subtracted). *Note - not all wages for all occupation codes are available in all metropolitan statistical areas.*

- **FY 2026 rate model** - used base BLS wages from Calendar Year 2024 trended forward to FY26Q2-4.

Wage Data - BLS Update (continued)

BLS 2024 Adjustments

- Occupation code, 19-3039: Psychologists, All Other not available in Lexington Park, MD. The Maryland Statewide value was used for this area

- Occupation codes 19-3039: Psychologists, All Other and 19-4099: Life, Physical, and Social Science Technicians, All Other, not available for Salisbury, MD, and the Maryland nonmetropolitan area. Appropriate Maryland Statewide value was used for counties in those areas

Wage Data - BLS Categories

Service	BLS Occupation Code	Percentile Wage Used in Rate Model
Community Living - Enhanced Supports: 1-4 w/Overnight Supervision	21-1093: Social and Human Service Assistants	75%
Dedicated Hours for Community Living-Enhanced Supports (1:1), (2:1)	21-1093: Social and Human Service Assistants	75%
CL/Enhanced Support Trial Experience w/ Overnight Supervision	21-1093: Social and Human Service Assistants	75%
Dedicated Hours for Community Living-Group Home (1:1), (2:1)	21-1093: Social and Human Service Assistants	75%
Community Living/Group Home: 1-8 w/ Overnight Supervision	21-1093: Social and Human Service Assistants	50%
Community Living/Group Home: 1-8 w/o Overnight Supervision	21-1093: Social and Human Service Assistants	50%
CL/Group Home Trial Exp: 2 w/ Overnight Supervision	21-1093: Social and Human Service Assistants	50%
CL/Group Home Trial Exp: 2 w/o Overnight Supervision	21-1093: Social and Human Service Assistants	50%
Shared Living: Level 1 Shared Living: Level 2 Shared Living: Level 3	FLAT RATE FLAT RATE FLAT RATE	
Supported Living: 1-4 w/ Overnight Supervision	21-1093: Social and Human Service Assistants	50%
Supported Living: 1-4 w/o Overnight Supervision	21-1093: Social and Human Service Assistants	50%
Dedicated Hours for Supported Living (1:1), (2:1)	21-1093: Social and Human Service Assistants	75%
Career Exploration Services: Facility Based Career Exploration - Large Group Career Exploration - Small Group	21-1093: Social and Human Service Assistants	50% 90% 50%
Community Development Service 2:1, 1:1, Group (2-4)	21-1093: Social and Human Service Assistants	75%

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Wage Data - BLS Categories (continued)

Service	BLS Occupation Code	Percentile Wage Used in Rate Model
Day Habilitation 2:1, 1:1 Staffing Ratio	21-1093: Social and Human Service Assistants	75%
Day Habilitation Small Group (2-5)	21-1093: Social and Human Service Assistants	75%
Day Habilitation Large Group (6-10)	21-1093: Social and Human Service Assistants	90%
Employment Services - Job Development	21-1012: Educational, Guidance, and Career Counselors and Advisors	50%
Employment Services - Customized Self-Employment		50%
Employment Services - Follow Along Supports		75%
Employment Services - Ongoing Job Supports		50%
Employment Services - Discovery Milestone 1		50%
Employment Services - Discovery Milestone 2		50%
Employment Services - Discovery Milestone 3		50%
BSS - Brief Support Implementation Services	19-4099: Life, Physical, and Social Science Technicians, All Other	50%
BSS - Behavioral Consultation	19-3039: Psychologists, All Other	75%
BSS - Behavioral Plan	19-3039: Psychologists, All Other	50%
BSS - Behavioral Assessment	19-3039: Psychologists, All Other	50%
Environmental Assessment	29-1122: Occupational Therapists	50%
Housing Support Services	21-1012: Educational, Guidance, and Career Counselors and Advisors	50%
Personal Supports	21-1093: Social and Human Service Assistants	50%
Personal Supports Enhanced		75%
Nursing Support Serivces	29-1141: Registered Nurses	75%
Respite Care Services - Day	31-1120: Home Health and Personal Care Aides	50%
Respite Care Services - Hour		75%
Targeted Case Management	21-1012: Educational, Guidance, and Career Counselors and Advisors	50%

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Wage Data - Productivity Factor

- DSPs - do not spend every available hour providing billable services. Actual wages to be “adjusted” by productivity factor to ensure costs during those non billable periods captured in the rates.

