

**MARYLAND DEPARTMENT OF HEALTH (MDH)/DEVELOPMENTAL DISABILITIES  
ADMINISTRATION (DDA) RATE REVIEW ADVISORY GROUP**

DATE: Friday, February 25, 2022

TIME: 12:30 - 2:30 p.m.

LOCATION: GoToWebinar

Due to COVID-19, this meeting was held through GoToWebinar only.

Registration for the Rate Review Advisory Group Meeting on February 25, 2022 12:30 p.m. EST was available at:

<https://www.google.com/url?q=https://docs.google.com/document/d/1Z-4MaWiM6DBDjgIDikDs2cABULSGDv27/edit?usp%3Dsharing%26oid%3D118372948984991455009%26trtpof%3Dtrue%26sd%3Dtrue&sa=D&source=docs&ust=1646256416816368&usg=AOvVaw0VtTjhb6yCpwojRqdHXZP>

After registering, participants received a confirmation email containing information about joining the webinar.

**AGENDA**

1. Welcome and Opening Address

*Bernard Simons, Director, DDA, MDH*

2. Review of Rate Review Advisory Group Scope of Work and Timeline

*Robert White, Director of Administrative Services, DDA, MDH*

3. Introduction of Members, Selection Process, Roles and Responsibilities

*Jennifer McIlvaine, Director of Finance, Medicaid, MDH*

4. Rate Review Process and Flow Chart

*Steve Schramm, Senior Managing Director, CBIZ Optumas-Rate Setting Consultants*

5. Understanding the Brick Method of Rate Development

*Kris Welch, Consultant, CBIZ Optumas-Rate Setting Consultants*

6. Summary of Shared Rate Review Priorities

*Lesley Le, Consultant, CBIZ Optumas-Rate Setting Consultants*

7. Discussion and Selection of FY 2023 through FY 2024 Priorities

*Jennifer McIlvaine, Director of Finance, Medicaid, MDH*

## 8. Next Steps and Adjournment

*Jennifer McIlvaine, Director of Finance, Medicaid, MDH*

Next meeting is Monday, March 21, 2022, 2:00 pm to 4:00 pm. Members of the public who would like to observe the meetings can register through the DDA Training Calendar at [Constant Contact Events](#). Register once and get reminders for each meeting via GoToMeeting.

Meeting connection links will be sent one day and one hour prior to the meeting. Meeting minutes will be made available following the meeting. If you have any questions or would like to request accommodations, please contact Donna Will at [donna.will@maryland.gov](mailto:donna.will@maryland.gov).

**Next Meeting: Monday, March 21, 2022, 2:00 – 4:00 p.m.**

**Staff Contact: Ms. Donna Will**

**[Donna.Will@maryland.gov](mailto:Donna.Will@maryland.gov)**

## **MDH/DDA RATE REVIEW ADVISORY GROUP MINUTES**

February 25, 2022

### **Advisory Group Members Present**

1. Donna Retzlaff, Spring Dell Center
2. Shauna Mulcahy, The Arc Frederick County
3. Scott Hollingsworth, Appalachian Crossroads
4. Gregory Miller, Penn-Mar
5. Karen Adams-Gilchrist, Providence Center
6. Laura Howell, MACS
  - a. Sharon Lewis, MACS (Support)
  - b. Maria Dominiak (Support) – not present
7. Christian Parks, Somerset Community Services
8. Karen Lee, SEEC/EAG
9. Carol Custer, SDAN
10. Ken Capone, People on the Go

### **DDA Panelists**

1. Robert White, Director of Administrative Services, DDA
2. Patricia Sastoque, Director of Programs, DDA
3. Rhonda Workman, Director of Federal Programs, DDA
4. Bernie Simons, Deputy Secretary, DDA

### **State Medicaid Panelists**

1. Jennifer McIlvaine, Director of Finance, Medicaid, MDH
2. Steve Schuh, MDH Deputy Secretary of Health Care Financing and Medicaid

### **The Hilltop Institute and CBIZ Optumas Panelists**

1. Steve Schramm, CBIZ Optumas
2. Cynthia Woodcock, The Hilltop Institute
3. Lesley Le, CBIZ Optumas
4. Christen Diehl, The Hilltop Institute
5. Todd Switzer, The Hilltop Institute
6. Kris Welch, CBIZ Optumas
7. Megan Frenzen, CBIZ Optumas
8. Alice Middleton, The Hilltop Institute

### **DDA Office of Change Management Panelist**

1. Kerri Zanchi, Consultant, DDA

## **Rate Review Advisory Group**

February 25, 2022

### **Welcome and Opening Address**

Mr. Robert White, Director of Administrative Services at DDA, called to order the meeting of the Rate Review Advisory Group at 12:35 p.m. As this was the first meeting, there are no prior minutes that need to be approved.

### **Review of Rate Review Advisory Group Scope of Work and Timeline**

Ms. Jennifer McIlvaine, Director of Finance, Medicaid, provided an overview of the Rate Review Advisory Group scope of work and timeline. The Rate Review process is intended to ensure stakeholders understand the process by which rates are reviewed and feedback is collected, adhere to a structured timeline to support timely rate reviews, enable long-term development and maintenance of Developmental Disabilities Administration (DDA) rates, allow for stronger consistency in Medicaid rate setting processes, and demonstrate good stewardship of public funds.

### **Introduction of Members, Selection Process, Roles and Responsibilities**

Ms. Jennifer McIlvaine, Director of Finance, Medicaid, introduced selected members. The ten-member advisory group has a combination of reserved, designated, and open seats.

