

Office of Long-Term Living (OLTL) Home and Community-Based Services (HCBS) Rate and Wage Study Updates

HCBS Provider Call

Commonwealth of Pennsylvania

July 18, 2024

Presented by:

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OLTL HCBS Rate Study Goals

OLTL is partnering with Mercer Government Human Services Consulting (Mercer), part of Mercer Health & Benefits LLC, to perform an HCBS rate study on select service categories with the following goals:

1. **Ensure existing fee schedule rates are adequate** and appropriate by building market-based provider rates as a benchmark
2. In cases where there are gaps in existing fee schedule adequacy, **estimate fiscal impact of associated rate range recommendations**
3. **Engage key stakeholders** in the process to ensure that results and assumptions are reasonable

Mercer will evaluate the following services categories in this rate study:

1. **Adult Day**
2. **Residential Habilitation**
3. **Structured Day Habilitation**
4. **Employment and Training Services**
5. **Personal Assistance**

Key OLTL HCBS Rate Study Components

Wage Ranges

Average wages for HCBS employee positions

Employee-Related Expenses

Costs associated with employee benefits and taxes such as health insurance, retirement contributions, and unemployment taxes

Other Service-Related Costs

Indirect costs for providing services such as training or administrative costs

Additional Assumptions

Service-related adjustments such as productivity, group sizes, or units of service



Overview — Stakeholder Engagement Goals

To obtain information on service and cost pressures

To inform key focuses of the rate study review process

To provide the insights to OLTL and the rate study team



2024 Timeline for Stakeholder Engagement & Study Updates

LTSS Committee

(June 5 and July 2)

Overview of HCBS
Rate Study Project

Stakeholder
Engagement Plan

Provider Meeting

(Today)

Discussion of Key
Rate Study
Components

Provider Survey
Review

Provider Survey

(July–August)

Providers
Complete Survey
via QuestionPro

Mercer Collects
and Analyzes Data

Mercer Updates
Rate Study Where
Appropriate

LTSS Committee

(September)

Provide HCBS
Rate Study Update

Survey Background

Each of these topics will be used to inform assumptions as part of the rate adequacy review.

The intent of the survey is to collect information regarding staffing costs, provider operations, and the state of your workforce for OLTL HCBS

Specifically, the survey focuses on:

- Services provided
- Wages paid for each staff position
- Benefits costs
- Other Medicaid-related costs in your operation
- Workforce status

Survey Introduction

- Note that this survey is **one** component of the HCBS Rates Adequacy Review.
 - Using information collected in this survey, along with the HCBS OLTL claims data and other data obtained from OLTL, to evaluate the current fee schedule rates.



- This survey is not a cost report; therefore, we are not requesting every cost incurred by your organization at a detailed level.
 - If you would like to provide additional information beyond the specific items requested, there will be a space to add content.

Survey Components

Section 1: Provider Demographics

Section 1: Provider Demographics

Please provide the following information related to your organization:

- a. Provider Name:
- b. Provider ID:
- c. Service Location ID:
- d. Address:
- e. City:
- f. State:
- g. ZIP:
- h. Primary Contact Person for Survey:
- i. Primary Contact Telephone Number:
- j. Primary Contact Email Address:



Survey Components

Section 2: Service Categories

Section 2: Service Categories

Please provide the following information related to service categories delivered for Calendar Year 2023 (January 1, 2023 - December 31, 2023):

a. Select **one service category you delivered** from the options listed below:

1. Adult Day (e.g., S5102 [U3-U5])
2. Structured Day Habilitation (e.g., W0104, W0105 [U4-U5])
3. Employment and Training (e.g., W1728, W1732, W1733 [U4-U5], W1735, W1740)
4. Personal Assistance: Agency (e.g., W1793 [TT])
5. Personal Assistance: Participant Directed (e.g., W1792 [TU])
6. Residential Habilitation (e.g., W0100, W0101 [U4-U5], W0102, W0103 [U4-U5])

Survey Components

Section 2: Service Categories (Cont.)

Section 2: Service Categories

For any providers that delivered multiple service categories above: Please fill out this survey separately for each service category you delivered.

(e.g., a provider that delivers residential habilitation and structured day habilitation services would fill out two surveys where one contains information related to their delivery of residential habilitation services and the other contains information related to their delivery of structured day habilitation services).