- Non-billable time - time DSPs spend not providing direct care to members like training or administration activities

Wage Data - Productivity Factor Example

	Rate Component	Measurement	Expenses
Billable*	Direct Care Staff	DSP Wages: FTE, PTE, Contract	$188,600
Non-Billable**	Facility	Time on Facility Maintenance/Operations	$3,300
	Program Support	Documentation Time	$15,600
	Training	DSP Training	$8,750
	Transportation	DSP Drive Time	$9,900
	General & Administrative	G&A Tasks	$5,600
		Total Non-Billable Wages	$43,150
		Total Wages	$231,750
		Productivity Factor (Total/Billable Wages)	**1.23**

For Productivity, need to split time by billable vs. non-billable

DESCRIPTION FROM GL TEMPLATE:

**Direct Care Staff (Items 1-3): DSP FTE/PTE - billable wages*

*** Program Support (Item 11): DSP wages unbillable - direct care staff wages for documentation time and other unbillable activities (unbillable time)*

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Rebase - The Brick Model

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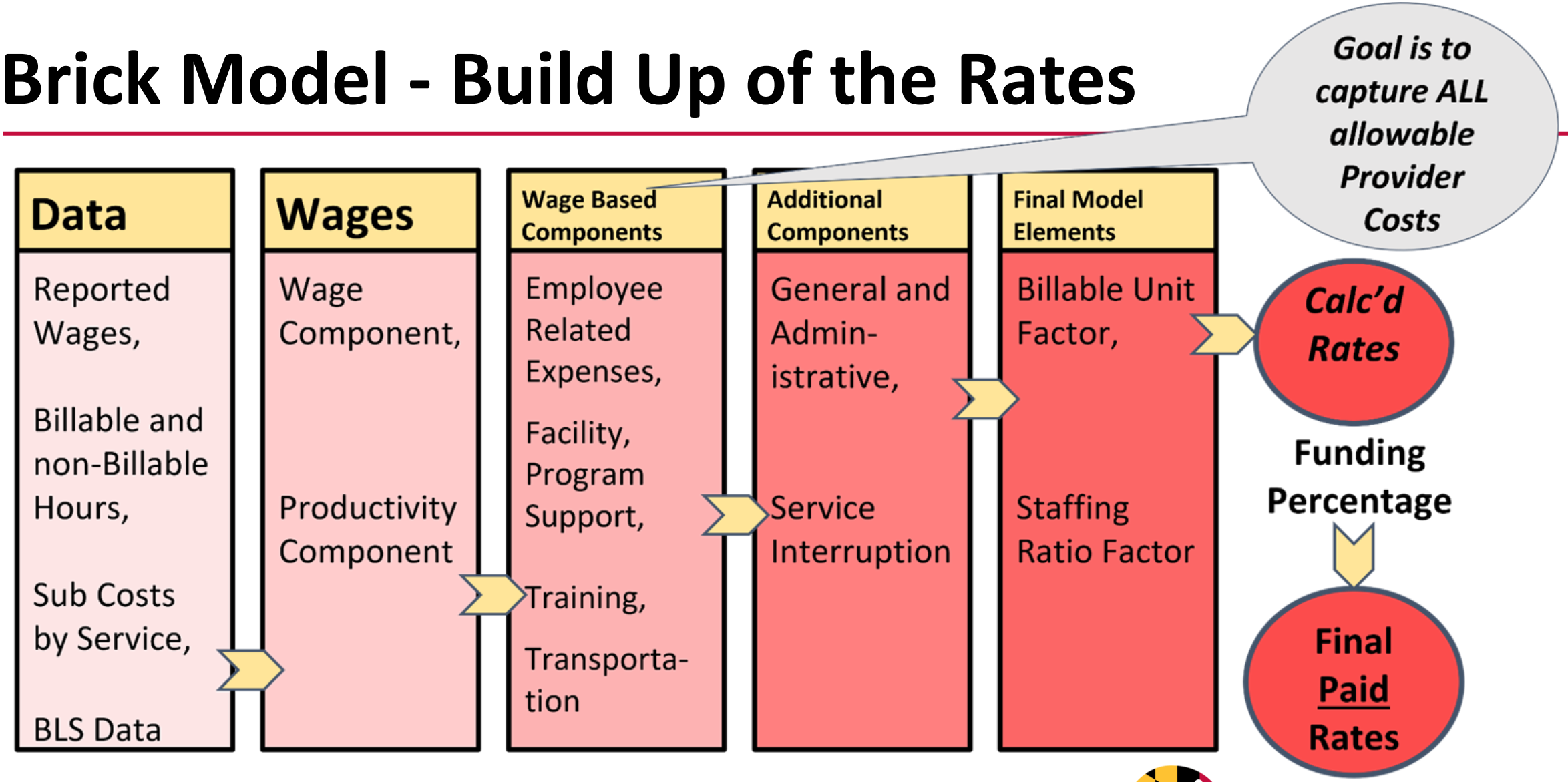
Brick Model - Build Up of the Rates



