

Maine Office of Aging and Disability Services

Sections 21/29 Waiver Rate-Setting Initiative

Proposed Rate Models - Fiscal Impact Analysis

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July 22, 2014

Maine Office of Aging and Disability Services

**Sections 21/29 Waiver Rate-Setting Initiative
Proposed Rate Models - Fiscal Impact Analysis**

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**Maine Office of Aging and Disability Services
Proposed Rate Models - Fiscal Impact Analysis - Section 21**

Estimated Fiscal Impact of Draft Rates, by Service¹

Proc Code	Service	Actuals				Current Published Rates		Draft Rates			
		Members	Units	Paid	Avg Rate	Pub. Rate	Cost at Pub.	Draft Rate	Est. Cost	Increase/ (Dec.)	% Change
All Services		2,856		\$276,357,090			\$276,659,686		\$256,761,629	(\$19,898,057)	-7.2%

Agency Home Support^{2,3}

T2016PD	Agency Home Support	1,725	572,389	\$186,655,059	\$326.10	\$326.10	\$186,655,059	\$304.18	\$184,483,991	(\$15,993,257)	-8.0%
T2016SC	Agy. Home Sup. w/ Med. Add-On	114	34,114	\$13,822,189	\$405.18	\$405.18	\$13,822,189				
	<i>Sub Total</i>	<i>1,813</i>	<i>606,503</i>	<i>\$200,477,248</i>			<i>\$200,477,248</i>		<i>\$184,483,991</i>	<i>(\$15,993,257)</i>	<i>-8.0%</i>

Reported rates are averages; existing rate uses an hourly rate and staffing matrix while draft rates vary by home size and level of need (see notes page)

Family-Centered Support⁴

T2016FC1	1 Member	63	20,814	\$2,158,706	\$103.71	\$104.17	\$2,168,194	\$104.17	\$2,168,194	\$0	0.0%
T2016TG	1 Member, Increased Support	13	3,829	\$816,145	\$213.15	\$216.96	\$830,740	\$216.96	\$830,740	\$0	0.0%
T2016UN	2 Members	57	16,484	\$1,412,374	\$85.68	\$85.80	\$1,414,327	\$85.80	\$1,414,327	\$0	0.0%
T2016UNTG	2 Members, Increased Support	17	5,775	\$1,135,910	\$196.69	\$196.78	\$1,136,405	\$196.78	\$1,136,405	\$0	0.0%
T2016UP	3 Members	31	7,049	\$515,561	\$73.14	\$73.15	\$515,634	\$73.15	\$515,634	\$0	0.0%
T2016UPTG	3 Members, Increased Support	11	2,552	\$455,277	\$178.40	\$178.40	\$455,277	\$178.40	\$455,277	\$0	0.0%
T2016UQ	4 Members	6	329	\$20,395	\$61.99	\$61.99	\$20,395	\$61.99	\$20,395	\$0	0.0%
T2016UQTG	4 Members, Increased Support	5	669	\$107,674	\$160.95	\$162.16	\$108,485	\$162.16	\$108,485	\$0	0.0%
T2016UR	5 Members	1	150	\$8,294	\$55.29	\$55.29	\$8,294	\$55.29	\$8,294	\$0	0.0%
T2016URTG	5 Members, Increased Support	4	588	\$89,275	\$151.83	\$152.42	\$89,623	\$152.42	\$89,623	\$0	0.0%
	<i>Sub Total</i>	<i>179</i>	<i>58,239</i>	<i>\$6,719,611</i>			<i>\$6,747,373</i>		<i>\$6,747,373</i>	<i>\$0</i>	<i>0.0%</i>

Shared Living⁴

T2016	1 Member	468	147,405	\$18,600,002	\$126.18	\$126.19	\$18,601,037	\$126.19	\$18,601,037	\$0	0.0%
T2016SLIS1	1 Member, Increased Support	74	22,953	\$4,025,239	\$175.37	\$183.52	\$4,212,335	\$183.52	\$4,212,335	\$0	0.0%
T2016SL2	2 Members	10	3,612	\$227,917	\$63.10	\$63.10	\$227,917	\$63.10	\$227,917	\$0	0.0%
T2016SLIS2	2 Members, Increased Support	4	1,447	\$163,665	\$113.11	\$120.42	\$174,248	\$120.42	\$174,248	\$0	0.0%
	<i>Sub Total</i>	<i>541</i>	<i>175,417</i>	<i>\$23,016,823</i>			<i>\$23,215,536</i>		<i>\$23,215,536</i>	<i>\$0</i>	<i>0.0%</i>