In response, sixty (60) applications were received, and eight (8) seats needed to be filled. All applications were reviewed and considered for selection to help ensure representation of a wide array of services and diverse stakeholders across the regions. The result is a seated membership which collectively covers the state and a full array of services. The providers collectively serve nearly 1,500 people, ranging from 77 individuals served to over 350 across the provider agencies.

Rate Review Advisory Group members' roles and responsibilities will consist of: review service utilization data and assist in crafting stakeholder interview questions depending on review/rebase years, provide input to guide MDH decisions on which services to review during the course of the calendar year, share relevant information and experience from stakeholders providing or receiving services, and provide input on proposed changes to service definitions, rates, rate models, or policies.

The two central entities are the Maryland Medicaid Administration (MMA) and DDA, which are part of MDH. The DDA's Office of Change Management supports the coordination of this rate setting advisory group. MMA and DDA are the primary decision-makers for rate setting. The Hilltop Institute at UMBC and CBIZ Optumas, Hilltop's contracted rate setting consultant, will support rate development and maintenance.

### **Rate Review Process and Flow Chart**

Steve Schramm, Senior Managing Director of CBIZ Optumas, provided an overview of the

annual schedule of activities and deliverables for long-term maintenance of DDA rates. Due to the introduction of the Rate Review Advisory Group in January of 2022, initial activities will be condensed into February and March 2022. With the newly established Rate Review Advisory Group, stakeholders will have an opportunity to work closely with MDH during both the rate review years and rate rebasing years.

Advisory group members suggested flexibility in the process in the event of an unanticipated event between rebase years, such as a global pandemic.

Since this is the first year of the new process, advisory group members asked when the discussion of and recommendations for FY 2023 rates would occur in the rate setting process. Priorities will be recommended during the upcoming meeting for both FY 2023 and FY 2024.

### **Understanding the Wage Model of Rate Development**

Kris Welch, a consultant with CBIZ Optumas, provided background on the rate development process, which builds on provider data, adjusted to reflect program and policy changes and trends in service utilization and costs.

Mr. Welch described the wage model of rate development and discussed how rates evolve over time. He added that, moving forward, an important role of the stakeholders will be to identify priorities.

The group discussed the state's plan for having a mechanism to gather the data when looking at rebase years in a format that providers can timely utilize. There was some concern that the development of these data input processes will further push the timelines on having accessible data to review for FY 2025/2026.

The group discussed the timeframe and when it would allow for data analysis. There is some concern that the timeline is too short to present preliminary analyses in April.

The group discussed what kind of data will be provided on an ongoing basis to the Rate Review Advisory Group, prior to prioritizing issues of interest so members have the time to make informed suggestions. CBIZ Optumas will work collaboratively with DDA to source the data needed to analyze those issues. Members also shared the need for a transition strategy that would identify potential data sources to be used. The Rate Review Advisory Group will continue to discuss what information could inform policy decisions as this process continues to evolve.

Mr. Welch provided a summary of the FY 2022 rate adjustments that have been made since April 2021 and September 2021. Advisory group members queried whether the most recent version of rates incorporate all of these changes. As revisions are still being discussed, advisory group members requested that this information be shared with the group in the future at some appropriate level of detail.

### **Summary of Shared Rate Review Priorities**

Ms. Jennifer McIlvaine, Director of Finance, MMA, provided a brief review of the summary of stakeholder rate review interests shared prior to the advisory group's formation. A Google form will be provided to members following the meeting so that they can share any further comments. Comments will be compiled and reported out to the public.

### **Discussion and Selection of FY 2023 through FY 2024 Priorities**

Lesley Le, Consultant, CBIZ Optumas, provided an overview of the rate components and construct elements identified prior to this meeting. Members discussed FY 2023 through FY 2024 priorities, including:

- Requests for additional detail on changes made to the rates for FY 2022, going live in April 2022, to help inform selections from the rate issues priority list for the FY 2023 rate cycle.
  - There was dialogue around the evolution of rates versus the resources available. There is concern that there is a flawed assumption behind resource availability when looking at the downward pressure on the rates.
  - Some concern was expressed that these items will not be addressed before rates go live in April.
  - A member asked to see the Wage Model calculations to inform future dialogue.
- The consideration of DSP turnover in any of the formulas.
  - The proposal was made to explore the relationships between wages and turnover
  - The group discussed including a DSP career pathway as a solution, along with increased wages for increased credentials
- Rate adequacy and concern around specific services.
  - Members expressed concern around sustaining Meaningful Day services.
  - Members expressed concern that providers will lose money as soon as a person starts to have increased support needs.
  - Some concern was expressed around dedicated hours not being sufficient for four-person homes. An example shared was for overnight support services receiving less base funding. CBIZ Optumas representatives shared that this could be explored in subsequent meetings.
  - A proposal was made to add non-billable time to rates.
  - A proposal was made to address nursing services.
- Dialogue was had around foundational priorities and anything that can affect other components of the rates, such as acuity and fixed versus variable costs.

Regarding the meeting structure, members discussed whether there is enough time in these meetings to prioritize critical issues. A Google form has been created for participants to submit any feedback following the meeting.

**Next Steps and Adjournment**

Next meeting will be Monday, March 21, 2022 from 2:00 PM to 4:00 PM. These meetings will occur monthly from February until September and will be posted to the DDA's training calendar.

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