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Brick Model - Rate Buildup Example

Rate Component	Adjustment	Cost Per Hour
Direct Care Staff Hourly Wage: Actual Paid Wage x Productivity Factor		**$25.00**
Employee Related Expenses (ERE)	***30.00%***	$7.50
Facility	***15.00%***	$3.75
Program Support	***20.00%***	$2.00
Training	***5.00%***	$1.00
Transportation	***10.00%***	$2.50
	subtotal	$41.75
General & Administrative Expenses	**8.00%** (% of Total Cost/Hour)	$3.63
	Total Rate Per Hour (subtotal/(1-.08))	$45.38
Additional Factors (e.g., Billable Units, Staffing Ratio, etc.)		TBD
	Final Paid Rate	**TBD**

Brick Model categories intended to capture ALL allowable costs

Brick Model Example - CL/Group Home

30.5%

Employee Related Expenses (ERE)

Assumed similar across all services. Aggregate of all GL Data

- Payroll Taxes
- Paid Time Off
- Employee Insurance
- Employee Retirement
- Worker's Compensation

0%

Facility

Room and Board expenses not eligible for rates per CMS. Remove from residential rates

- Property Cost
- Lease or Mortgage
- Real Estate Taxes
- Facility/Maint. Wages
- Utilities

25.5%

Program Support (PS)

Specific to category of service i.e., CL/Group Home

- Client Expenses
- Equipment
- Wages of Support Staff
- Program Expenses

8%

Training Component

Training Component derived from time spent not cost. Based on required MDH required training

- DSP Training wages
- Training Staff wages
- Registration Fees

6.5%

Transportation

Distinct by Service category. Common to most residential categories

- Vehicle Related Expenses
- Driver Wages
- Insurance
- Public Transportation

Day Habilitation - 1:1 - Rest of State

Provider A - Hypothetical Provider				
		Rates	Compared to Adjusted Wage	Compared to Actual Wage
Actual Wage Rate	$	23.72	80%	
Adjusted Wage After Productivity Factor	$	29.64		125%
ERE Component	$	9.04	30.5%	38.1%
Facility Component	$	8.45	28.5%	35.6%
Program Support Component	$	8.10	27.3%	34.1%
Training Component	$	3.46	11.7%	14.6%
Transportation Component	$	13.71	46.3%	57.8%
Subtotal	$	72.40		
General & Administrative Component	$	9.87	12.0%	12.9%
Total Gross G&A	$	82.28		
Service Adjustment	$	3.62	4.4%	4.7%
Fully Loaded Rate	$	85.90		
Hours per Unit		0.25		
Staff per Unit		1		
Billable Rate per Unit	$	21.47		
Billed Hours (Assumed Bill 80% of Hrs.)		3,373.39		
Billed Units		13,493.57		
Total Revenue	$	289,766.76		

Brick Model - Rate Buildup to Rates

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Day Habilitation - 1:1 - Rest of State

Provider A - Hypothetical Provider				
		Costs	Compared to Total Wages	Compared to Billable Wages
Total Wages	$	100,000		125%
Billable Wages	$	80,000	80%	
ERE Component	$	30,504	30.5%	38.1%
Facility Component	$	28,500	28.5%	35.6%
Program Support Component	$	27,318	27.3%	34.1%
Training Component	$	11,676	11.7%	14.6%
Transportation Component	$	46,250	46.3%	57.8%
Subtotal	$	244,248		
General & Administrative Component	$	33,307	12.0%	12.9%
Total Gross G&A	$	277,554		
Service Adjustment	$	12,212	4.4%	4.7%
Total Cost	$	289,767		

Assumed Actual Wage/Hr.	$	23.72
Implied Total Hours		4,216.74
Implied Billable Hours		3,373.39

Brick Model - Data from GL Templates

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Rebase - Additional Data: 990's

