MaineCare’s Comprehensive Rate Setting Evaluation Phase 1 Report: How to Read the Excel Workbooks

The Maine Department of Health and Human Services (DHHS) engaged Myers and Stauffer, LC to evaluate MaineCare’s rates and rate setting methodologies for MaineCare provider reimbursement, and to develop a plan for the creation of a comprehensive, streamlined, and coherent system for setting and maintaining rates for specific services and programs. This rate study is a foundational step to fulfill an important shared goal of the Department and the Maine Legislature: to establish and maintain rates that are sufficient to sustain the financial viability of MaineCare providers, thereby ensuring that MaineCare members have access to important services.

The first report released in this comprehensive evaluation involves a review of MaineCare’s reimbursement rates for covered services by section of policy as detailed in the MaineCare Benefits Manual. That review is captured in a series of 29 Excel workbooks, with each one covering a different service area.

Most of the workbooks have three tabs:

1. The “procedure description” tab first describes the general methodology executed taken across all service categories, then describes details particular to the chosen service category.

2. The “data table” tab includes code-by-code information. The codes were selected to account for at least two-thirds of spend in each given service area. For each code, an overall “comparison rate” was then calculated, equal to the average of the five comparison states and the Medicare rate, when available, with each weighted equally. Commercial insurance rates are also presented for comparison purposes, when available. The data can be filtered by any column.

3. The “Key Points” tab presents highlights from the “data table” tab, such as such as: (1) the average and median percent of comparison rate within the service area, (2) the current MaineCare spend as a percentage of what spend would be if MaineCare used the comparison rates instead of MaineCare rates, (3) the number of codes within the service area with rates defined as high or low outliers for the purposes of this report.

1 These rate comparisons serve as points of reference only, providing the opportunity to identify those service categories where MaineCare rates appear high or low as compared to rates for services in other categories, where rates within a service category vary significantly from one another, or where rates for a service category appear high or low when compared to rates for similar services paid by the comparison Medicaid states and, where applicable, Medicare. The comparison rate is not intended to suggest a desired fee schedule amount or level of reimbursement. State Medicaid agencies, Medicare, and commercial payers differ in how they determine benefits and define services, the limitations that they place on services, who is eligible for the services, who the providers are that deliver the services, and a host of other factors that affect reimbursement methodologies and fees. Those factors are not considered in this analysis.

2 The calculation of rates as “outliers,” as defined in this report, is not a statistical calculation given limited sample sizes and should not be interpreted to mean that our comparison rates comprise a representative sample. Apparent differences in rate levels may not always be meaningful: they could be due to limited sample sizes,
Some workbooks follow the same comparison approach described above but have more than one service category within the general area (e.g., dental services, physician services) and therefore have a separate “data table” and “key points” tab for each category.

Other workbooks do not follow this comparison approach, for a range of reasons:

1. The approach could not be applied to providers who are paid based on allowable costs with retroactive settlements (e.g., Nursing Facilities) or other services where each provider has their own specific rate for the same service (e.g., Federally Qualified Health Centers and Rural Health Clinics).

2. States design some services that might appear similar to those in Maine, but upon research, it is evident that the programs are designed to address specific populations or needs different from Maine’s programs, such as ICFs/IID or health homes. Descriptive information is provided in the workbooks wherever such information was available for those services.

In such cases, the organization of the workbook is dependent upon the data available.

When reviewing these workbooks, please note that while it would be best to view them on a computer screen, they have been formatted for printing, if necessary.

For more information on these workbooks, please contact RateSettingEval@maine.gov.