



Maryland
DEPARTMENT OF HEALTH

Rate Review Advisory Group Kickoff

Developmental Disabilities Administration

2/25/2022



Agenda

1. Welcome and Opening Address
2. Rate Review Advisory Group Scope of Work and Timeline
3. Introduction of Members, Selection Process, Roles and Responsibilities
4. Rate Review Process and Flow Chart
5. Understanding the Wage Model of Rate Development
6. Summary of Shared Rate Review Priorities
7. Discussion and Process for the Selection of FY2023 through FY2024 Priorities
8. Next Steps and Adjournment

Welcome and Opening Address

DDA Vision:

People with developmental disabilities will have full lives in the communities of their choice where they are included, participate, and are active citizens.

DDA Mission:

Create a flexible, person-centered, family-oriented system of supports so people can have full lives.

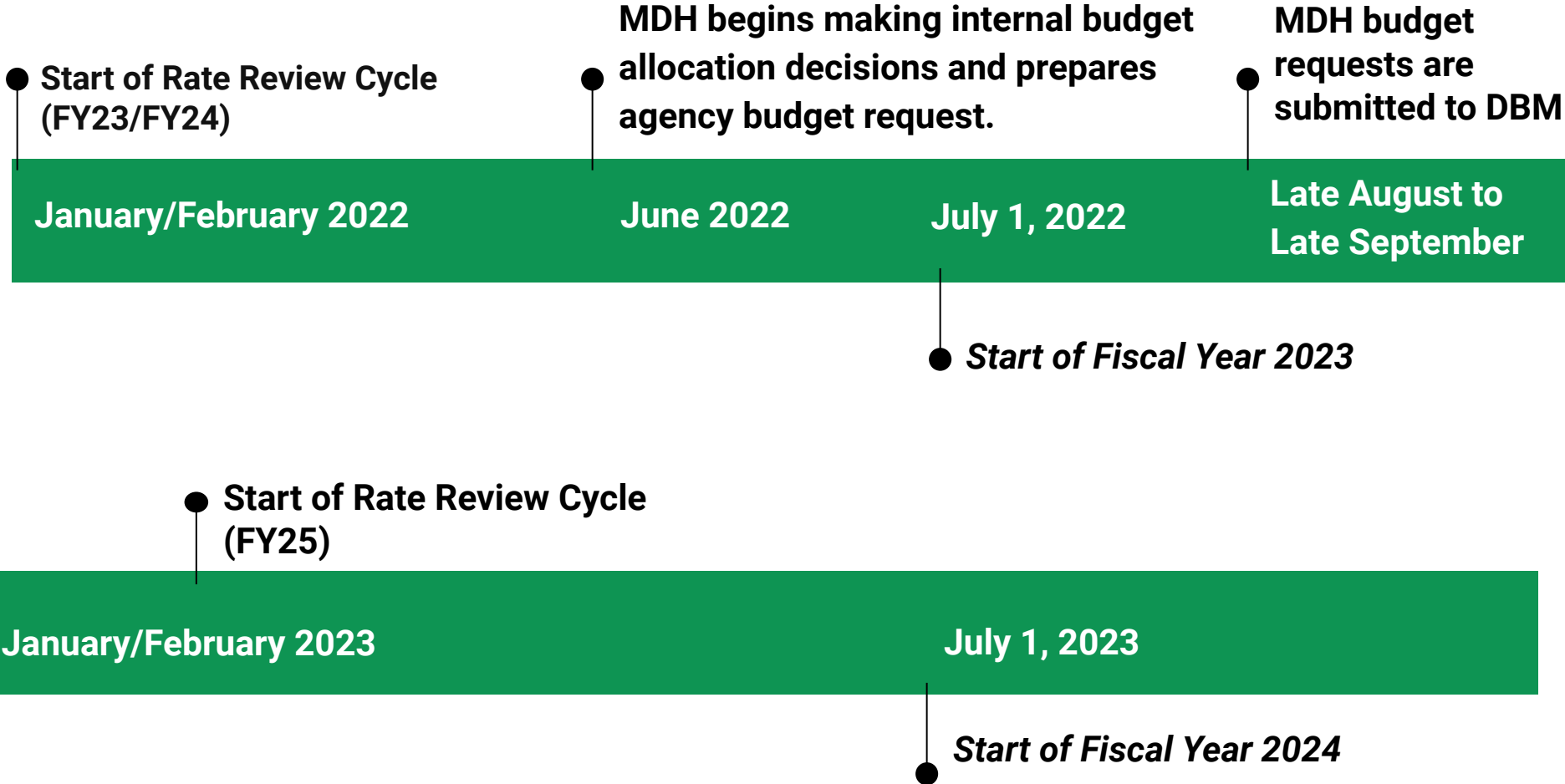
Welcome and Opening Address



Rate Review Advisory Group Scope of Work and Timeline

The MDH Rate Review Advisory Group has been established by the Maryland Department of Health to provide a **formal, consistent and unified approach** for stakeholders of the Developmental Disabilities Administration to provide guidance on the development of Medicaid payment rates for services provided through home and community-based services (HCBS) waiver programs.

Scope of Work and Timeline



