



# Rate Review Advisory Group

## Developmental Disabilities Administration

September 14, 2023



*Secretary Herrera Scott and Deputy Secretary Simons*

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# **Opening Remarks**

# Agenda

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1. Welcome and Opening Remarks
2. Approval of Meeting Minutes
3. Status of July Action Items
4. Rate Changes for FY 2025
5. General Ledger Data Collection
6. Open Discussion
7. Next Steps and Adjournment

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# Approval of Meeting Minutes

# Status of July Action Items - DDA

Topic	Status
Meaningful Day Facilities and Program Support Component Updates	Will be shared during this meeting
General Ledger template FY24 - Reminder	Will be due September 2024
Discussion about methodologies between MACS, DDA, Hilltop, Optumas	Meeting held on 7/26/2023; update during this meeting
Training Component Recommendations	Results and recap will be shared during this meeting

# FY24Q3 Rate Update

Original Rate Setting		Effective January 1, 2024	
Trend Year	Annual Trend	Trend Year	Annual Trend
FY24	4%	FY24	12%
FY25	4%	FY25	0%
FY26	4%	FY26	0%

- Shifting **8% combined wage growth factor** from FY25 and FY26 to FY24
- After adjusting for differing time periods, results in approx 7.7% increase over original FY24 rates effective 1/1/24

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# Summary of Rate Changes for FY 2025

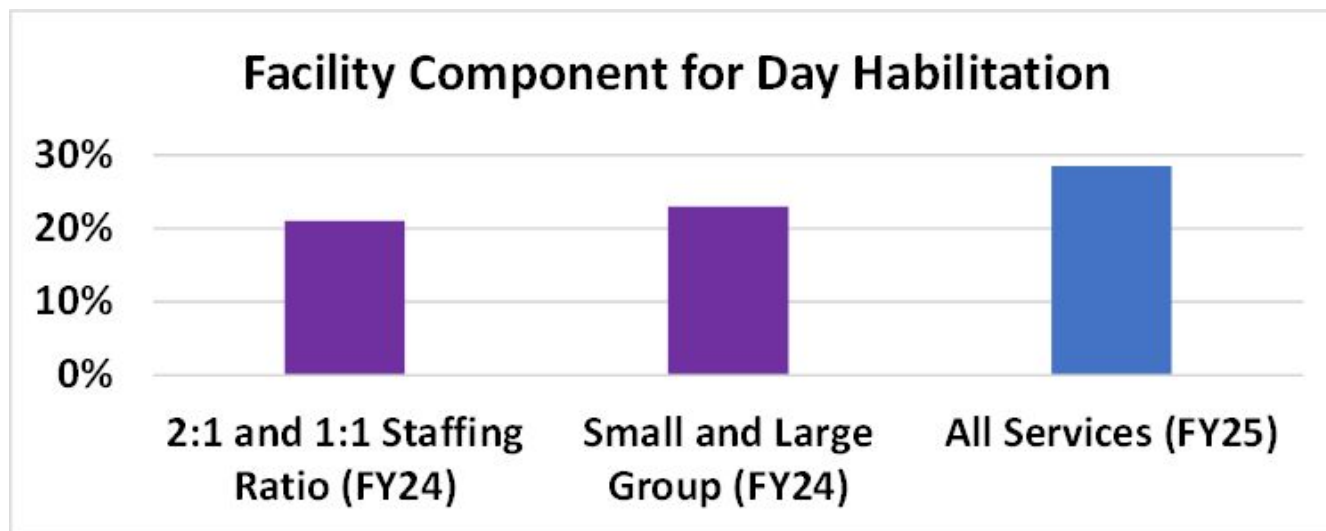
# Rate Priorities - DDA Decisions Summary

Item	Topic for Review for FY25	Current Rate Data Source	Data Updates	DDA Decisions Summary
1	Facility	2017 Rate-Setting GLs	FY25 DCT	<b>Update the facility component to FY25 DCT Results</b>
2	Program Support	2017 Rate-Setting GLs	FY25 DCT	<b>Maintain current PS component</b>
3	Distribution of transportation costs	Allocated based on DSP hours (like other components)	FY25 DCT ?	Continue to monitor as data is collected in future cycles.
4	Non-billable time adjustment	Implicit in some components & wage assumption	FY25 DCT ?	Continue to monitor as data is collected in future cycles.
5	Structure change (group sizes)	DDA Structure	FY25 DCT - Provider Feedback	Continue to monitor as data is collected in future cycles.
6	Base Wage	BLS 2018 & CPI & COLA (21-1093 at various %s)	2021 BLS	Update all meaningful day base BLS data to 2021, except where base wage is showing a decrease due to concerns on volatility
7	Training	Hours req. per DDA/avg. hrs worked & replacement	FY25 DCT	<b>Maintain current Training component. Revisit training methodology in FY26 cycle.</b>
8	Service Adjustment (Closures)	Avg. state closures / days open (2014-2016)	Most Recent 3 years' closure data	Update to most 3 recent years of closure



