



April 4, 2019

Deputy Secretary Ahrens
Department of Human Services
Office of Developmental Programs
625 Forster Street, Harrisburg PA 17120

Dear Deputy Secretary Ahrens,

Please consider the following comments from RCPA and our members regarding ODP Announcement 19-024 regarding the Proposed Rates for Community Participation Support and Transportation Trip for Fiscal Year 2019-2020.

We are grateful to you for your efforts to simplify the procedure codes and change the staff -to- individual ratios. These changes will help to plan, authorize and bill for the Community Participation Support service to be more efficient and to reflect service delivery more accurately. We appreciate that you took many of our recommendations for these changes into account and believe that this structure will assist everyone in more accurate billing and tracking of service delivery. We are however, concerned about the ability of providers to adapt their billing structure in time for these changes to become effective on July 1st of this year. RCPA and our providers would like to recommend that a delayed implementation time be considered.

We also are in support of exploring the concept of remote support to individuals in order to promote independence for the individuals we serve and to utilize staff resources wisely. Our recommendation for specifying the length of time is not to use a 30- minute time frame. Instead the "response time" should be determined by the individual's ISP team, according to their needs (i.e. individual skills, familiarity with the location where they are spending time, natural supports at the site, proximity of the site to the location of the on-call staff). We also recommend that the on-call ratio should be capped at 1:15 instead of 1:30 as a more realistic responsibility for providers. That being said, we also do not believe that the proposed rate of \$1.33 per quarter hour will cover the expense providers will experience.

We do want to mention that many providers are concerned about provider liability in situations where they are responsible for an individual but are not on site with them. Will there be an expectation that providers complete a criminal background check for anyone that an individual in their care is left with during this service? That would impose additional costs to the provider, and if not completed, opens the provider to more liability. While we are aware this service has been in place for individuals supported in the community by Residential providers, it is only a part of the service that those providers are billing for in a day unit. The concern with this service is that the provider is specifically billing just for this service (in 15- minute units), and therefore are not sure how their insurance carriers would view their liability. Research should be done to identify if this could negatively impact their insurance premiums.

The proposed rates assigned to the CPS Facility rates are of great concern to our members. While we understand the desire to provide incentive to providers to be aggressive in their efforts to be in the community

the proposed rates represent an overall reduction of approximately 1/3 of their revenue (33% to 40% reduction). The fact remains that there are many individuals who continue to desire and/or require facility-based services. Additionally, individuals with significant medical needs (including equipment, nursing care) are not able to be in the community for significant periods of time. Individuals with significant behavioral needs are not able to spend much time in the community safely. Providers will not be able to maintain services in facilities with the proposed rates. While providers can request a variance for these individuals, the proposed in-facility rates represent a significant financial decrease and would force providers to discharge the individuals who have complex needs. The result will be individuals may end up sitting at home.

This leads to another problem that is already a challenge with the rates for CPS in the community. Individuals with P/FDS funding quickly exceed their cap, which results in the reduction of service. This impacts not only the individual receiving the service, but also their families. Either the P/FDS waiver cap needs to be increased, or more Community Waiver slots need to be available to meet these needs.

While there are benefits to CPS in the community, there are valid reasons that some individuals choose, or need to continue with CPS facility-based services. Many of the individuals who earn paychecks at their current setting do not want to go out on activities or pursue other interests during the day. They rely on their paycheck to assist with paying bills or use for it spending money. They are unwilling to leave paid work to go and do volunteer work, or leisure activities, some of which cost money. They want to stay in the job that they currently have.

Providers are also experiencing some reduction in desire of some individuals to go into the community because they have a busy lifestyle in the evenings and weekends. They also miss being with their peers during the day since the group size is limited to three. We strongly advocate for adequate financial support for both types of Community Participation Support in order to provide choices to individuals.

The staffing ratio required as 1:3 for community activities along with imposing the expectation of a minimum of 25% community time demands an increased amount of DSP staff. This is an impossible task as we know that currently providers of service are dealing with a vacancy factor of over 20%, and turnover rate of 38% in the DSP positions necessary to provide this service. Additionally, the cost of turnover, including recruitment, credentialing, training, etc. adds significant cost to providers.

