



STATE OF OKLAHOMA  
OKLAHOMA HEALTH CARE AUTHORITY

**Agenda**  
**SPARC**  
**June 19, 2013**  
**2:00 pm**  
**Ponca Conference Room**

Rate issues to be addressed:

- Regular Nursing Facilities
- Regular ICFs/IID Facilities
- Acute (16 Bed-or-Less) ICFs/IID Facilities
- Aids Rate for Nursing Facilities
- Indirect Medical Education OSU Medical
- Programs of Assertive Community Treatment (PACT)
- Developmental Disabilities Services Division (DDSD)
- ADvantage Program and State Plan Personal Care
- OHCA HCBS Rates

Rates & Standards  
May 2013  
Regular Nursing Facilities

1. **Is this a rate change or a method change?**

Both

2. **Is this change an increase, decrease or no impact?**

The change will increase the annual expenditures by an estimated \$18.9 million.

3. **Presentation of Issue**

The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for the nursing facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. Also, changes are being made to the Focus on Excellence (FOE) Program to enhance the processes and utilize data to establish more equitable and sound rates for payment.

4. **Current Methodology/Rate Structure:**

The current rate methodology calls for the establishment of a prospective rate which consists of the following four components:

- (A) A **Base Rate Component** defined as \$106.29 per day.
- (B) A **Focus on Excellence (FOE) Component** defined by the points earned under this performance program as defined in the state plan. The bonus component paid may be from \$1.00 to \$5.00 per day based on points earned.
- (C) An **Other Component** which is defined as the per day amount derived from dividing 30% of the pool of funds available after meeting the needs of the Base and FOE Components by the total estimated Medicaid days for the rate period.
- (D) A **Direct Care Component** which is defined as the per day amount derived from allocating 70% of the pool of funds available after meeting the needs of the Base and FOE Components to the facilities. This component is determined separately and is different for each facility. The method (as approved in the State Plan) allocates the 70% pool funds to each facility (on a per day basis) based on their relative expenditures for direct care.

5. **Budget Estimate:**

The annual budget will increase by an estimated \$18.9 million funded by \$6.8 million in state funds coming from the increased QOC Fee collections and the federal matching funds of \$12.1 million.

6. **Estimated impact on access to care:**

This change will help insure access for this elderly population by paying an appropriate amount for these services.

7. **Requested changes:**

The agency requests approval of these changes in the state plan to implement the following:

- **Base Rate** - increases the base rate component from \$106.29 to \$107.24 which matches the increase in the Quality of Care Fee of \$0.95 (\$9.79 to \$10.74).—See Attachment I.
- **Pool Amount** – increases the pool amount in the state plan for the “Other” and “Direct Care” Components from \$ 147,230,204 to \$162,205,189 to account for the increase in available funds from the SSI and QOC Fee increases.—See Attachment I.
- **FOE Point Changes** - *To change the point totals earned for meeting the thresholds for Person Centered Care, Licensed Nurse Retention and CNA Retention from 120 to 90, 50 to 65 and 50 to 65, respectively. These changes will allow appropriate values to be assigned to these metrics versus other metrics, gained through experience through the first year under the new system.—See Attachment II.*
- **FOE Threshold Changes** - *To change the thresholds for earning points under the Resident/Family surveys and the Employee surveys from 72 to 76 and 65 to 70, respectively. These changes will better reflect the current results and raise the bar to more appropriate levels.—See Attachment II.*

6. **Effective Date of Change:**

Data Gathering July 1, 2013  
Payment Period January 1, 2014

**OKLAHOMA HEALTH CARE AUTHORITY  
RATES AND STANDARDS MAY 2013  
Attachment II**

**Focus on Excellence Program Plan Changes**

- **FOE Point Changes – Proposal to change the point totals earned for Person Centered Care from 120 to 90, Licensed Nurse Retention from 50 to 65 and CNA Retention from 50 to 65. This reallocation of points is needed to more accurately reflect the overall value of these measurements to the quality of the provision of services in the FOE Program because direct care staffing drives quality improvement.**
  
- **FOE Threshold Changes – Proposal to change the thresholds for earning points under the Resident/Family Surveys from 72 to 76 and the Employee Surveys from 65 to 70. Under the new surveys the point totals exceeded previous survey totals due to changes in the surveys and in the calculation processes. The results under the current thresholds resulted in too many facilities earning the points. This change is to establish thresholds that reflect previous percentages of success and move the bar to a level that encourages improvement.**
  
- **Proposed changes to take effect for data collection period beginning July 1, 2013 which will affect payment totals beginning January 1, 2014.**

## Rates & Standards

June 2013

### Regular ICF/IID Facilities

1. **Is this a rate change or a method change?**

This is a rate change.

2. **Is this change an increase, decrease or no impact?**

The change will increase the annual expenditures by \$151,628.

