

# Home and Community-Based Services (HCBS) Rate and Wage Study - July 18, 2024, Provider Meeting Frequently Asked Questions (FAQ)

1. The following questions are all related to administrative and direct supply costs considerations in the HCBS rate study:
  - o Given the recently released Waiver Amendments for OBRA and Community HealthChoices (CHC) which propose expanded requirements for child abuse clearances, it is likely that providers would need to complete clearances on all staff to seamlessly comply without creating unnecessary obstacles to accessing care. Are these additional costs (\$38.25/hire) being considered in the rate study recommendations?
  - o Will the cost of running monthly Medicaid/Medicare fraud checks on all personnel (including administrative staff) in bulk be considered as part of the rate study?
  - o Will the requirement for Tuberculosis and Hepatitis B testing be considered as part of the rate study?
  - o Since Adult Day Centers are operating as healthcare facilities, will all facility costs be counted, such as food, medical supplies, housekeeping, activity supplies, etc.?

**Mercer Response:** Thank you for the questions and comments on considerations for administrative and direct supply costs for the HCBS rate study. Mercer will be applying a percentage assumption for administrative and direct supply costs rather than attempting to itemize each cost that a provider might incur in order to deliver a given service. Please ensure that you complete the survey sections related to these costs and provide any additional information in the survey related to cost drivers for your organization.

2. The Bureau of Labor Statistics (BLS) provides multiple definitions that can apply to a Personal Assistance Services (PAS) worker. For example, this could be captured within Home Health Aide, Personal Care Aide, Direct Care Worker, or Caregiver. Can you describe how Mercer will determine which labor statistics to consider in this rate study and why?

**Mercer Response:** Thank you for the question. Mercer will be utilizing the BLS Standard Occupational Classifications (SOCs) that have been historically used to develop Office of Long-Term Living (OLTL) fee schedules. In addition, Mercer will review the survey results to determine the reasonability of the wage assumptions associated with those SOCs.

3. The following questions are related to the survey administration and feedback process used during the development of the survey:
- Will there be an interactive call to review the provider survey for PAS to provide guidance on the intent behind each of the survey questions? Will this session be recorded? Will providers be given the opportunity to ask questions?
  - Will Mercer accept questions about the provider survey once it is released? If so, how and when will those questions be answered to ensure providers deliver accurate and appropriate responses to each question?
  - Will the survey be emailed to all providers?
  - How do we know what email address this will go to?
  - I am a Common Law Employee (CLE) on Act 150. How will people distribute the survey?
  - Can you provide Pennsylvania Homecare Association (PHA) with a link to the QuestionPro survey so that we may share it with our membership to ensure receipt by all providers.
  - How do providers make changes to the primary contact on their OLTL Medicaid Enrollment?

**Mercer Response:** Thank you for the engagement and questions related to the HCBS provider survey and stakeholder meetings. Mercer and OLTL appreciate all the questions and comments shared during previous LTSS committee meetings and the July HCBS provider call.

The HCBS provider survey was distributed via the existing listserv on July 31, 2024. The existing listserv included the primary contact in the OLTL system. Please ensure your primary contact in the OLTL system is updated not only to receive the survey, but also future OLTL communication.

In addition, the survey will be distributed through the Tempus and PPL systems for common law employers.

Any additional questions directly related to the survey or the HCBS rate study can be submitted to [OLTLHCBSRateStudy@mercer.com](mailto:OLTLHCBSRateStudy@mercer.com). Any additional questions related to registration or logistics for the survey, or provider meetings can be submitted to [RA-PWCHC@pa.gov](mailto:RA-PWCHC@pa.gov). Any questions related to the Long-Term Services and Supports (LTSS) meetings can be submitted to [ra-pwltsssubmaac@pa.gov](mailto:ra-pwltsssubmaac@pa.gov).

4. The following questions are related to what information will be shared with stakeholders after the HCBS rate study is completed:
- Will the Department of Human Services (DHS) make available the information and data that has been referenced and is available to Mercer on the consumer-directed model of care, specifically for PAS, as is the industry's right to access through Pennsylvania's Right to Know law?
  - Will Mercer submit a rate range recommendation to OLTL as was done for PAS in the last rate study? If so, will the areas for contemplation/consideration when determining rate setting within the range be publicly available?
  - Can you provide the logic behind the difference in PAS rates between the agency and the consumer-directed models of care so that providers could understand the math behind how the differences in programmatic requirements are equated to reimbursement dollars?
  - In your final report, will you provide specific data points that support regional differences in rates, specifically for PAS?
  - In your final report, will all data points used for consideration be included for public review, transparency, and access?

**OLTL Response:** OLTL will provide detail to allow stakeholders an understanding of the methods used in the study. The report will be made public which will include aggregate data and rate ranges.

5. Can you delineate what parts of this rate study analysis are in scope for Mercer versus the responsibility of OLTL? Are they different and why?

**OLTL Response:** OLTL's role in the study is to identify the services included and provide the service descriptions and data for the services identified to Mercer. Mercer's role is to analyze and present the data for OLTL's consideration and approval. This also includes presenting assumptions and an overall approach to the study for OLTL's approval.

6. When and how will other state PAS rates be considered in this study? If other state rates will not be considered, why? Please consider that competition across state borders is a significant burden for many counties across our Commonwealth. Also, please ensure any state comparisons account for recent increases approved, including those most recent in Delaware, West Virginia, Ohio, and New Jersey.

**Mercer Response:** Thank you for the questions and comments regarding benchmarking to other State Medicaid programs to help determine the adequacy of the OLTL HCBS fee schedule rates. As a part of the HCBS rate study, Mercer will be performing a comparison of the OLTL HCBS fee schedule rates to rates for comparable State Medicaid programs including those states directly bordering the Commonwealth.