We have several concerns with the Assumptions that were used to develop the rates:

- Administrative Cost of 10% is too low. Administrative costs need to cover not only the CEO and administrative support staff, but also the staffing required for Incident Management, QA&I activities, Training Resources, Human Resources, IT Support, Certified Investigators, etc. Other MA funded services in DHS do not use a cap of 10 % for administrative costs (ICF cost reports allow 13%, Office of Mental Health and Substance Abuse also allow 13%).
- 70% PT and 30% FT staffing is inaccurate. Providers are reporting that close to 100% of the staff they employ are FT and with that comes the costs associated with FT staff for benefits, taxes, etc.
- Health care costs per staff member are closer to \$805 per month, versus the \$613 estimated.
- Worker's Compensation insurance is does not differentiate between in-facility and in-community. The same staff are involved in various activities both in and out of facility. None of our members have experienced a savings in this area.
- Productivity assumption is based upon staff working 7- hour days. Full time staff either work 7.5 hours per day, or 8 hours. The non-productive time is necessary to meet all licensing and/or waiver requirements.

- Occupancy square footage and cost per square foot – the range for facility cost is much too low. Providers report that their costs run between \$14 - \$22 per square foot, dependent upon location in the state. Occupancy costs include not only the space, but utilities, maintenance, snow removal, etc.
- Food and Supply costs of \$1.00 per day is inadequate. When staff are accompanying individuals in the community, not all activities are free of charge and therefore there is, at times, expense for staff. Additionally, many of the providers are utilizing computers or tablets for staff to complete billing and service documentation. The initial cost of the equipment is not the only cost – ongoing expenses include internet service, IT support, repairs of equipment, etc.
- Training cost per staff person is also higher than the estimated \$309. This may cover the certification and training required for CPS. But there are more trainings required for staff (i.e. - Medication Administration, First Aid and CPR, licensing, Chapter 6100 requirements, etc.), as well as their time to attend the trainings. Additionally, while staff are attending the multitude of required trainings, providers must continue to serve the individuals therefore there is a cost of additional staffing during this time. We believe that \$1,000 is a more accurate figure.
- The assumption that CPS “In Community” has no occupancy costs is incorrect. Minimally, the staff need a space to store records or electronic devices, complete documentation, attend or complete trainings, attend meetings, meet with supervisor, etc. Topics that are confidential need to be discussed in a private setting. Also, the reality is that very few individuals are solely served in the community, therefore providers will incur occupancy costs. As long as facility-based services are operating, providers must continue to meet all regulations and the costs associated with those requirements. Even individuals who want to be in the community often rely on transportation. But, they are limited by the hours that the transportation can bring them to the program and when they need to be ready to catch the bus home.

There is also an additional concern we wanted to share about Day Services and Community Participation Supports. It surrounds the recent ODP Announcement 19-034 and stipulations regarding the number of individuals served in licensed facilities that provide Community Participation Support of Day Habilitation Services. While the announcement allows current operators of service to request maintaining their current number of individuals served in a new site they are relocating to, there is the additional requirement to request approval to maintain the number and an expectation that the provider be considering several smaller locations. This causes concern among our members who recognize that there will be considerable additional operational costs to operate in multiple locations. We wanted to share our concern that the belief was that currently licensed programs would be permitted to continue serving no more than 150 individuals in a location and would not be required to downsize further. We foresee additional costs and concerns from individuals served and their families if this opportunity is removed from the choices of services offered.

Under the Medicaid Act, ODP is required to provide for payment methods that "are consistent with efficiency, economy, and quality of care." We ask that the rates for CPS be adjusted to allow providers to continue provision of various levels of service to meet the needs and desires of individuals they serve.

The expectation that a 25% Community Participation compliance standard is met by providers by July 1st, 2019 we believe is an unrealistic goal. The most recent data shows a 16.9% community participation rate through January 2019. We do not believe it is possible for providers to make such a

dramatic programmatic change in the amount of time available. This expectation also serves to limit the choices of the individuals served in the program. We ask that ODP revisit the rate setting methodology and provide reasonable time to accommodate any changes.

Sincerely,

A handwritten signature in cursive script that reads "Carol J. Ferenz". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Carol J. Ferenz
RCPA Director IDD Division