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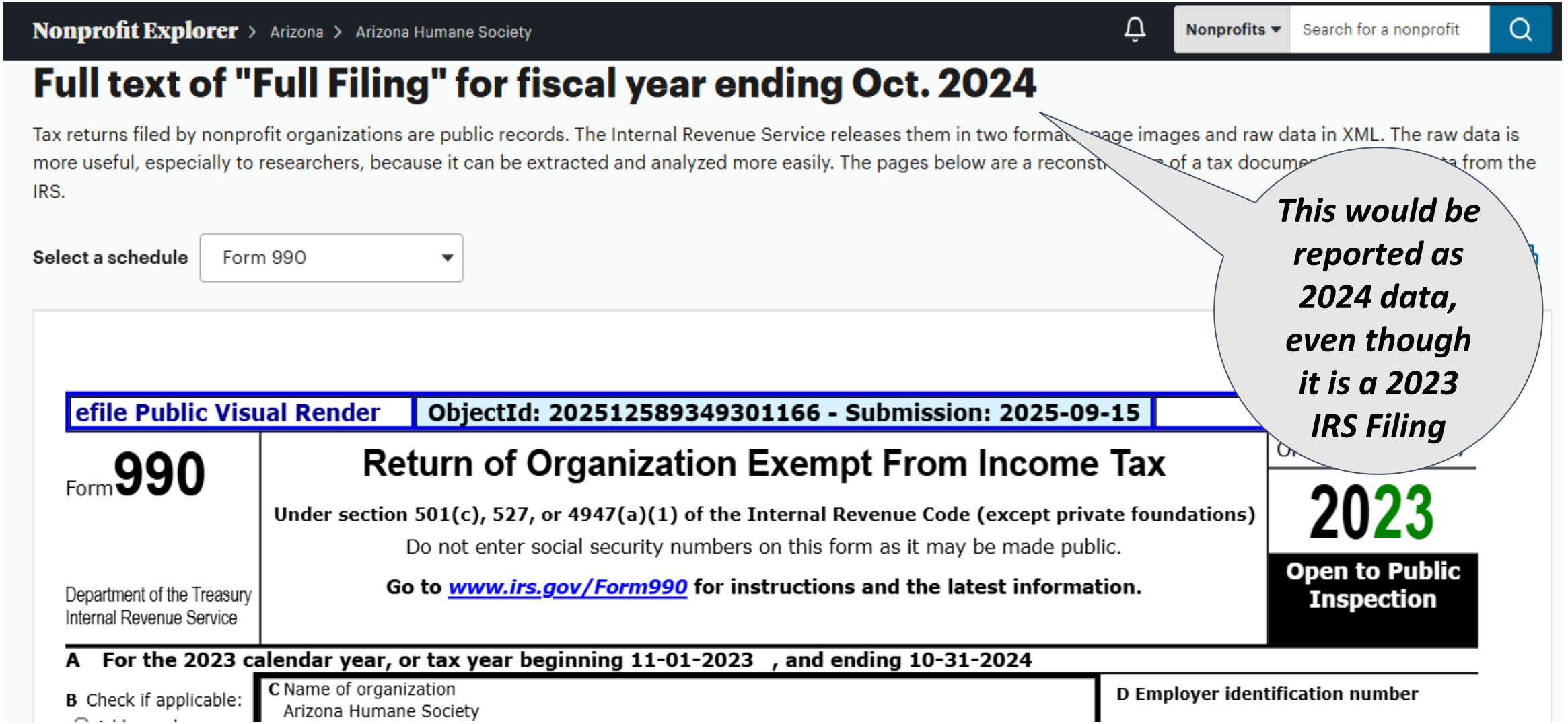
Additional Data - 990's

- Data Sources
  - 990's - ProPublica's Nonprofit Explorer (DDA's nonprofit entities only)
    - Examples can be found here: https://projects.propublica.org/nonprofits/

- Time Period
  - 990's - Targeted the Fiscal Years Ending: 2022, 2023, and 2024

Additional Data - 990's Sample



Additional Data - 990's

Table 1. Count of MD DDA Nonprofit Providers in Publicly Available 990 Dataset

	CY22	CY23	CY24
990's Available	118	132	92
Total DDA Providers	265	297	326
% Available (990's/Total DDA Providers)	44.5%	44.4%	28.2%