# Facility Component for Day Habilitation

- Final Decision: The Facility Component will be **increased** to **28.5%** for all 4 Day Habilitation services in FY25.
- The Facility Component for Day Habilitation is currently **21%** for 2:1 and 1:1 Staffing Ratio and **23%** for Small and Large Group for FY24.



- This is about a 30% increase to this individual component depending on the particular service.

# Base Wage

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- Final Decision: Update all Meaningful Day base BLS data to 2021, except where base wage is showing a decrease due to concerns on volatility
- Impact was shared in June RRAG follow-up attachment
  - CDS/Day Hab (except for large group) base wage\*
    - **0.9% increase** to Rest of State
    - **5.9% increase** to Geographical Differential Region
  - Employment Services (except for Follow Along Supports) base wage\*
    - **1.6% increase** to Rest of State
    - **7.6% increase** to Geographical Differential Region

\*Percentage impact only accounts for BLS update (not including COLAs)

# Service Adjustment (Closures)

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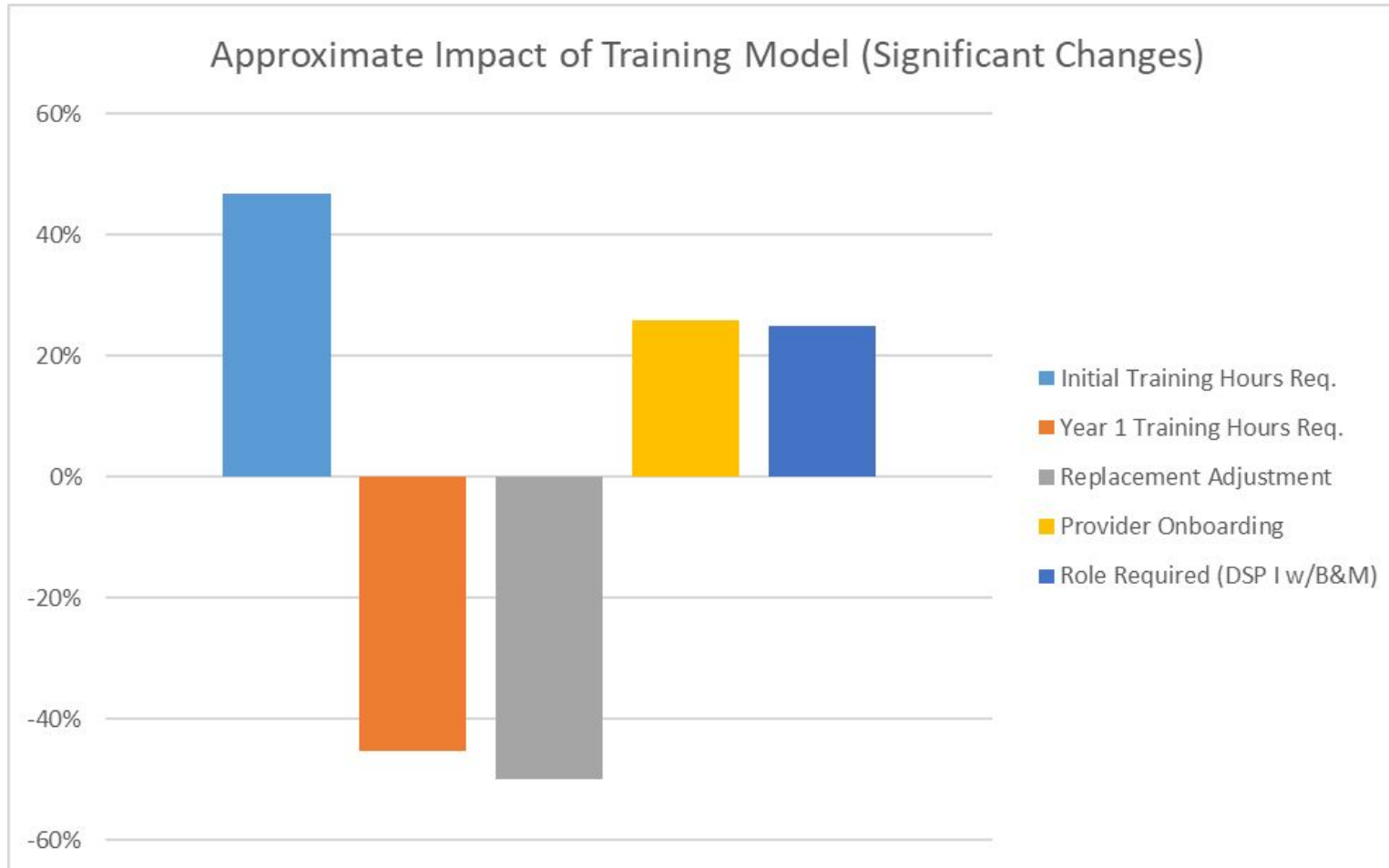
- Final Decision: The Service Adjustment Component was **increased** from 3.6% to **4.4%** for Day Habilitation. This is a 22% increase in this component value.
- This component accounts for closures in the Day Habilitation facilities. The closures may be caused by weather (predominantly), but also other unanticipated closures.
- To estimate the impact we use the number of official state closures recorded in any county on any day for any reason. This number has gone up on average over the last several years. We use the average for the last 3 years to estimate the Service Adjustment component.