3. **Presentation of Issue**

The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for these facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. The QOC fees are recalculated annually and the increase of \$0.24 per day when matched with federal funds will mean an increase of \$0.68 to the daily rate for this facility type.

4. **Current Methodology/Rate Structure:**

The current rate methodology calls for the establishment of a prospective rate which is based on the reported allowable cost per day.

5. **Budget Estimate:**

The annual budget will increase by an estimated \$151,628 funded by \$44,165 in state matching funds coming from the increased QOC Fee and \$107,463 in federal matching funds.

6. **Estimated impact on access to care:**

This change will help to insure access for this fragile population by paying an appropriate amount for these services.

7. **Requested change:**

The agency requests approval of a change in the state plan to implement the following:

- Base Rate to increase the base rate by 0.5648% (\$0.68) from \$120.40 to \$121.08.
- See Attachment I

6. **Effective Date of Change:**

July 1, 2013

**Rates & Standards**

**June 2013**

**Acute (16 Bed-or-Less) ICF/IID Facilities**

**1. Is this a rate change or a method change?**

This is a rate change.

**2. Is this change an increase, decrease or no impact?**

The change will increase the annual expenditures by an estimated \$123,665.

**3. Presentation of Issue**

The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for the nursing facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. The fees are recalculated annually and the increase of \$0.16 per day when matched with federal funds will mean an increase of \$0.47 to the daily rate for this facility type.

**4. Current Methodology/Rate Structure:**

The current rate methodology calls for the establishment of a prospective rate which is based on the reported allowable cost per day.

**5. Budget Estimate:**

The annual budget will increase by an estimated \$123,665 funded by \$44,165 in state matching funds coming from the increased QOC Fee and \$79,500 in federal matching funds.

**6. Estimated impact on access to care:**

This change will help to insure access for this fragile population by paying an appropriate amount for these services.

**7. Requested change:**

The agency requests approval of a change in the state plan to implement the following:

- Base Rate-to increase the base rate by 0.3036% (\$0.47) from \$154.81 to \$155.28.
- See Attachment I

**6. Effective Date of Change:**

July 1, 2013

**Rates & Standards**

**June 2013**

**Aids Rate for Nursing Facilities**

**1. Is this a rate change or a method change?**

This is a rate change.

**2. Is this change an increase, decrease or no impact?**

The change will increase the annual expenditures by an estimated \$37,024.

**3. Presentation of Issue**

The change is made to implement the previously approved Tax Waiver and Plan Changes needed to enhance funding for the nursing facilities. These changes allow the OHCA to collect additional fees and match them through rate increases to providers. The fees are recalculated annually and the increase of \$0.95 per day when matched with federal funds will mean an increase of \$3.91 to the daily rate for this facility type.

**4. Current Methodology/Rate Structure:**

The current rate methodology calls for the establishment of a prospective rate based on reported allowable costs.

**5. Budget Estimate:**

The annual budget will increase by an estimated \$37,024 funded by \$13,404 state funds coming from the increased QOC Fee collections and federal matching funds of \$23,620.

**6. Estimated impact on access to care:**

This change will help to insure access for this fragile population by paying an appropriate amount for these services.

**7. Requested change:**

The agency requests approval of a change in the state plan to implement the following:

- Base Rate to increase the base rate component by 2.0255% (\$3.91) from \$193.04 to \$196.95.
- See Attachment I

**8. Effective Date of Change:**

July 1, 2013

**OKLAHOMA HEALTH CARE AUTHORITY  
RATES AND STANDARDS  
MAY, 2013  
Attachment I**

**Quality of Care Fee (QOC) Calculation**

Total SFY 12 Gross Receipts*			
Total SFY 12 Days			
Recalculated QOC Fee Per Day			
Current QOC Fee			
Increase In QOC Fee			
	<b>Nursing &amp; Aids Facilities</b>	<b>MR</b>	<b>AMR</b>
	\$ 76,800,666	\$ 1,628,856	\$ 2,343,629
	7,150,900	226,230	257,825
	10.74	7.20	9.09
	9.79	6.96	8.93
	0.95	0.24	0.16

\*Note - Gross Receipts based on Actual Gross Receipts inflated for rate increases occurring 9/1/12.