Home Support⁵

T2017	Home Support	348	1,561,273	\$9,770,720	\$6.26	\$6.27	\$9,789,182	\$7.40	\$11,692,215	\$1,762,363	17.7%
T2017SC	Home Supp., w/ Medical Add-On	3	18,756	\$140,670	\$7.50	\$7.50	\$140,670				
	<i>Sub Total</i>	<i>350</i>	<i>1,580,029</i>	<i>\$9,911,390</i>			<i>\$9,929,852</i>		<i>\$11,692,215</i>	<i>\$1,762,363</i>	<i>17.7%</i>

**Maine Office of Aging and Disability Services
Proposed Rate Models - Fiscal Impact Analysis - Section 21**

Estimated Fiscal Impact of Draft Rates, by Service¹

Proc Code	Service	Actuals			Current Published Rates			Draft Rates			
		Members	Units	Paid	Avg Rate	Pub. Rate	Cost at Pub.	Draft Rate	Est. Cost	Increase/ (Dec.)	% Change
Community Support^{6,7}											
T2021	Community Support	1,990	5,920,248	\$31,217,993	\$5.27	\$5.28	\$31,258,909	\$4.11	\$25,009,444	(\$7,324,501)	-22.7%
T2021SC	Commun. Supp., w/ Med. Add-On	65	165,136	\$1,073,861	\$6.50	\$6.51	\$1,075,035				
	<i>Sub Total</i>	<i>2,018</i>	<i>6,085,384</i>	<i>\$32,291,855</i>			<i>\$32,333,945</i>		<i>\$25,009,444</i>	<i>(\$7,324,501)</i>	<i>-22.7%</i>
<i>Draft rate that is displayed is a weighted average of the draft tiered rates for facility-based programs (see notes page)</i>											
Work Support⁸											
H2023	Work Support	617	500,943	\$3,450,290	\$6.89	\$6.91	\$3,461,516	\$5.68	\$5,056,432	\$1,594,916	46.1%
	<i>Sub Total</i>	<i>616</i>	<i>500,943</i>	<i>\$3,450,290</i>			<i>\$3,461,516</i>		<i>\$5,056,432</i>	<i>\$1,594,916</i>	<i>46.1%</i>
<i>Draft rate that is displayed is a weighted average of draft individual and group rates based on provider survey results with adjustment for non-billed units (see notes page)</i>											
Employment Specialist Services											
T2019	Employment Specialist Services	116	6,731	\$48,742	\$7.24	\$7.42	\$49,944	\$9.74	\$65,560	\$15,616	31.3%
	<i>Sub Total</i>	<i>116</i>	<i>6,731</i>	<i>\$48,742</i>			<i>\$49,944</i>		<i>\$65,560</i>	<i>\$15,616</i>	<i>31.3%</i>
Professional Services											
H0004SC	Counseling ⁴	41	3,654	\$48,834	\$13.36	\$13.50	\$49,329	\$13.50	\$49,329	\$0	0.0%
H0031	Consultation Svc.-Psychological	107	2,003	\$39,300	\$19.62	\$19.80	\$39,659	\$15.48	\$31,006	(\$8,653)	-21.8%
S8990GN	Speech Therapy (Maintenance)	9	293	\$3,624	\$12.37	\$12.48	\$3,657	\$15.87	\$4,650	\$993	27.2%
S8990GNHQ	Speech Therapy (Main.), Group ⁹	29	3,399	\$31,468	\$9.26	\$9.36	\$31,815	\$9.03	\$30,693	(\$1,122)	-3.5%
S8990GO	Occupational Therapy (Maintenance)	4	160	\$1,526	\$9.54	\$9.54	\$1,526	\$15.87	\$2,539	\$1,013	66.4%
S8990GP	Physical Therapy (Maintenance)	17	1,851	\$17,992	\$9.72	\$9.72	\$17,992	\$15.87	\$29,375	\$11,384	63.3%
	<i>Sub Total</i>		<i>11,360</i>	<i>\$142,743</i>			<i>\$143,978</i>		<i>\$147,593</i>	<i>\$3,615</i>	<i>2.5%</i>
Crisis Services											
T2034	Crisis Services	50	31,526	\$198,284	\$6.29	\$6.35	\$200,190	\$7.72	\$243,381	\$43,191	21.6%
	<i>Sub Total</i>	<i>50</i>	<i>31,526</i>	<i>\$198,284</i>			<i>\$200,190</i>		<i>\$243,381</i>	<i>\$43,191</i>	<i>21.6%</i>
Other Services⁴											
92507	Non-Trad. Communication Assess.	4	161	\$1,449	\$9.00	\$9.00	\$1,449	\$9.00	\$1,449	\$0	0.0%
G9007	Non-Trad. Communication Consult.	10	706	\$6,354	\$9.00	\$9.00	\$6,354	\$9.00	\$6,354	\$0	0.0%
S5165	Home Access. Adapt. (Home Mods.)	4	4	\$24,530	\$6,132.51	\$6,132.51	\$24,530	\$6,132.51	\$24,530	\$0	0.0%
T2003U3	Transportation	10	9,530	\$5,337	\$0.56	\$0.56	\$5,337	\$0.56	\$5,337	\$0	0.0%
T2029	Specialized Med. Equip./ Supplies	27	1,762	\$28,323	\$16.07	\$16.07	\$28,323	\$16.07	\$28,323	\$0	0.0%
V5274	Communication Aids	20	23	\$34,112	\$1,483.12	\$1,483.12	\$34,112	\$1,483.12	\$34,112	\$0	0.0%
	<i>Sub Total</i>			<i>\$100,104</i>			<i>\$100,104</i>		<i>\$100,104</i>	<i>\$0</i>	<i>0.0%</i>