MD Fiscal Year State Operating Budget Cycle:
<https://dbm.maryland.gov/budget/Pages/cycle-calendar.aspx>

Rate Review Process Outcomes

- **Stakeholders understand the process** by which rates are reviewed and **feedback is collected**
- Adhere to a **structured timeline** to support timely rate reviews and/or adjustments
- Timely processes for collection and review of feedback to enable **long-term development and maintenance of DDA rates**
- **Stronger consistency** in Medicaid rate setting processes
- **Strong programs** and **stewardship** of public funds

Introduction of Members

SELECTED MEMBERS

- Laura Howell, *MACS supported by*
 - *Maria Dominiak*
 - *Sharon Lewis*
- Carol Custer, *SDAN*
- Donna Retzlaff, *Spring Dell Center, MACS*
- Karen Adams- Gilchrist, *Providence Center, MACS*
- Ken Capone, *People On the Go*
- Scott Hollingsworth, *Appalachian Crossroads*
- Karen Lee, *SEEC/EAG*
- Christian Parks, *Somerset Community Services*
- Shauna Mulcahy, *The Arc Frederick County*
- Gregory Miller, *Penn-Mar, EAG*

Member Selection Process

Criteria:

- Individual/agency is representative of the current provider network;
- Individual/agency is engaged in utilizing/operationalizing inclusive community-based services; and
- Individual can meet attendance expectations, review materials, and tap others within their network/organization to support them in engaging in this process.