FYI: In 2024, nonprofit DDA providers received about 44% of DDA payments

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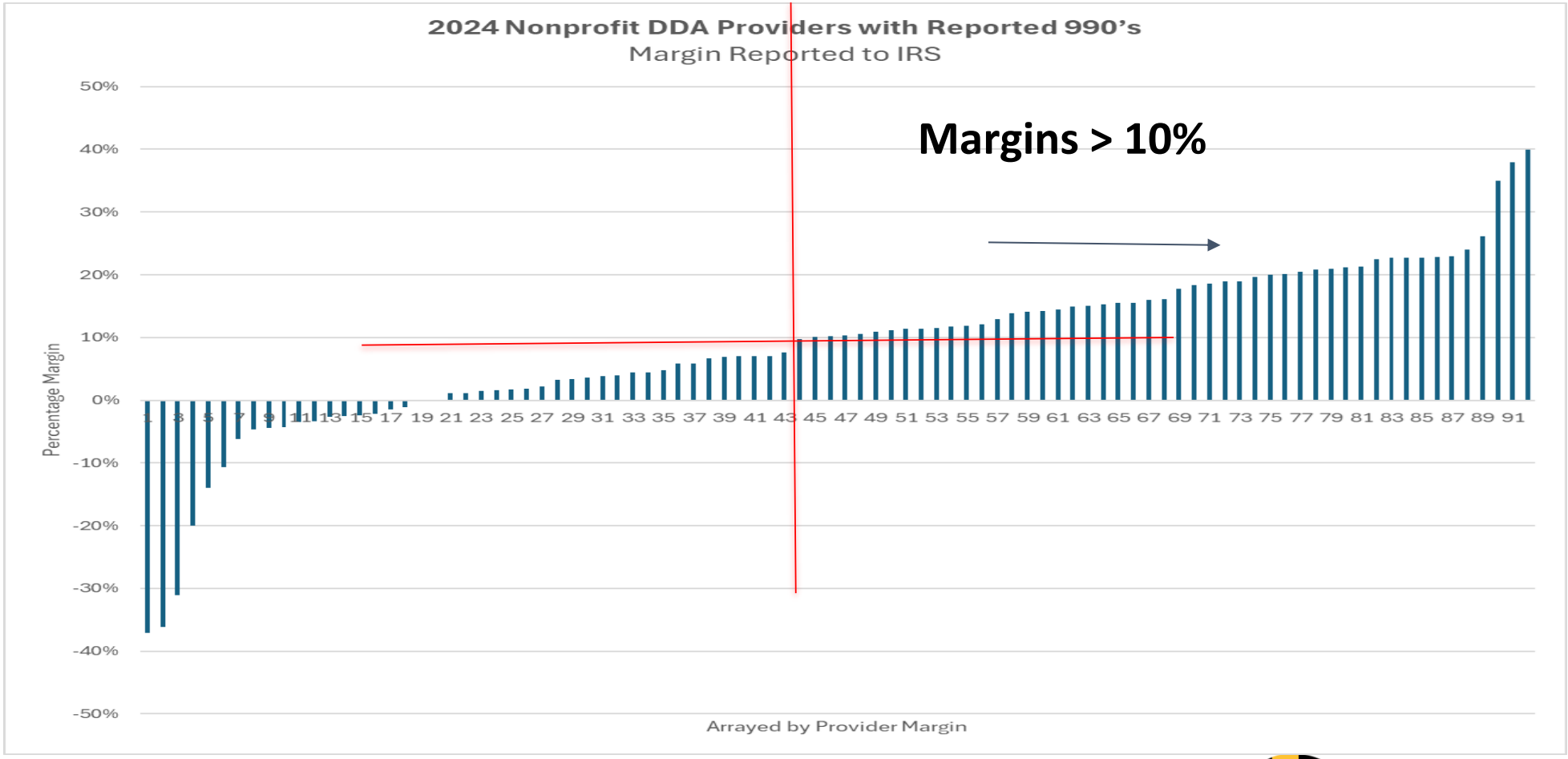
Additional Data - Margin Formula

Optumas calculated Margin using the formula:

$$\frac{\textit{(Total Revenue – Total Expenditures)}}{\textit{Total Revenue}}$$

Additional Data - 990's



Illustrative example showing FY24 990s with a significant number at 10% or greater (to the right of crossbar)

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Open Discussion - Rate Review Advisory Group Members

