

# In-Home Medicaid/State Services Rate Study

## Workgroup #3

### Meeting Agenda

October 19, 2022  
10:00 AM– 1:00 PM (Central)

#### Guidehouse Attendees:

Claire Payne  
Poorna Suresh  
Sean Clare  
Coy Jones

#### State Attendees:

Eric Weiss  
Heather Krzmarzick  
Misty Black Bear  
Sarah Akers  
Jennifer Lewis  
Steven Kohler  
Greg Evans  
Jason Simmons

#### Workgroup Attendees:

Steven Novotny  
Senator Breitling  
Jolene Hinkley  
Thomas Catron  
Thomas Elness  
Gabrielle Hoing  
Vladislav Bykov

#### **Intro**

Coy Jones with Guidehouse (GH) welcomed attendees to the meeting and presented the agenda for the meeting and began facilitating. Initial note from Coy that the slide deck sent out before the call is an old version and some numbers are different. The correct version is being used for the presentation and will be sent out after the call.

#### **Rate Methodology Overview**

GH: Discussed the overall rate methodology components and the structure of how the rates are built.

#### **Final Wage Assumptions**

GH: Discussed final wage adjustment factors related to inflation, supplemental pay, and the wage adjustment due to survey time period.

GH: Supplemental pay was updated from previous workgroup to account for additional providers that reported supplemental pay within the survey and GH reached out to some providers with outlier numbers to confirm results. Supplemental pay percentage with Bonus was very close to national average of 3.62%.

GH: Discussed final wages that would be used within rate model build-ups including wage adjustment percentage, supplemental pay add-on and additional inflation for when rates would go into effect.

Providers: Commented on that the cost of contractors is too high to use.

#### **Additional Rate Components**

GH: Discussed additional rate components that had not been previously discussed with the workgroup, including supervision costs, billable vs non-billable time for time that service staff are not able to be bill because they are not client facing and transportation.

GH: Transportation add-on calculations were discussed. The survey information did not provide enough level of detail to justify a rural rate differential. However, GH did discuss that in aggregate rural and urban providers were both considered. Transportation was

split into two categories: Nursing and Non-Nursing to determine the additional cost that should be built in for staff transportation.

Provider: Mileage for rural is much higher. Cited 500 miles traveled by a nurse in a 2-week period. Concerns that numbers for rural are diluted by urban

GH- Noted this concern.

Second Workgroup Member: Echoes concerns about transit and those rural areas are under/unserved.

### **Rate Models- Proposed Benchmark Rates**

GH: Showed the recommended benchmark rates for each service with the previous rate. Discussed the rate models that are standardized resulting in the same rate for specific services.

GH: Recommendation in discussion with the state to split Nursing into a RN and LPN rate due to wage differentials.

GH: Walked through each rate model to discuss how each rate component element results in the final rate.

Provider: Will nursing rates be selected by providers?

State: Yes, current plan is to use a modifier.

Provider: Can medical aide staff be used for nursing services?

State: Will get back with answer.

Provider: Communicated concerns about crossover of billing between personal care and adult companion.

State: Reiterated the desire to have nursing split to pay appropriately for services rendered.

Providers: Communicated concerns about being able to attract nurses with a lower LPN wage and advocate for cross subsidization.

Senator Breitling - How will nursing split affect fiscal impact?

GH- Since the nursing staffing is fairly evenly split, the changes are minor.

Providers/GH: Additional discussion regarding rural add on and how this can be operationalized.

GH: Discussed that there are options but this may require additional research and administrative overhead to implement.

### **Fiscal Impact**

GH: Discussed how the recommended proposed benchmark rates would influence the overall fiscal impact based on historical utilization. Even though some rates have a rate differential of 35%, those services have less utilization and therefore influence the overall impact by a smaller margin than the rates with a 20% change.

GH: Using SFY2019 historical utilization to determine fiscal impact to avoid COVID impact.

GH: Shows various tables and graphs by program/waiver, state and federal shares and service mix.

### **Adjournment @ 1:00 PM (Central)**

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