# FY25 DCT: Training Results - July Recap

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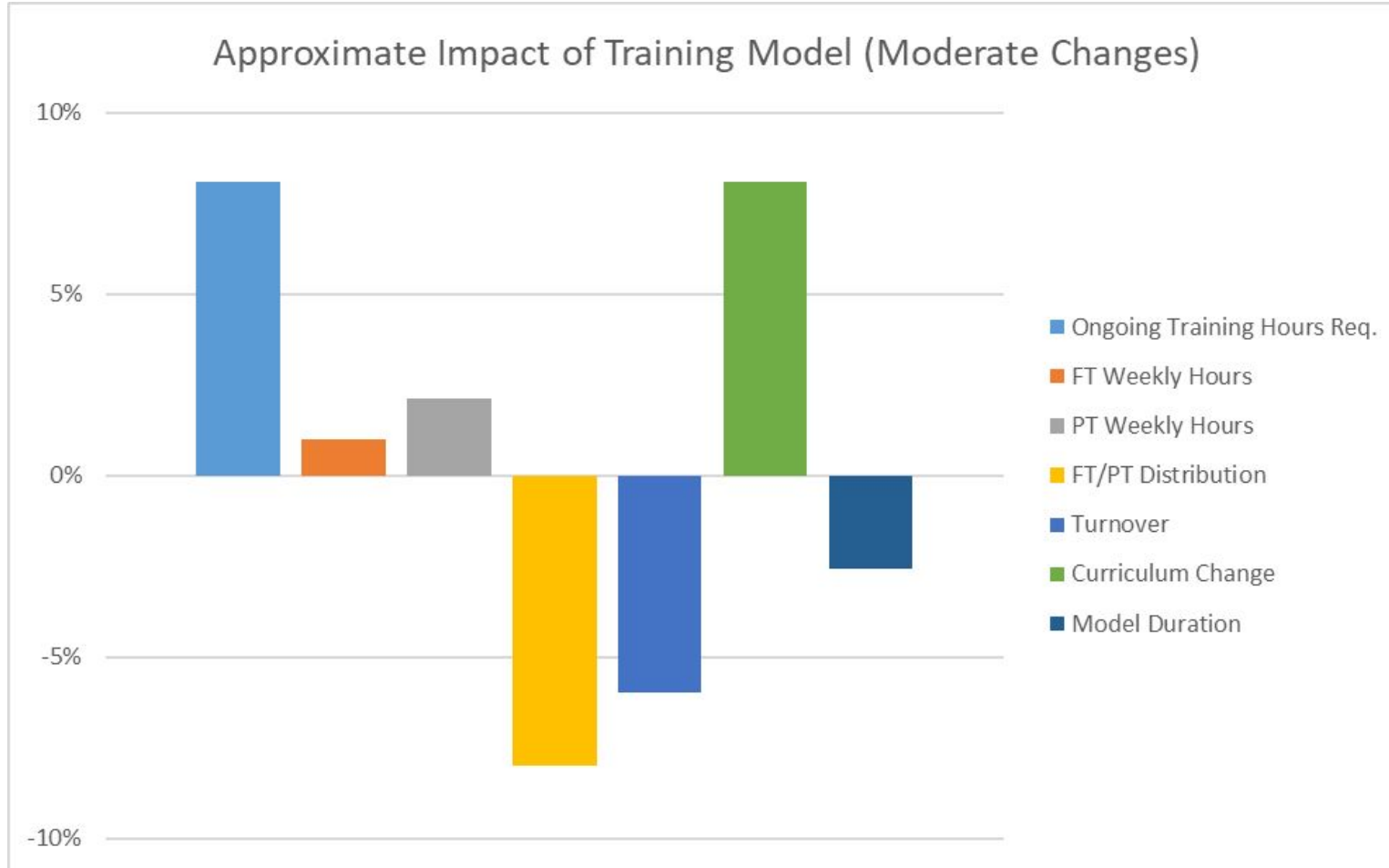
- Comparison to current model assumptions
  - More required training hours (finalizing)
  - Higher FT share of staff (82% vs 67%)
  - Goal is to replace current assumption (39.6% turnover) with actual data (count of employees needing training)
  - Assume “Ongoing” training employees need only
    - Ongoing training
    - Adjustment to new requirements