**Average Current Rate (9/1/12)**

Rate Increases	\$ 139.61	\$ 120.40	\$ 154.81
Proposed Rate (7/1/13)	\$ 3.91	\$ 0.68	\$ 0.47
Aids Current Rate (9/1/12)	\$ 143.52	\$ 121.08	\$ 155.28
Aids Rate Increase	\$ 193.04		
Proposed AidsRate (7/1/13)	\$ 3.91		
	\$ 196.95		

**Rate Changes from QOC Increases Above**

Matched with Federal Funding	\$ 3.91	\$ 0.68	\$ 0.47
Base Rate Change from QOC Increase	\$ 0.95	\$ 0.68	\$ 0.47
Focus on Excellence Component Increase (FOE)	\$ 0.34		
Other Cost Component Increase	\$ 0.78		
Direct Care Cost Component Increase	\$ 1.84		

**Budget Impact**

Estimated Total Medicaid Days	4,849,970	222,982	263,117
Estimated Budget Increase	\$ 18,963,383	\$ 151,628	\$ 123,665
Estimated Amount for FOE and Base Rate	3,988,398		
Net Additional to Pool	14,974,985		
Current Pool	147,230,204		
Proposed New Pool	<u>162,205,189</u>		

## Rates & Standards

June 2013

**1. Is this a rate change or a method change?**

These changes are needed to facilitate payments already being made. The Indirect Medical Education (IME) needs to be generic and the supplemental payment to *Hospitals Experiencing a Significant Volume Decrease* (referred to specifically as the OSU Medical Center) needs to be changed to annual from date specific.

**2. Is this change an increase, decrease or no impact?**

The change will impact annual expenditures in that the \$9 million supplemental for the OSU Medical Center will be continued past the current year.

**3. Presentation of Issue**

The change to the IME program is to take out reference to specific hospitals and make the reference of payment to "qualifying" hospitals. This change is needed to allow the OKHCA to keep up with any changes in qualifications of hospitals for the IME program without having to make State Plan changes. The qualifying standards or amounts of payment are not being changed.

The change to the OSU Medical Center Supplemental payment is to continue the payment that we are currently making on an annual basis, which at the current time is date specific.

**4. Current Methodology/Rate Structure:**

For the IME program the structure is to make equal payments to qualifying hospitals from a pool of money, the amount defined in the State Plan. The Plan has the specific qualifying hospitals listed. The proposal is to delete the reference to specific hospitals and refer to "qualifying" hospitals. The change needed for the supplemental payment to the OSU Medical Center is to delete the time-specific date of payment and replace it with an annual payment.

**5. Budget Estimate:**

The annual state share and federal share of the budget will increase by an estimated \$9 million, the OSU Supplemental Payment, the State Share amount of \$3.3 million to be paid by the OSU Medical Center Trust.

**6. Estimated impact on access to care:**

The OSU Supplemental changes will insure access to SoonerCare clients in the Tulsa and surrounding areas and support the teaching mission of the OSU School of Osteopathic Medicine which uses this facility as its main conduit for its' teaching mission (rotations of interns and residents). The IME changes will insure the ongoing support of the teaching mission of both OSU and OU, the major education programs in the state.

**7. Requested change:**

The agency requests approval to change the state plan methodology to go from paying a time limited annual Supplemental for "Hospitals Experiencing a Significant Volume Decrease" to an annual basis and to change the state plan methodology for Indirect Medical Education payments from listing specific facilities to referring to payments being made to "Qualifying" facilities.

**8. Effective Date of Change: July 1, 2013**

May 2013



SPARC, 2013  
Programs of Assertive Community Treatment (PACT) Payment Rate Change

1. Is this a "Rate Change" or a "Method Change"?  
Rate change

1b. Is this change an increase, decrease, or no impact?  
Increase.

2. Presentation of issue – Why is change being made?

The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to increase the rate paid for Programs of Assertive Community Treatment (PACT) from \$24.28 per 15 min unit to \$32.11 per 15 min unit. The last rate adjustment was in July 2010. A PACT must be a self-contained clinical program that assures the fixed point of responsibility for providing treatment, rehabilitation and support services to consumers with Serious Mental Illnesses (SMI). PACT provides access to a variety of interventions twenty-four (24) hours, seven days a week. The service utilizes a multidisciplinary mental health team from the fields of psychiatry, nursing, psychology, social work, substance abuse, and vocational rehabilitation; additionally, a Certified Peer Specialist is an active member of the PACT team providing assistance with the development of natural supports, promoting socialization, and the strengthening of community living skills. There is one statewide rate, and programs operate in both urban and rural areas. There are 6 urban teams and 6 rural teams in the state. The current rate assumes low staff-to-consumer ratios (1:10), and that a team will average 3 contacts per week per consumer as expected, based on fidelity of the model. At least 75% of all contacts occur out of the office. However, low population densities, limited services, and shortages of professionals challenge service delivery to persons with SMI in rural areas. Rural teams therefore have lower caseloads and spend a lot of "windshield" time (that is not reimbursable) to contact consumers in order to be able to bill a 15-minute unit. The current statewide rate does not account for these factors.

3. Current methodology and/or rate structure.

Currently, the agency pays for a PACT at a rate of \$24.28 per 15 min unit. The rate is based on the following: average salaries and wages and employee benefits<sup>1</sup> of a PACT with 10 FTE (urban model), administrative support costs, a clinical staff to consumer ratio of 1:10, and an average contact frequency of 3 per week, per consumer. Psychiatrist contacts are separately billable and paid using the Title XIX fee schedule.