**Maine Office of Aging and Disability Services
Proposed Rate Models - Fiscal Impact Analysis - Section 29**

Estimated Fiscal Impact of Draft Rates, by Service¹

Proc Code	Service	Actuals				Current Published Rates		Draft Rates			
		Members	Units	Paid	Avg Rate	Pub. Rate	Cost at Pub.	Draft Rate	Est. Cost	Increase/ (Dec.)	% Change
All Services		1,314		\$21,252,419			\$21,042,853		\$16,635,144	(\$4,407,709)	-20.9%

Community Support^{6,7}

T2021	Community Support	1,295	3,776,810	\$19,913,860	\$5.27	\$5.28	\$19,941,557				
T2021SC	Commun. Supp., w/ Med. Add-On	3	7,122	\$46,351	\$6.51	\$6.51	\$46,364	\$3.99	\$15,097,889	(\$4,890,032)	-24.5%
	<i>Sub Total</i>	<i>1,295</i>	<i>3,783,932</i>	<i>\$19,960,211</i>			<i>\$19,987,921</i>		<i>\$15,097,889</i>	<i>(\$4,890,032)</i>	<i>-24.5%</i>

Work Support⁸

H2023	Work Support	294	149,487	\$1,026,163	\$6.86	\$6.91	\$1,032,955	\$5.68	\$1,508,896	\$475,941	46.1%
	<i>Sub Total</i>	<i>294</i>	<i>149,487</i>	<i>\$1,026,163</i>			<i>\$1,032,955</i>		<i>\$1,508,896</i>	<i>\$475,941</i>	<i>46.1%</i>

Draft rate that is displayed is a weighted average of draft individual and group rates based on provider survey results with adjustment for non-billed units (see notes page)

Employment Specialist Services

T2019	Employment Specialist Services	42	2,751	\$19,107	\$6.95	\$7.42	\$20,412	\$9.74	\$26,795	\$6,382	31.3%
	<i>Sub Total</i>	<i>42</i>	<i>2,751</i>	<i>\$19,107</i>			<i>\$20,412</i>		<i>\$26,795</i>	<i>\$6,382</i>	<i>31.3%</i>

Other Services⁴

92507	Non-Trad. Communication Assess.	0	0	\$0							
G9007	Non-Trad. Communication Consult.	0	0	\$0							
S5165	Home Access. Adapt. (Home Mods.)	1	1	\$1,565	\$1,564.50	\$1,564.50	\$1,565	\$1,564.50	\$1,565	\$0	0.0%
T2003U3	Transportation	0	0	\$0							
T2029	Specialized Med. Equip./ Supplies	0	0	\$0							
V5274	Communication Aids	0	0	\$0							
	<i>Sub Total</i>			<i>\$1,565</i>			<i>\$1,565</i>		<i>\$1,565</i>	<i>\$0</i>	<i>0.0%</i>

**Maine Office of Aging and Disability Services
Proposed Rate Models - Fiscal Impact Analysis**

Notes to Accompany Fiscal Analysis

1. Except as noted, the fiscal analysis does not account for changes to utilization patterns arising from policy changes (for example, the analysis does not include an estimate for an increase in Community Supports utilization that would occur if the current limit of 21.5 hours per week is increased).

2. Agency Home Support rates are currently negotiated using an hourly rate and a staffing matrix to determine a number of staff hours for the home. The proposed rates would establish 'true' per diem rates that vary based on home size and a member's level of need. The table below illustrates the estimated number of units for each home size and 'tier' and compares the current average rate (established using the staffing matrix) to the proposed rate. The cost for members who have not received a SIS assessment is assumed to be the weighted average of the members who have received an assessment in the same home size.