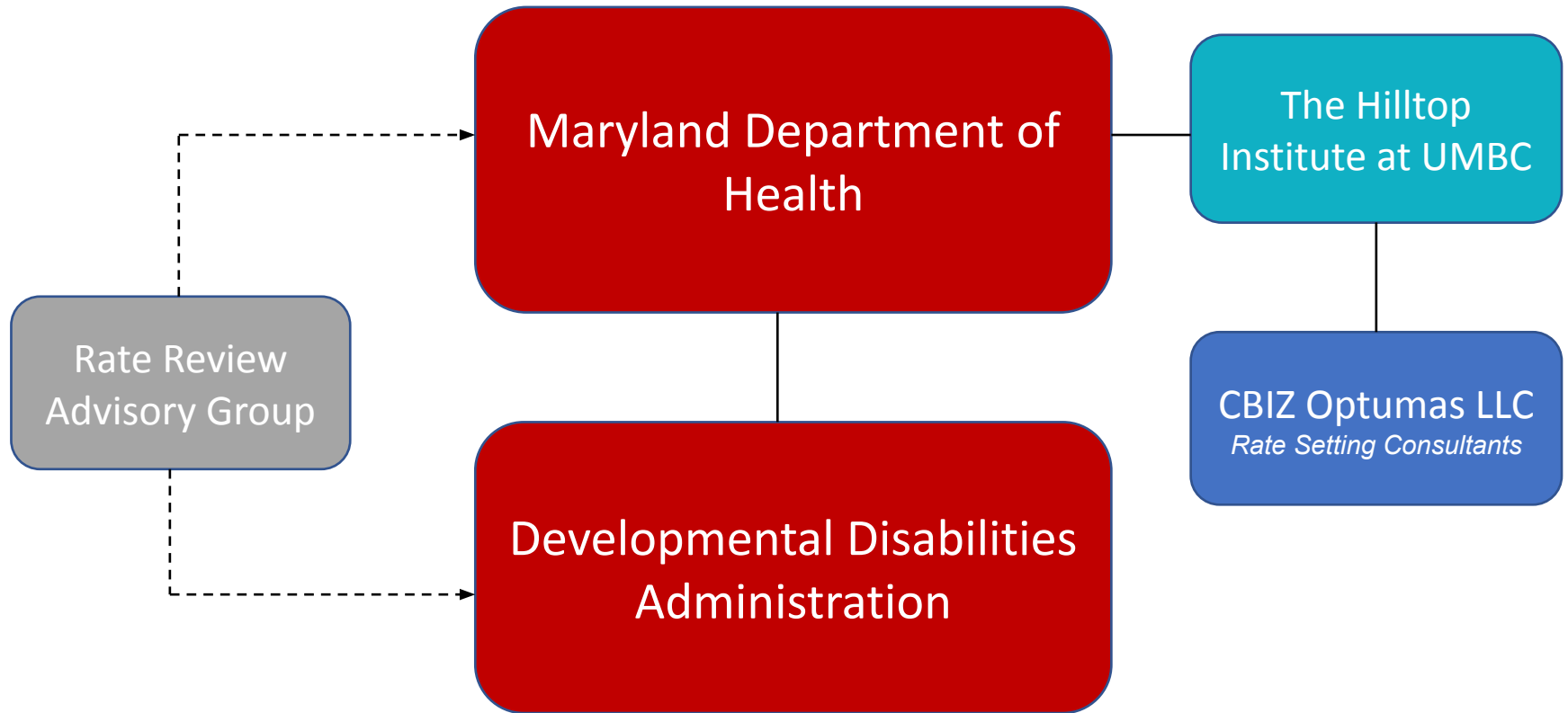
Members Roles and Responsibilities

- Review utilization data for some or all services & assist in crafting stakeholder interview questions depending on review/rebase year
- Provide input to guide MDH decisions on which services to review during the course of the calendar year
- Share relevant information and experience from stakeholders providing or receiving services
- Review and provide input on proposed changes to service definitions, rates, rate models, or policies

MDH Roles and Responsibilities

- Coordinate and facilitate transparent process
- Solicit information to set rate priorities and inform decisions
- Identifying and obtaining the data sources and data sets to help evaluation and work on priorities
- Doing the analysis and sharing/presenting to group
- Ensuring CMS requirements and following approved methodology
- Assessing the budget impact and that it aligns with the budget process

DDA Rate Setting Organizational Chart



Requirements of Rate Setting

CMS Requirements:

- Rate setting methodology (for each service) must be reviewed, at minimum, every five years
- Rate review process must include:
 - When rates were initially set and last reviewed
 - How the state measures rate sufficiency and compliance with §1902(a)(30)(A) of the Act
 - The rate review method used, and
 - The frequency of rate review activities

Rate Review Process and Flow Chart

January 2022
Outline Process and Schedule

February 2022
Finalize and Prioritize Issues of Interest List

March 2022
Solicit Stakeholder Feedback on Potential Modifications to Rates

April 2022
Present Preliminary Results of Analyses

May 2022
Present Draft Trends

June 2022
Final Trend Presentation

July 2022
Consult with MDH (+DBM) on proposed rates

August - September 2022
Provider Impact/Budget Simulations (Aug Wk 4 to Wk 5)

Understanding the Process of Rate Development

Rate Development Process:

1. Collect provider service data to create base data set
2. Organize base data into appropriate sub categories
3. Work with providers/stakeholders to receive feedback on base data and categorization
4. Adjust data for program/policy changes and trend
5. Consider administrative costs
6. Receive stakeholder feedback on rates

Understanding the Wage Model of Rate Development

Component	Examples
Wages	Direct Support Professional (DSP)
Employee Related Expenses (ERE)	Benefits
Facility	Facility costs, Not R&B for res
Program Support (PS)	Medical staff, equipment
Training	Required DDA Trainings
Transportation	Staff-provided transportation
General and Administrative (G&A)	Typical Business Costs

Understanding the Wage Model of Rate Development

Component	Expenses	% of Wages	% of Total
Wages	\$ 2,500,000	100.0%	
ERE	\$ 800,000	32.0%	
Facility	\$ -	0.0%	
PS	\$ 1,000,000	40.0%	
Training	\$ 20,000	0.8%	
Transportation	\$ 400,000	16.0%	
G&A	\$ 700,000		12.9%
Total	\$ 5,420,000		