4. New methodology or rate.

ODMHSAS proposes to increase the rate paid for PACT to \$32.11 per 15 min unit. The basis for the new rate is an adjustment to the caseload assumptions. Because Medicaid enrollment for adults enrolled in PACT may not be continuous, the average caseload of 100 for a team of 10 assumed in the current rate method was adjusted by a factor of .756 to account for lapses in coverage<sup>2</sup>. It also will take into account for the fact that PACT team members in rural areas have smaller caseloads (5-7 per team member) and have to spend more time driving to reach the consumer, which results in fewer billable hours per month. While caseloads may vary, the revenue must be adequate to sustain the round the clock staffing of a multidisciplinary team of professionals and maintain the fidelity of the model for positive outcomes.

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<sup>1</sup> Sources: Provider survey data. Fringe benefits were calculated at 39% of direct costs.

<sup>2</sup> Source: Improving Medicaid's Continuity Of Coverage And Quality Of Care, Accessed May 2013.

SPARC, 2013  
Programs of Assertive Community Treatment (PACT) Payment Rate Change

5. Budget estimate.

The budget impact for state fiscal year 2014 is estimated to be approximately \$1,296,077 total dollars; \$430,588 state dollars. The Oklahoma Department of Mental Health and Substance Abuse Services attests that it has adequate funds to cover the state share of the projected cost of services. This assumes a 32% increase in the rate and an 11.7% change in utilization due to anticipated increased staffing. All of the increase is represented by increased payments to providers. The budget impact is budget neutral for Oklahoma Health Care Authority.

6. Agency estimated impact on access to care.

It is believed that this rate increase will encourage providers to continue to support PACT teams and thus have a positive impact on access to care to individuals with severe mental illness.

7. Rate or Method change in the form of a motion.

The agency requests the State Plan Amendment Rate Committee to approve a rate change for all PACT teams.

8. Effective date of change.

July 1, 2013

1. IS THIS A “RATE CHANGE” OR A “METHOD CHANGE”?

Rate Change

IS THIS CHANGE AN INCREASE, DECREASE OR NO IMPACT?

Increase

2. PRESENTATION OF ISSUE – WHY IS CHANGE BEING MADE?

The Developmental Disabilities Services Division (DDSD) has not significantly increased rates since 2009; however, the bulk of the rates have not been significantly increased since 2006. In November of 2012 these services were increased by an average of 1.5%. The average Consumer Price Index (CPI) has increased at an annual rate of 2.2% since 2006, and the Federal Minimum Wage Rate has increased 40% during this same period. SB1120 authorized \$8 million in appropriated funds “to provide an increase in reimbursement rates for home- and community-based services administered by Developmental Disabilities Services Division (DDSD) and Aging Services Division (ASD). The rate increase will be effective July 1, 2013. It is the intent of the Oklahoma Legislature that the rate increase for home- and community-based services shall be provided to direct care staff”. The proposed rate increases honor this legislative intent.

3. CURRENT METHODOLOGY AND/OR RATE STRUCTURE

The current rate structure for which an increase is requested is fixed and uniform, and established through the State Plan Amendment Rate Committee. The current service codes and rates are as follows:

SERVICE DESCRIPTION	CODE	UNIT	RATE	DATE ESTABLISHED
HOMEMAKER	S5130	15 Minutes	\$3.14	11/01/2012
HOMEMAKER - SF	S5130 SE	15 Minutes	\$3.14	11/01/2012
HOMEMAKER RESPITE	S5150	15 Minutes	\$3.14	11/01/2012
HTS - HABILITATION TRAINING SPECIALIST	T2017	15 Minutes	\$3.69	11/01/2012
HTS - HABILITATION TRAINING SPECIALIST - SF	T2017 SE	15 Minutes	\$3.69	11/01/2012
HTS - SELF DIRECTED SERVICE	T2017 U1 TF	15 Minutes	\$14.76	11/01/2012
INTENSIVE PERSONAL SUPPORTS	T2017 TF	15 Minutes	\$3.69	11/01/2012
INTENSIVE PERSONAL SUPPORTS - SF	T2017 TF SE	15 Minutes	\$3.69	11/01/2012
DAILY LIVING SUPPORTS	T2033	1 Day	\$141.83	11/01/2012
DAILY LIVING SUPPORTS - THER LEAVE	T2033 TV	1 Day	\$141.83	11/01/2012
ES - COMMUNITY BASED INDIVIDUAL SERVICES	T2015 U4	1 Hour	\$14.76	11/01/2012
ES - COMMUNITY BASED INDIVIDUAL SERVICES - SF	T2015 U4 SE	1 Hour	\$14.76	11/01/2012
ES - CENTER BASED PREVOCATIONAL SVS	T2015 U1	1 Hour	\$4.56	11/01/2012
ES - CENTER BASED PREVOCATIONAL SVS - SF	T2015 U1 SE	1 Hour	\$4.56	11/01/2012
ES - COMMUNITY BASED PREVOC SERVICES	T2015 TF	1 Hour	\$9.12	11/01/2012
ES - COMMUNITY BASED PREVOC SERVICES - SF	T2015 TF SE	1 Hour	\$9.12	11/01/2012
ES - EMPLOYMENT SPECIALIST	T2019	15 Minutes	\$5.53	11/01/2012
ES - ENHANCED COMMUNITY BASED PREVOC	T2015	1 Hour	\$12.16	11/01/2012