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Public Comment

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Next Steps and Adjournment

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Next Meeting

APRIL 2026

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

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Upcoming Meeting Dates

The next RRAG meeting will be held **Monday, April 20, 2026 1:00 - 3:00 PM**

Remaining RRAG Dates
Thursday, May 28, 2026 2:00 - 4:00 PM
Thursday, June 25, 2026 12:00 - 2:00 PM
Thursday, July 30, 2026 12:00 - 2:00 PM
Thursday, August 27, 2026 12:00 - 2:00 PM

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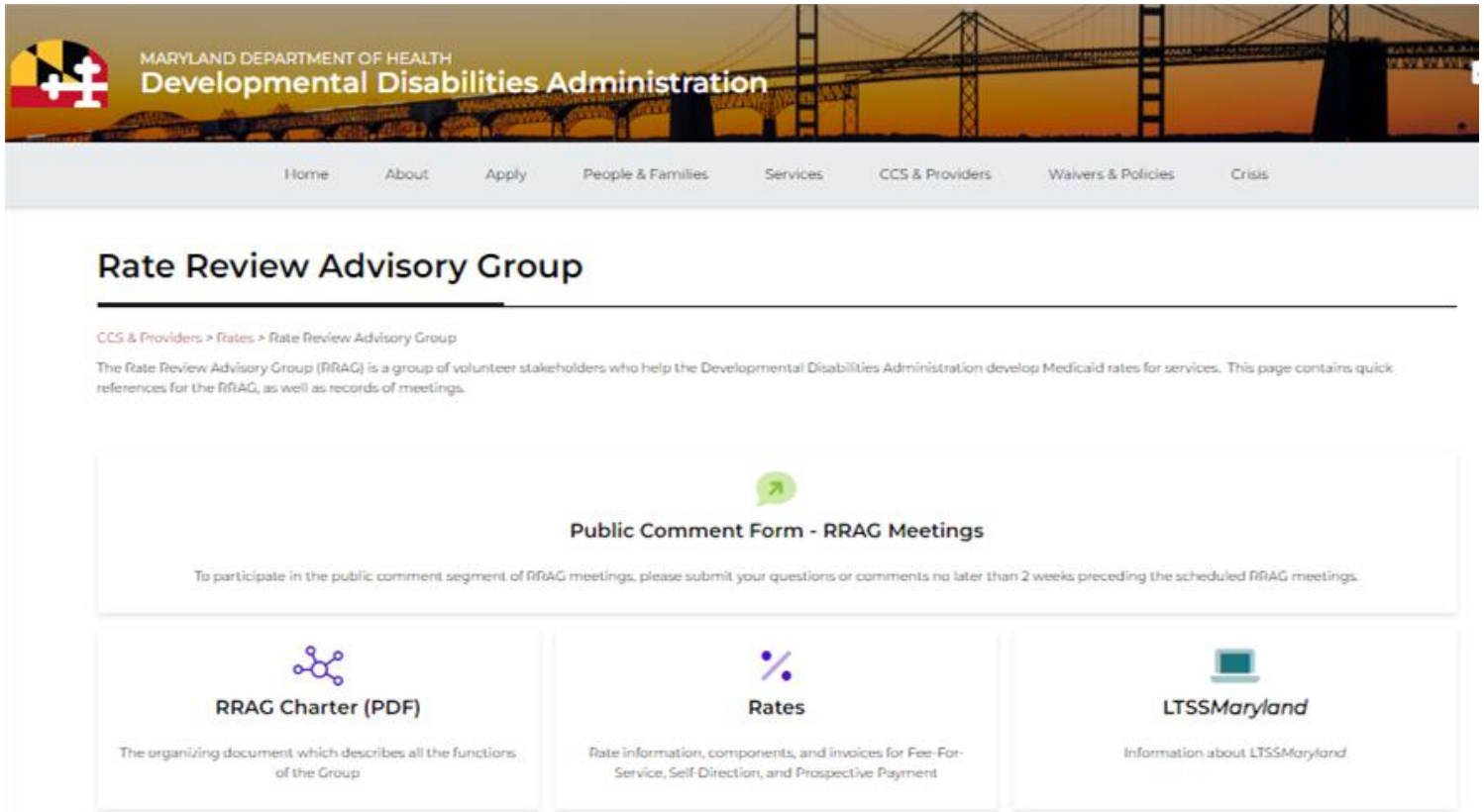
Rate Review Advisory Group Materials

https://health.maryland.gov/dda/Pages/LTSSMaryland/RRAG.aspx



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Thank You!

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