For providers that only delivered **Personal Assistance (Participant Directed) Services** in CY 2023: **Please fill out only sections 1, 2, 3, and 5.**

For any providers that do not deliver any of the service categories above: Please disregard this survey. OLTL is partnering with Mercer to perform a rate study exclusive to the service categories listed above at this time.

Survey Components

Section 3: Personal Assistance

Section 3: Personal Assistance (Participant Directed)

Please provide the following information related to **Personal Assistance (Participant Directed) Services for Calendar Year 2023 (January 1, 2023 - December 31, 2023)**:

- a. What was the **average percentage increase to base wages per hour provided to Direct Care Workers (DCWs)** during the reporting period? *(DCW is defined as an individual providing the hands-on services to the participant. Base wage excludes overtime, differentials, or other bonuses.)*
- b. Please provide any additional information you would like to share regarding the delivery of Personal Assistance (Participant Directed) Services.

Survey Components

Section 4: Staff Wages

Section 4: Staff Wages

Please provide the following information related to staff wages for Calendar Year 2023 (January 1, 2023 - December 31, 2023):

- a. What was the **average base wage per hour paid to DCWs** during the reporting period?
*(DCW is defined as an individual providing the hands-on services to the participant. Base wage **excludes** overtime, differentials, or other bonuses.)*
- b. What was the **average overall wage per hour paid to DCWs** during the reporting period?
*(DCW is defined as an individual providing the hands-on services to the participant. Overall wage **includes** overtime, differentials, or other bonuses.)*

Survey Components

Section 4: Staff Wages (Cont.)

Section 4: Staff Wages

- c. What was the **average base wage per hour paid to Front Line Supervisors (FLSs)** during the reporting period?
(FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties. Base wage excludes overtime, differentials, or other bonuses.)
- d. What was the **average overall wage per hour paid to FLSs** during the reporting period?
*(FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties. Overall wage **includes** overtime, differentials, or other bonuses.)*

Survey Components

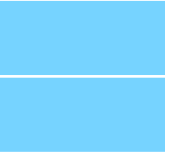
Section 5: House Bill 1300

Section 5: House Bill 1300

In addition to supporting the HCBS rate study, OLTL and Mercer are collecting data on **starting DCW wages** to fulfill the reporting requirements of House Bill 1300 from the 2023–2024 Pennsylvania General Assembly regular session. Please provide the **starting base DCW wage per hour** as of the two dates listed below.

(DCW is defined as an individual providing the hands-on services to the participant. Base wage excludes overtime, differentials, or other bonuses.)

- a. January 1, 2019:
- b. January 1, 2023:



Survey Components

Section 6: Staff Benefits

Section 6: Staff Benefits

Please complete the following table related to staff benefits:

Question	Health Insurance (Incl. Dental and Vision)	Retirement Benefits	Short Term Disability	Long Term Disability	Worker's Compensation Insurance
a. Is this benefit offered to all staff? Or is it limited to full-time staff or any other subset of staff? If limited to a subset of staff, please specify who the benefit is offered to.					

Survey Components

Section 6: Staff Benefits (Cont.)

Section 6: Staff Benefits

Please complete the following table related to staff benefits:

Question	Health Insurance (Incl. Dental and Vision)	Retirement Benefits	Short Term Disability	Long Term Disability	Worker's Compensation Insurance
b. Annual agency cost per Full-Time Equivalent (FTE) for these benefits. <i>(This should be calculated as the total agency cost of providing these benefits divided by the total number of FTEs employed and qualified for these benefits, including those that are offered the benefit and elect not to receive it.)</i>					

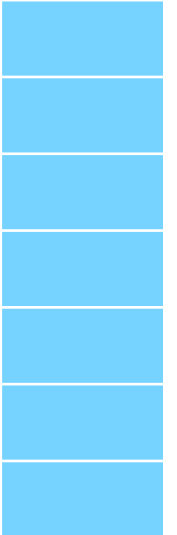
Survey Components

Section 6: Staff Benefits (Cont.)