Developmental Disabilities Services Division – June 19, 2013

SERVICE DESCRIPTION	CODE	UNIT	RATE	DATE ESTABLISHED
ES - ENHANCED COMMUNITY BASED PREVOC - SF	T2015 SE	1 Hour	\$12.16	11/01/2012
ES - ENHANCED JOB COACHING SVS	T2019 TG	15 Minutes	\$3.54	11/01/2012
ES - JOB COACHING INDIVIDUAL SVS	T2019 U4	15 Minutes	\$4.05	11/01/2012
ES - JOB COACHING INDIVIDUAL SVS - SF	T2019 U4 SE	15 Minutes	\$4.05	11/01/2012
ES - JOB COACHING SERVICE	T2019 TF	15 Minutes	\$3.04	11/01/2012
ES - JOB STABILIZATION / EXTENDED SVS	T2019 U1	15 Minutes	\$1.26	11/01/2012
ES - PRE-VOC. HTS - SUPP. SUPPORTS	T2015 TG	1 Hour	\$11.48	11/01/2012
ES - PRE-VOC. HTS - SUPP. SUPPORTS - SF	T2015 TG SE	1 Hour	\$11.48	11/01/2012
GROUP HOME ALT. LIVING HOME, 4 BED	T1020	1 Day	\$268.65	11/01/2012
GROUP HOME, 6 BED	T1020	1 Day	\$66.65	11/01/2012
GROUP HOME, 7 BED	T1020	1 Day	\$57.02	11/01/2012
GROUP HOME, 8 BED	T1020	1 Day	\$49.92	11/01/2012
GROUP HOME, 9 BED	T1020	1 Day	\$45.61	11/01/2012
GROUP HOME, 10 BED	T1020	1 Day	\$42.07	11/01/2012
GROUP HOME, 11 BED	T1020	1 Day	\$39.28	11/01/2012
GROUP HOME, 12 BED	T1020	1 Day	\$37.00	11/01/2012
GROUP HOME COMM. LIVING HOME, 6 BED	T1020	1 Day	\$123.17	11/01/2012
GROUP HOME COMM. LIVING HOME, 7 BED	T1020	1 Day	\$119.37	11/01/2012
GROUP HOME COMM. LIVING HOME, 8 BED	T1020	1 Day	\$109.48	11/01/2012
GROUP HOME COMM. LIVING HOME, 9 BED	T1020	1 Day	\$102.00	11/01/2012
GROUP HOME COMM. LIVING HOME, 10 BED	T1020	1 Day	\$95.80	11/01/2012
GROUP HOME COMM. LIVING HOME, 11 BED	T1020	1 Day	\$90.73	11/01/2012
GROUP HOME COMM. LIVING HOME, 12 BED	T1020	1 Day	\$85.66	11/01/2012
RESPIRE IN - GROUP HOME, 6 BED	S5151	1 Day	\$66.65	11/01/2012
RESPIRE IN - GROUP HOME, 7 BED	S5151	1 Day	\$57.02	11/01/2012
RESPIRE IN - GROUP HOME, 8 BED	S5151	1 Day	\$49.92	11/01/2012
RESPIRE IN - GROUP HOME, 9 BED	S5151	1 Day	\$45.61	11/01/2012
RESPIRE IN - GROUP HOME, 10 BED	S5151	1 Day	\$42.07	11/01/2012
RESPIRE IN - GROUP HOME, 11 BED	S5151	1 Day	\$39.28	11/01/2012
RESPIRE IN - GROUP HOME, 12 BED	S5151	1 Day	\$37.00	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 6 BED	S5151	1 Day	\$123.17	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 7 BED	S5151	1 Day	\$119.37	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 8 BED	S5151	1 Day	\$109.48	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 9 BED	S5151	1 Day	\$102.00	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 10 BED	S5151	1 Day	\$95.80	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 11 BED	S5151	1 Day	\$90.73	11/01/2012
RESPIRE IN - COMMUNITY LIVING HOME, 12 BED	S5151	1 Day	\$85.66	11/01/2012

**4. NEW METHODOLOGY OR RATE**

The table below indicates the services and proposed rate increases to implement the legislative intent of SB1120. After reviewing the cost indices, the recommended rates were developed by distributing the available funding across the services using the current utilization estimates.