Understanding the Wage Model of Rate Development

Component		Value
Wages		\$ 15.00
ERE	32.0%	\$ 4.80
Facility	0.0%	\$ -
PS	40.0%	\$ 6.00
Training	0.8%	\$ 0.12
Transportation	16.0%	\$ 2.40
G&A	12.9%	\$ 4.20
Hourly Cost		\$ 32.52
15 minute rate		\$ 8.13

Summary of FY22 Rate Adjustments

Since April 2021	
Change	Description
Wages	Increased Residential and some Day base wages
Review for consistency	Corrected rounding, minor issues, service matching
Budget policy	Overall increase, updated with funding level
Transportation component	Enhanced funding for transportation
Residential hours	Updated daily staff hours with DDA guidance
Brick to Unit Conversion	Reverted to original methodology to avoid cost duplication

Since September 2021	
Change	Description
Residential hours	Updated daily staff hours with operational considerations
Review for consistency	Increase to Community Development Service (group) wage for consistency

Considerations for Prioritization of Rate Review Interests

- # of people impacted
- # of services impacted
- # of providers impacted
- Relevance to DDA values/focus areas
- Short term vs. long term priority
- Other potential impacts

Summary of Stakeholder Rate Review Interests and Priorities

Rate Components

- Clarify cost of, and responsibility for, transportation in rates
- Understand attendance policies like no-show and cancellation
- Explore relationship between wages and staff turnover
- Review daily staff hour assumptions in residential services
- Compare expected revenue and expenses for each Group Home (GH) size

Rate Construct

- Validate whether rates sufficiently consider non-billable staff time
- Compare policy of group sizes for day services to operational needs
- Discuss fixed and variable cost allocation
- Review if rates appropriately address varying needs among members
- Consider difficulties in transitioning to a new system
- Discuss details of Employment services rate development

Group Discussion

- Are these priorities reflective of the community interests?
- Are there other areas or considerations that would support recommendations for rate setting priorities?
- Submission of additional feedback to support MDH decision on areas to address:

<https://forms.gle/bc2PYrr43ZxatXz8A>

Next Steps and Adjournment

- Meetings occur monthly from February until September 2022 and will be posted on the DDA's Training Calendar

Developmental Disabilities Administration
Calendar of Events
March 2022

[< previous](#) [next >](#)

SUN	MON	TUE	WED	THU	FRI	SAT
27	28	1	2	3	4	5
6	7 DDA - RN/Case Management/Delegating Nurse Orientation on March 7 & 9, 2022	8 SMRO - Quarterly Providers' Meeting 3/8/22	9 Provider Revalidation and Enrollment Portal (ePREP)	10	11	12
13	14	15 SMRO: Virtual Choking & Dysphagia Diets, Train-The-Trainer on March 15, 2022	16	17	18	19
20	21 Maryland Department of Health DDA Rate Review Advisory Group	22 Support Broker Re-Certification Training Support Broker Initial Certification Training	23	24	25	26
27	28	29 Virtual HRST Advanced Data	30 Virtual HRST Clinical Programs	31 Virtual CCS HRST	1	2

Meeting Dates

- Monday, March 21 from 2:00 p.m. to 4:00 p.m.
- Friday, April 15 from 12:30 p.m. to 2:30 p.m.
- Friday, May 20 from 12:30 p.m. to 2:30 p.m.
- Friday, June 17 from 12:30 p.m. to 2:30 p.m.
- Friday, July 15 from 12:30 p.m. to 2:30 p.m.
- Friday, August 19 from 12:30 p.m. to 2:30 p.m.

Rate Review Advisory Group Materials

<https://health.maryland.gov/dda/Pages/RATE-REVIEW-ADVISORY-GROUP.aspx>

MARYLAND DEPARTMENT OF HEALTH
Developmental Disabilities Administration

Home Individuals Families Providers Transformation **LTSSMaryland** Electronic Visit Verification (EVV) POLICYSTAT Person-Centered Planning

Quick Links

[LTSS RATES/RATE REVIEW
ADVISORY GROUP](#)

Thank You!

See you March 21 from 2pm to 4pm