# Training



- More DDA Training
- Many DSPs don't start from 0
- Remove "replacement" doubling
- Add Provider Training
- Add Beh. & Meds.

# Training



- More Ongoing Training
- Weekly Hours Lower
- Higher Share of FT
- Lower Turnover
- Add hours for new courses across time
- Increase duration of Model

# FY25 DCT: Training Results - July Recap

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- Combined Model updates (data and policy changes) indicate reduction to training component
- We don't have data for other services for similar modeling

**DDA Decision:** Maintain training component for FY25, review more broadly for FY26 with RRAG input

# DDA Methodology for Cost Capture

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- Methodology captures the total cost
  - Refer to RRAG Kickoff Presentation - February 25, 2022 for details on methodology
- Data does not support a productivity factor at this time
  - No change to current methodology



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# General Ledger Data Collection

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- *July 1, 2023: Providers began collecting data to report on the new GL Data Collection Template for FY 2024*
- *All providers required to submit GL Data Collection Template*
- Data is essential to support a data driven rate review process
- Resource materials available on the [RRAG website](#)
- Technical assistance available upon request
- Centralized TA contact: [dda\\_rate@hilltop.umbc.edu](mailto:dda_rate@hilltop.umbc.edu)

***Data will be due in September 2024***

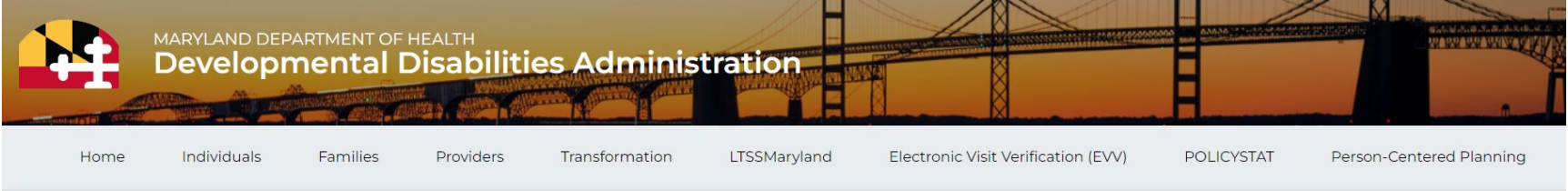
# Open Discussion

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# Rate Review Advisory Group Materials

<https://health.maryland.gov/dda/Pages/LTSSMaryland/RRAG.aspx>



LTSSMaryland > Rate Review Advisory Group

## Rate Review Advisory Group

The Rate Review Advisory Group (RRAG) is a group of volunteer stakeholders who help the Developmental Disabilities Administration develop Medicaid rates for services. This page contains quick references for the RRAG, as well as records of meetings.

 RRAG Charter (PDF)	 LTSSMaryland FY24 Rate Chart (Excel)	 GL Data Collection Tool
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# Rate Review Advisory Group Next Cycle

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- The next RRAG meeting will be held January 2024
- The calendar for next cycle will be shared in December

# Thank You!

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