Section 6: Staff Benefits

Please provide the following information related to staff benefits for Calendar Year 2023 (January 1, 2023 - December 31, 2023):

- c. Average annual **paid vacation days per employee.**
- d. Average annual number of **paid holidays per employee.**
- e. Average annual **paid sick days per employee.**
- f. Average annual **days of onboarding training per new employee.**
- g. Average annual **days of ongoing training per employee.**
- h. Total number of **worker's compensation claims.**
- i. Average cost per **worker's compensation claims.**



Survey Components

Section 7: Staffing

Section 7: Staffing

Please provide the following information related to staffing for Calendar Year 2023 (January 1, 2023 - December 31, 2023):

- a. Average number of **DCW Full Time Equivalents (FTEs) employed and contracted** (as applicable)* during reporting period.
(For purposes of this question, DCW is defined as an individual providing the hands-on services to the participant. FTEs are generally expected to be equal to 2,080 hours per year.)
**(Contracted staff are NOT allowed/applicable for Personal Assistance Services [PAS] agency providers.)*
- b. Average number of **FLSs FTEs employed and contracted** (as applicable)* during reporting year.
(For purposes of this question, FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties. 2,080 hours per year equals FTE.)
**(Contracted staff are NOT allowed/applicable for PAS agency providers.)*

Survey Components

Section 7: Staffing (Cont.)

Section 7: Staffing

- c. **Average percentage of all agency individuals directly supporting the delivery of services** employed and contracted (as applicable)* during the reporting period that were **considered full-time** (as defined by the number of hours by the provider).
**(Contracted staff are NOT allowed/applicable for PAS agency providers. Generally, individuals are considered full-time at 30 or more hours per work week.)*
- d. **Average ratio of FLS FTE per DCW FTE.**
(For purposes of this question, FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties) (e.g., 1:20)
- e. **Average ratio of DCW per Participant.**
(For purposes of this question, DCW is defined as individual providing the hands-on services to the participant) (e.g., 1:5)
- f. Percentage of **staff turnover** during the reporting period.
(i.e., Number of staff that left the organization during the reporting period divided by total number of employees) (e.g., 30%)

Survey Components

Section 7: Staffing (Cont.)

Section 7: Staffing

- g. Are there any **additional staff directly supporting the delivery of services** that are not billing their time such as a clinical director or nursing support? If yes, please include both the titles of the staff and their ratio of FTE to DCW FTE. *(i.e., Staff that are directly related to the deliver of services beyond DCWs and FLSs that should be considered when evaluating provider costs) (e.g., 1 clinical director for every 50 DCW)*

Survey Components

Section 8: Service Delivery

Section 8: Service Delivery

Please provide the following information related to service delivery for Calendar Year 2023 (January 1, 2023 - December 31, 2023):

- a. **Average group size** for any services delivered below during the reporting period. Please list "1" if the service was delivered in a non-group setting.

Adult Day - S5102 - Full Day

Adult Day - S5102 U5 - Half Day

Adult Day - S5102 U4 - Full Day Enhanced

Adult Day - S5102 U3 - Half Day Enhanced

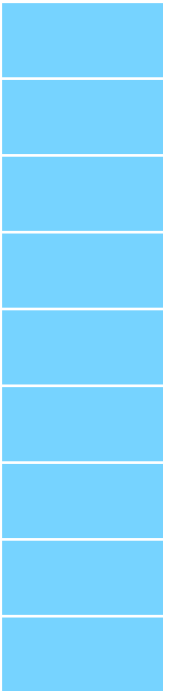
Structured Day Habilitation - W0104 - Group

Structured Day Habilitation - W0105 U4 - 1:1

Structured Day Habilitation - W0105 U5 - 2:1

Employment and Training Services - W1740 - Benefits Counseling

Employment and Training Services - W1732 - Career Assessment



Survey Components

Section 8: Service Delivery (Cont.)

Section 8: Service Delivery

Employment and Training Services - W1728 - Skills Development (1:1)

Employment and Training Services - W1729 - Skills Development (1:2 - 1:3)

Employment and Training Services - W1741 - Skills Development (1:15)

Employment and Training Services - W1733 U5 - Job Coaching 1:1 (Follow Along)

Employment and Training Services - W1734 U5 - Job Coaching 1:2 - 1:4 (Follow Along)

Employment and Training Services - W1733 U4 - Job Coaching 1:1 (Intensive)

Employment and Training Services - W1734 U4 - Job Coaching 1:2 - 1:4 (Intensive)

Employment and Training Services - W1735 - Job Finding

Personal Assistance - W1793 - Agency

Personal Assistance - W1793 TT - CSLA

Survey Components

Section 8: Service Delivery (Cont.)