7. The following questions are related to expansions of scope for the HCBS rate study:
- Will the study consider the separate Healthcare Common Procedure Coding System (HCPCS) code W1792 TU specifically for overtime in the consumer-directed model of care? How will Mercer account for overtime being included in the W1793 HCPCS code for Agency model, while not being included in the W1792 consumer HCPCS code?
  - Given the lack of funding for nurses in the recently released 2024-2025 budget, could this rate study contemplate adding nursing service codes in the scope of the review? Per a recent Mercer study, Pennsylvania is facing the worst nursing crisis of all states in the country. It seems prudent that OLTL address this service for their population, especially considering that nursing services are typically provided at the same time as other services under consideration.
  - Does this current study contemplate utilization, or the impacts PAS reimbursement rates have on access to services? Specifically, how rates impact access to care, waiting lists, and time between the Independent Enrollment Broker (IEB) encounter/eligibility/start of services? How will Mercer capture and incorporate this information?

**OLTL Response:** The study will include all four procedure codes used for personal assistance services in the fee schedule. Expansion of the services included in the HCBS Rate and Wage Study is not planned at this time. The study is limited to an evaluation of projected rate ranges for these specific services and estimated fiscal impacts of any rate changes. The study will not include the impact of rate changes on utilization or access to services.

8. Will this factor into/include a cost-of-living adjustment (COLA)?

**Mercer Response:** Thank you for the question. Mercer will include consideration for inflationary trends when utilizing any historical costs that require a projection forward to the rating period.

9. The following questions are related to benefit costs:

- How will you determine the costs of providing benefits for participant-directed workers?
- How will Mercer get the cost of providing benefits from Tempus? CLEs cannot offer benefits now so what information will Tempus share? How will Mercer determine the cost of adding the ability for CLEs to offer benefits?

**Mercer Response:** The rate methodology utilized to calculate the participant-directed personal assistance fee schedule rate accounts for the cost of providing benefits to direct care workers. Mercer will be updating the previously assumed benefit costs using market data and comparisons provided in the HCBS provider survey.

10. The following questions are related to training costs:

- How will you determine the cost of more advanced training?
- My Direct Care Worker (DCW) took the new enhanced training. They should get a raise, but the rate doesn't allow me to go higher. How will the rate study build in ability for CLEs to give our DCWs a raise?
- I have workers who completed enhanced training and would like to give a pay differential for those who completed training, but current rates don't allow for that. Will the survey include?

**Mercer Response:** Thank you for the questions related to training costs. The HCBS provider survey contains a section to report training costs. Mercer will utilize this information to determine the reasonability of existing training cost assumptions. Please ensure that you fill out this section and take the opportunity in other sections to share any other cost drivers for your organization.

11. The following questions are related to the difference between payors for HCBS services:

- Many PAS providers hire DCW for not only clients who receive PAS but also clients who receive similar services under other payors like private pay or long-term care insurance or workers comp. They use those payors to offset the costs under Medicaid PAS and are therefore able to pay DCWs more and support more costs because of the diversified revenue streams. I highly recommend you ask a question at the beginning showing what percent of their business PAS (W-1793) vs other payors is.
- We would like to recommend that the following questions be added to the beginning of the survey: *Do you provide this service for other funding sources (Block/Options, Office of Developmental Programs (ODP), Veterans Association (VA), Private Pay)? If yes, please indicate the % of your total revenue that is OLTL versus all other payor sources.*

**Mercer Response:** Thank you for the questions related to differences in reimbursement by payor. Mercer will be developing HCBS rate ranges utilizing assumed provider costs and utilization across all payors. Information submitted in the HCBS provider survey should represent all payor information and not be exclusive to what a given provider may allocate to providing services for OLTL programs.

12. Can you discuss the funding for OLTL programs? My understanding is that these programs are jointly funded by the Federal Government Centers for Medicare & Medicaid Services (CMS) and the state of Pennsylvania. Is this correct? How does this impact future reimbursement rate changes?

**OLTL Response:** OLTL programs are funded by both federal and state dollars. Future reimbursement rate changes are dependent on funding appropriated by the General Assembly.

13. Will you be able to email the slides presented to attendees?

**OLTL Response:** The slides have been sent out through the listserv.

14. As with ODP program, will family Caregivers hours be capped at a certain amount of hours per week?

**OLTL Response:** The rate study will factor in current and relevant program regulations. Any changes, such as changes to service limits, will be discussed separately.

15. Are there measures in place to ensure data sharing will be undertaken in compliance with Antitrust and the Health Insurance Portability and Accountability Act (HIPAA) regulations specifically that Public Health Information (PHI) data and confidential, proprietary and/or competitively sensitive information will not be visible to study participants who qualify as competitors to a provider and only to those duly authorized to view and receive such information in furtherance of the study goals?

**Mercer Response:** PHI data is not requested as a part of this survey. In regard to proprietary and confidential information shared, the following language is outlined within the introduction of the survey:

*The information collected for this survey will be used for the purposes of this rate study and to meet the requirements of House Bill 1300 from the 2023–2024 Pennsylvania General Assembly regular session. Any information provided will remain confidential and proprietary and will only be shared publicly through high level summaries that do not include provider level detail.*

*No Protected Health Information (PHI) should be shared within the survey responses.*

16. The survey was not released by July 25, will the deadline remain August 23?

**Mercer Response:** The survey was sent out on July 31, 2024. Survey responses are due August 23, 2024. Please reach out to the resource email boxes if you require an extension to submit your survey.