SERVICE DESCRIPTION	CODE	RATE	PROPOSED RATE	INCREASE	%
HOMEMAKER	S5130	\$3.14	\$3.32	\$0.18	6%
HOMEMAKER - SF	S5130 SE	\$3.14	\$3.32	\$0.18	6%
HOMEMAKER RESPITE	S5150	\$3.14	\$3.32	\$0.18	6%
HTS - HABILITATION TRAINING SPECIALIST	T2017	\$3.69	\$3.92	\$0.23	6%
HTS - HABILITATION TRAINING SPECIALIST - SF	T2017 SE	\$3.69	\$3.92	\$0.23	6%
HTS - SELF DIRECTED SERVICE	T2017 U1 TF	\$14.76	\$15.68 **	\$0.92	6%
INTENSIVE PERSONAL SUPPORTS	T2017 TF	\$3.69	\$3.92	\$0.23	6%
INTENSIVE PERSONAL SUPPORTS - SF	T2017 TF SE	\$3.69	\$3.92	\$0.23	6%
DAILY LIVING SUPPORTS	T2033	\$141.83	\$149.19	\$7.36	5%
DAILY LIVING SUPPORTS - THER LEAVE	T2033 TV	\$141.83	\$149.19	\$7.36	5%
ES - COMMUNITY BASED INDIVIDUAL SERVICES	T2015 U4	\$14.76	\$15.68	\$0.92	6%
ES - COMMUNITY BASED INDIVIDUAL SERVICES - SF	T2015 U4 SE	\$14.76	\$15.68	\$0.92	6%
ES - CENTER BASED PREVOCATIONAL SVS	T2015 U1	\$4.56	\$4.84	\$0.28	6%
ES - CENTER BASED PREVOCATIONAL SVS - SF	T2015 U1 SE	\$4.56	\$4.84	\$0.28	6%
ES - COMMUNITY BASED PREVOC SERVICES	T2015 TF	\$9.12	\$9.68	\$0.56	6%
ES - COMMUNITY BASED PREVOC SERVICES - SF	T2015 TF SE	\$9.12	\$9.68	\$0.56	6%
ES - EMPLOYMENT SPECIALIST	T2019	\$5.53	\$5.87	\$0.34	6%
ES - ENHANCED COMMUNITY BASED PREVOC	T2015	\$12.16	\$12.92	\$0.76	6%
ES - ENHANCED COMMUNITY BASED PREVOC - SF	T2015 SE	\$12.16	\$12.92	\$0.76	6%
ES - ENHANCED JOB COACHING SVS	T2019 TG	\$3.54	\$3.76	\$0.22	6%
ES - JOB COACHING INDIVIDUAL SVS	T2019 U4	\$4.05	\$4.30	\$0.25	6%
ES - JOB COACHING INDIVIDUAL SVS - SF	T2019 U4 SE	\$4.05	\$4.30	\$0.25	6%
ES - JOB COACHING SERVICE	T2019 TF	\$3.04	\$3.23	\$0.19	6%
ES - JOB STABILIZATION / EXTENDED SVS	T2019 U1	\$1.26	\$1.34	\$0.08	6%
ES - PRE-VOC. HTS - SUPP. SUPPORTS	T2015 TG	\$11.48	\$12.20	\$0.72	6%
ES - PRE-VOC. HTS - SUPP. SUPPORTS - SF	T2015 TG SE	\$11.48	\$12.20	\$0.72	6%
GROUP HOME ALT. LIVING HOME, 4 BED	T1020	\$268.65	\$282.75 *	\$14.10	5%
GROUP HOME, 6 BED	T1020	\$66.65	\$70.25 *	\$3.60	5%
GROUP HOME, 7 BED	T1020	\$57.02	\$60.00 *	\$2.98	5%
GROUP HOME, 8 BED	T1020	\$49.92	\$52.50 *	\$2.58	5%
GROUP HOME, 9 BED	T1020	\$45.61	\$48.00 *	\$2.39	5%
GROUP HOME, 10 BED	T1020	\$42.07	\$44.25 *	\$2.18	5%