Section 8: Service Delivery

Residential Habilitation - W0100 - 1-3

Residential Habilitation - W0101 U4 - 1-3 Supp 1:1

Residential Habilitation - W0101 U5 - 1-3 Supp 2:1

Residential Habilitation - W0102 - 4-8

Residential Habilitation - W0103 U4 - 4-8 Supp 1:1

Residential Habilitation - W0103 U5 - 4-8 Supp 2:1

- b. **Average percentage of a DCW's daily shift spent on billable activities.**
(i.e., Percentage of a given working day in which a DCW is billing.) (e.g., 75%)
- c. **Non-billable activities expected during a DCW's daily shift with corresponding percentages.**
(i.e., Percentage of a given working day in which a DCW is NOT able to bill and description of the task.) (e.g., Travel 15%, Administrative work 10%)

Survey Components

Section 8: Service Delivery (Cont.)

Section 8: Service Delivery

- d. **For Residential Habilitation Providers Only:** Average **vacancy** percentage for the reporting period.
(i.e., How many beds were empty, etc.) (e.g., 5%)
- e. **For Adult Day, Day Habilitation and Employment Providers Only:** Average percentage of **participant 'no-shows'** for the reporting period.
(i.e., How many days or appointments missed during the reporting period?) (e.g., 5%)

Survey Components

Section 9: Additional Costs

Section 9: Additional Costs

Please provide the following information related to additional costs for Calendar Year 2023 (January 1, 2023 - December 31, 2023):

- a. Average **agency cost per DCW for all trainings and certifications** excluding wages paid during training hours.
(e.g., \$425 per employee per year equals \$50 for Cardiopulmonary resuscitation [CPR] + \$200 for Commonwealth mandated training + \$125 for agency required onboarding/training + \$50 cultural competency training.)
- b. Annual **agency cost for transportation** excluding wages paid during transportation.
(e.g., \$20,904 per year equals \$0.67 per mile * 30 miles a week * 52 weeks * 20 DCWs)

Survey Components

Section 9: Additional Costs (Cont.)

Section 9: Additional Costs

- c. Percentage of total expenses attributable to **indirect costs** that are related to patient care.
(Indirect costs include but are not limited to: administrator salary and benefits, office staff salaries and benefits, office supplies, rent for administrative office, property or liability insurance, accounting, licensure, background checks, electronic verification visit (EVV), health screenings, and legal services. Please refer to 2102.2 and 2102.3 in Chapter 21 of the Centers for Medicare & Medicaid Services [CMS] Provider Reimbursement Manual if you are unclear on if a cost is related to patient care.)
- d. As it relates to the indirect cost of EVV, **which EVV system does your agency use?**
[Drop Down Options]:
1. EVV - HHA State System
 2. HHA Exchange Enterprise
 3. Our Own Agency System
 4. Don't Know

Survey Components

Section 9: Additional Costs (Cont.)

Section 9: Additional Costs

- e. As it relates to the **indirect costs described in 9c and 9d**, please provide **additional information on the specific costs** that your agency incurs. [text or upload document that describes these items]
- f. Percentage of total expenses attributable to **direct care supply costs** that are related to patient care?
(Direct care supply costs include but are not limited to: personal protective equipment (PPE), safety or mobility devices, food, and basic equipment. Please refer to 2102.2 and 2102.3 in Chapter 21 of the CMS Provider Reimbursement Manual if you are unclear on if a cost is related to patient care.)
- g. As it relates to the **direct care supply costs described in 9f**, please provide **additional information on specific supplies** that your agency is responsible for. [text or upload document that describes these items]

Survey Components

Section 10: Additional Questions

Section 10: Additional Questions

Please provide the following information related to additional questions:

- a. What **industries or types of companies** are you hearing **prospective or former employees choosing to work for** outside of HCBS?
- b. What **incentives to recruit or retain workforce** have you found to be successful?
- c. Does your organization have a **value-based payment agreement** in place for the services identified? If yes, what **type of arrangement(s)** are in place? Pay for performance, Enhanced Payments, Shared Savings, Risk Sharing, Capitated Payment, other.
- d. Please provide **any additional information** you would like Mercer and OLTL to know as we conduct the HCBS Rate Study.

Survey Distribution Plan

- Incorporate any additional feedback from today's session
- Send any revisions to the survey for OLTL review and approval
- Distribute survey via QuestionPro to distribution lists by July 25, 2024
- Providers will have until August 23, 2024, to complete

- OLTLHCBSRateStudy@mercer.com — Any questions on the rate study or survey
- RA-PWCHC@pa.gov — registration and meeting logistics



Questions and Discussion