	'Regular' Units	Medical Add-On Units	Total Units	Current Avg. Rate	Proposed Rate
4+-Person Residence, Tier 1	8,456	0	8,456	\$230.32	\$184.75
4+-Person Residence, Tier 2	87,255	5,655	92,910	\$267.73	\$223.98
4+-Person Residence, Tier 3	24,327	12,063	36,390	\$333.07	\$329.10
4+-Person Residence, No SIS	21,163	2,169	23,332	\$266.31	<i>\$249.34</i>
3-Person Residence, Tier 1	11,451	0	11,451	\$267.55	\$227.46
3-Person Residence, Tier 2	67,792	2,028	69,820	\$279.18	\$238.44
3-Person Residence, Tier 3	19,575	1,783	21,358	\$362.82	\$339.19
3-Person Residence, No SIS	21,994	1,348	23,342	\$303.42	<i>\$258.18</i>
2-Person Residence, Tier 1	33,949	184	34,133	\$311.21	\$300.03
2-Person Residence, Tier 2	130,260	3,821	134,081	\$331.45	\$310.14
2-Person Residence, Tier 3	41,449	1,716	43,165	\$430.48	\$373.40
2-Person Residence, No SIS	34,949	1,147	36,096	\$351.98	<i>\$321.43</i>
1-Person Residence, Tier 1	8,601	0	8,601	\$250.42	\$488.53
1-Person Residence, Tier 2	31,304	721	32,025	\$420.98	\$489.62
1-Person Residence, Tier 3	19,649	1,388	21,037	\$534.98	\$536.89
1-Person Residence, No SIS	10,215	91	10,306	\$455.51	<i>\$505.59</i>

3. The proposed rates for Agency Home Support include an absence factor that adds a premium to the daily rate (based on a 365-day year) so that a providers earns 365 days worth of revenue over 350 billing days. As providers will be limited to 350 billing days (at which point they will have earned a full-year of revenue), the analysis excludes the 15,392 billing days in excess of 350 (2.5 percent of all units).

**Maine Office of Aging and Disability Services
Proposed Rate Models - Fiscal Impact Analysis**

Notes to Accompany Fiscal Analysis

4. Service is not included in the rate study.

5. The proposed rate model for Home Supports includes long-term and group rates. The analysis prices all units at the individual short-term rate so the estimated cost may be modestly overstated.

6. The proposed rate model for Community Supports in the Section 21 program includes tiered rates for both facility-based and community-only programs as well as a one-on-one community rate. The analysis prices all units at the facility-based rates so the estimated cost may be modestly understated. The table below illustrates actual utilization and the resulting weighted average rate.

Tier	Community Support Units	Comm. Supp. w/ Medical Add-On	Total Units	Facility Rate
1	971,417	3,091	974,508	\$3.65
2	3,276,034	65,320	3,341,354	\$3.99
3	711,501	88,488	799,989	\$5.17
0	961,296	8,237	969,533	
Weighted Average				\$4.11

Community Support services provided through the Section 29 program will be paid at the Tier 2 rate.

7. The analysis does not provide any estimate to account for units of Community Support services that providers are delivering but not billing due to the 21.5 hour per week limit. Since these units would become billable if the cap was increased, the estimate may be modestly understated. Further, the analysis does not include any estimate for growth in (new) utilization that will occur if the cap is increased.

**Maine Office of Aging and Disability Services
Proposed Rate Models - Fiscal Impact Analysis**

Notes to Accompany Fiscal Analysis

8. The proposed rate model for Work Supports includes individual and group rates (with the group rates varying by the size of the group). Current policy requires that providers divide the number of units between consumers when serving groups, resulting in an undercounting of units. It is also unknown how often the service is provided to individuals versus groups. The analysis uses provider survey data to estimate the number of members served in groups of varying sizes. The table below illustrates how this information was used to develop a weighted average rate and to account for under-billed units.

Group Size	Reported Members	Percent	Est. Units	Est. Undercounted Units	Est. Units with Undercounts	Rate
1	276	68%	341,383	0	341,383	\$8.93
2	39	10%	48,239	48,239	96,478	\$5.34
3	3	1%	3,711	7,421	11,132	\$4.06
4	79	20%	97,715	293,144	390,859	\$3.33
5	7	2%	8,658	34,633	43,291	\$2.92
6	1	0%	1,237	6,184	7,421	\$2.63
Weighted Average						\$5.68
Additional Revenue Growth by Billing Undercounts						77.8%

9. The proposed rate model for group Therapies includes two- and three-person group rates. The analysis prices all units at the two-person rate so the estimated cost may be modestly overstated.