Developmental Disabilities Services Division – June 19, 2013

SERVICE DESCRIPTION	CODE	RATE	PROPOSED RATE	INCREASE	%
GROUP HOME, 11 BED	T1020	\$39.28	\$41.50 *	\$2.22	6%
GROUP HOME, 12 BED	T1020	\$37.00	\$39.00 *	\$2.00	5%
GROUP HOME COMM. LIVING HOME, 6 BED	T1020	\$123.17	\$130.00 *	\$6.83	6%
GROUP HOME COMM. LIVING HOME, 7 BED	T1020	\$119.37	\$125.75 *	\$6.38	5%
GROUP HOME COMM. LIVING HOME, 8 BED	T1020	\$109.48	\$115.50 *	\$6.02	5%
GROUP HOME COMM. LIVING HOME, 9 BED	T1020	\$102.00	\$107.50 *	\$5.50	5%
GROUP HOME COMM. LIVING HOME, 10 BED	T1020	\$95.80	\$101.00 *	\$5.20	5%
GROUP HOME COMM. LIVING HOME, 11 BED	T1020	\$90.73	\$95.50 *	\$4.77	5%
GROUP HOME COMM. LIVING HOME, 12 BED	T1020	\$85.66	\$90.25 *	\$4.59	5%
RESPITE IN - GROUP HOME, 6 BED	S5151	\$66.65	\$70.25 *	\$3.60	5%
RESPITE IN - GROUP HOME, 7 BED	S5151	\$57.02	\$60.00 *	\$2.98	5%
RESPITE IN - GROUP HOME, 8 BED	S5151	\$49.92	\$52.50 *	\$2.58	5%
RESPITE IN - GROUP HOME, 9 BED	S5151	\$45.61	\$48.00 *	\$2.39	5%
RESPITE IN - GROUP HOME, 10 BED	S5151	\$42.07	\$44.25 *	\$2.18	5%
RESPITE IN - GROUP HOME, 11 BED	S5151	\$39.28	\$41.50 *	\$2.22	6%
RESPITE IN - GROUP HOME, 12 BED	S5151	\$37.00	\$39.00 *	\$2.00	5%
RESPITE IN - COMMUNITY LIVING HOME, 6 BED	S5151	\$123.17	\$130.00 *	\$6.83	6%
RESPITE IN - COMMUNITY LIVING HOME, 7 BED	S5151	\$119.37	\$125.75 *	\$6.38	5%
RESPITE IN - COMMUNITY LIVING HOME, 8 BED	S5151	\$109.48	\$115.50 *	\$6.02	5%
RESPITE IN - COMMUNITY LIVING HOME, 9 BED	S5151	\$102.00	\$107.50 *	\$5.50	5%
RESPITE IN - COMMUNITY LIVING HOME, 10 BED	S5151	\$95.80	\$101.00 *	\$5.20	6%
RESPITE IN - COMMUNITY LIVING HOME, 11 BED	S5151	\$90.73	\$95.50 *	\$4.77	5%
RESPITE IN - COMMUNITY LIVING HOME, 12 BED	S5151	\$85.66	\$90.25 *	\$4.59	5%

\* Manual priced

\*\* Manual priced not to exceed rate

HTS – Habilitation Training Specialist, Intensive Personal Supports, and Daily Living Supports represent 80% of the costs in the DDS program and the proposed rates maintain the parity between the waiver service programs for HTS and Personal Care.

**5. BUDGET ESTIMATE**

The estimated total annualized state share for the proposed rate increase is \$4,883,502 with a total federal plus state annualized cost for the rate increase of \$13,451,860. The Oklahoma Department of Human Services attests that it has adequate funds to cover the state share of the projected cost of services. The budget impact is budget neutral for the Oklahoma Health Care Authority.

**6. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.**

Under (a)(30)(A) of the Medicaid Act, the agency expects a minimal but increased impact on

access for these services.

7. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The agency requests the State Plan Amendment Rate Committee to approve the proposed rate increase to be effective July 1, 2013 upon Board approval.

8. EFFECTIVE DATE OF CHANGE.

July 1, 2013 upon Board approval and subject to federal approval.

1. **IS THIS A "RATE CHANGE" OR A "METHOD CHANGE"?**

**D** RATE CHANGE

1b. IS THIS CHANGE AN INCREASE, DECREASE OR NO IMPACT?

Increase.

2. **PRESENTATION OF ISSUE-WHY IS CHANGE BEING MADE?**

ADvantage in-home service rates that are proposed for increase have not significantly increased since 2006. Last year the Personal Care service rate increased by 1.5%. The average Consumer Price Index (CPI) has increased at an annual rate of 2.2% since 2006 and the price of gasoline which is a major cost center for these services have increased at an annual rate of 4.8% since 2006. The Nursing Facility Medicaid per diem reimbursement, the comparable institutional service option rate, has increased at an annual rate of 3.7% since 2006. SB1120 authorized \$8 million in appropriated funds “shall be used to provide an increase in reimbursement rates for home- and community-based services administered by Developmental Disabilities Services Division (DDSD) and Aging Services Division (ASD). The rate increase will be effective July 1, 2013. It is the intent of the Oklahoma Legislature that the rate increase for home- and community-based services shall be provided to direct care staff”. The proposed rate increases honor this legislative intent.

