

MINUTES

Substance Use Disorder Services Financial Workgroup

June 19, 2019
9:00-10:30 am
Teleconference

In Attendance

Michelle Spies, Michelle Carpenter, Terry Dosch, Susan Sandgren, Stacy Bruels, Tiffany Wolfgang, Steven Gordon, Brendan Smith, Laura Schaeffer, Brenda Tidball-Zeltinger, Laurie Mikkonen

Not Present: Stacia Nissen, Gary Tuschen, and Amy Hartman, Amy Iversen-Pollreisz

Welcome and Introductions

- Laurie Mikkonen welcomed the group.
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Review and finalize minutes from June 6, 2019 meeting

- The minutes were reviewed and approved.
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Review and finalize models for: PRTF and Detox

- Laurie Mikkonen updated the group on some notes added to the inpatient model regarding number of inpatient providers represented and occupancy is indirectly modeled into the rate. The modeled rates are based on actual units and expenses. As additional provider's costs are able to be included the model will be revisited. The workgroup concurred that the model used was the best with the data available.
- Laurie Mikkonen provided an overview of the Child Protection Service (CPS) PRTF modeled rate and compared to the data so far for the SUD PRTF rate. Brenda Tidball-Zeltinger provided some history regarding the CPS rate as well. There is a limited number of providers that provide SUD PRTF services, making rate modeling challenging. In reviewing the three models presented, the recommendation was to move forward with Option 3, modeling the SUD PRTF rate from the CPS rate with an add-on included for medical costs required to be included within the SUD PRTF rate.

In moving forward with the rate, future models will include costs from the missing provider as well as be able to use cost report data from all PRTFs, combining SUD and CPS PRTFs to compare data across like providers and allow for a larger data set. Based on this information, the workgroup concurred that this model makes the most sense and agreed that it would be logical to review all PRTFs within the same rate model.

- Laurie Mikkonen walked through the proposed model for detox services which is modeled from the Low Intensity Rate, using half of the rate (for a 12-hour unit as opposed to a daily unit), calculating a 5% add-on for the medical pieces of detox, and an add-on for the treatment component. The treatment component was calculated at \$11.71, or .5 unit of the individual counseling rate as 30 minutes of treatment services would be required during the first 48 hours from admission. The workgroup agreed with the update in the amount of required treatment for detox. Discussion related to the appropriate percentage for an add-on for the medical services provided. The 5% was derived from cost report data using direct medical staff included in 1020 and any contractual medical. One outlier occurred using this model while the others remained below 5%. The workgroup agreed that the components and structure of the detox model was logical and agreed to the model. As cost reports are refined and working with outliers, the percent for the medical add-on will be reviewed in the future.

Next Steps

- There is consensus from the workgroup to finalize the recommended models including Individual/Group counseling, Low Intensity Residential, Inpatient, PRTF and Detox. The result of the modeled rates indexed forward suggests that Low Intensity Residential and Detox have the largest delta between current reimbursement rates and modeled rates. The remaining rates include very slight adjustments.
- The workgroup concurred that the models presented and agreed upon will be supported by the workgroup members.

Final Rate Models

- Individual counseling
 - Survey conducted to obtain addiction counselor salaries from providers and compared to regional and national rates
 - Billable time was factored in at 50% to align with other payers and states
 - Credentialing mix was factored in to support additional clinical supervision as evidence-based practices are implemented and supports greater use of licensed counselors vs trainees.
 - Modeled rate with CPI-U was calculated at \$23.41 per 15-minute unit
- Group counseling
 - Modeled using 28% of the individual counseling modeled rate.

- Aligns with other CMS Region 8 states
- Modeled rate with CPI-U was calculated at \$6.55 per 15-minute unit
- Low Intensity Residential
 - Model breaks apart treatment from room, board and other non-treatment in order to leverage Medicaid funding. Medicaid funding cannot be used to support room and board but can be used for treatment costs. .
 - Individual and group counseling to be billed separately from the non-treatment rate using the modeled rates for these services.
 - The non-treatment piece of the rate is modeled using a staffing ratio based on capacity, cost report data for residential worker wages, and add-ons for room and board and administrative indirect time.
 - This will streamline billing and allow more robust data collection regarding actual numbers of counseling hours provided.
 - Non-treatment modeled rate with CPI-U was calculated at \$59.43 per day for non-pregnant women's programs
 - The pregnant women's programs modeled rate with CPI-U calculated at \$138.44 per day
- Inpatient
 - Model uses cost report data, averaging salary and wages among providers and an average direct care wage cost as a percentage of allowable expenses, normalized among the inpatient providers.
 - Modeled rate with CPI-U was calculated at \$229.98 per day. Lewis and Clark inpatient was modeled using the same methodology with a rate of \$315.42 (Lewis and Clark serves a more medically complex population).
 - Given the small sample of providers, future cost report submission that will include larger number of inpatient providers will be evaluated to determine if any adjustments are required.
- PRTF SUD (Psychiatric Residential Treatment Facility for Substance Use Disorder)
 - Model based on the CPS model with a medical add-on.
 - Modeled rate with CPI-U was calculated at \$277.75 per day
 - Will continue to review providers in conjunction with CPS PRTFs
- Detox
 - Model based on 50% of the low intensity model plus a 5% add-on for medical, and \$11.71 for the treatment component per 12 hours.
 - Modeled rate with CPI-U was calculated at \$43.87 per 12-hour unit.
 - The percent used for the medical add-on will continue to be reviewed as cost reports are refined.
 - Future may consider separation of treatment once more experience is gained with proposed ARSD rule change on intensity of treatment from 90 minutes daily to 30 minutes within 48 hours of admission and 30 minute minimum for each subsequent 24 hour period.
- Modeled rates include the total cost with no adjustment for co payments. . The workgroup concurs that so few copayments are collected and at the eligibility income levels required for services, co-pays would no longer be charged for services.

- Given the small volume of rural services billed in SUD, rural rates and methodology will be assessed in reviewing mental health rates with methodology applied to the SUD rates.

Public Comment

- Laurie Mikkonen asked for any public comment. Being none, the meeting was adjourned.

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