3. **CURRENT METHODOLOGY AND/OR RATE STRUCTURE.**

The current services rate structure for services for which a rate increase is being requested are fixed and uniform rates established through the State Plan Amendment Rate Committee process. The services and current service codes and rates are as follows:

<b>Service</b>	<b>Code</b>	<b>Service Unit</b>	<b>Current Rate</b>	<b>Date Established</b>
ADvantage Personal Care	T1019	15 minutes	\$3.69	11/01/2012
Supportive/Restorative Assistance	T1019-TF	15 minutes	\$3.97	11/01/2012
In-Home Respite	T1005	15 minutes	\$3.69	11/01/2012
Personal Services Assistance (PSA)	S5125	15 minutes	\$3.14	11/01/2012
Advanced PSA	S5125-TF	15 minutes	\$3.77	11/01/2012
Assisted Living Low (Tier 1)	T2031	1 Day	\$42.94	11/01/2012
Assisted Living Medium (Tier 2)	T2031-TF	1 Day	\$57.94	11/01/2012
Assisted Living High (Tier 3)	T2031-TG	1 Day	\$81.05	11/01/2012
State Plan Personal Care	T1019	15 minutes	\$3.69	11/01/2012

4. **NEW METHODOLOGY OR RATE.**

The table below indicates the services and per service rate increases proposed to carry out



## ADvantage Program Rate Brief – June 19, 2013

the legislative intent of SB1120.

OAC 317:30-5-764 ties many ADvantage service rates to the State Plan Personal Care rate. Those service rates determined in policy by the Personal Care rate are indicated in yellow highlight in the table. The proposed rate increase for Personal Care linked services is \$0.23 per unit (\$0.92 per hour).

Service	Code	Current Rate	New Rate	Increase	% Increase
ADvantage Personal Care	T1019	\$3.69	\$3.92	\$0.23	6.2%
Supportive/Restorative Assistance	T1019-TF	\$3.97	\$4.22	\$0.25	6.3%
In-Home Respite	T1005	\$3.69	\$3.92	\$0.23	6.2%
Personal Services Assistance (PSA)	S5125	\$3.14	\$3.32	\$0.18	6.2%
Advanced PSA	S5125-TF	\$3.77	\$3.98	\$0.21	6.2%
Assisted Living Low (Tier 1)	T2031	\$42.94	\$45.61	\$2.67	6.2%
Assisted Living Medium (Tier 2)	T2031-TF	\$57.94	\$61.55	\$3.61	6.2%
Assisted Living High (Tier 3)	T2031-TG	\$81.05	\$86.10	\$5.05	6.2%
State Plan Personal Care	T1019	\$3.69	\$3.92	\$0.23	6.2%

The proposed rates were determined by utilization of services, the last time a rate increase was done for that service, comparison with inflation since last significant rate setting and a comparable of rates in other states. The proposed rates for services bring the rates to approximately 90% of what the CPI indexed rate would be.

5. BUDGET ESTIMATE.

The estimated total FY14 state share for the proposed rate increases is \$2.47 million with a total Federal plus State FY14 cost for the service rate increases of \$6.48 million. The Oklahoma Department of Human Services attests that it has adequate funds to cover the state share of the projected cost of services. The budget impact is budget neutral for the Oklahoma Health Care Authority.

6. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

Under (a)(30)(A) of the Medicaid Act, the agency expects a minimal but increased impact on access for these services.

7. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The agency requests the State Plan Amendment Rate Committee to approve the proposed rate increases to be effective July 1, 2013 upon Board approval.

8. EFFECTIVE DATE OF CHANGE.

July 1, 2013 upon Board approval and subject to federal approval.

# OHCA Waiver Services Rate Change

June 2013

1. IS THIS A "RATE CHANGE" OR A "METHOD CHANGE"?

Rate Change

1b. IS THIS CHANGE AN INCREASE, DECREASE OR NO IMPACT?

Increase

2. PRESENTATION OF ISSUE- WHY IS CHANGE BEING MADE?

OHCA home and community-based services waivers and the Living Choice demonstration adopted OKDHS reimbursement methodology for services when OHCA programs were implemented. As OKDHS has received funding for specified rate increases, OHCA proposes to do the same for services offered in the Medically Fragile, Sooner Seniors and My Life; My Choice waivers and the Living Choice demonstration. Just as OKDHS wishes to maintain parity between its waiver programs with respect to core in-home service rates, OHCA desires to reimburse its home and community-based providers in an equivalent manner.

3. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

OHCA adopted OKDHS reimbursement methodology from OKDHS programs when originally implementing its programs, and most recently increased rates to match OKDHS on November 1, 2012.

For the current fixed and uniform rates under consideration for increases, the information about the current rate is detailed in the table below.

Service	Code	Service Unit	Current Rate	Date Established
Personal Care	T1019	15 minutes	\$3.69	11/1/2012
Advanced Supportive Restorative (ASR)	T1019-TF	15 minutes	\$3.97	11/1/2012
In-Home Respite (2-7 hours)	T1005	15 minutes	\$3.69	11/1/2012
Assisted Living Low (Tier 1)	T2031	1 Day	\$42.94	11/1/2012
Assisted Living Medium (Tier 2)	T2031-TF	1 Day	\$57.94	11/1/2012
Assisted Living High (Tier 3)	T2031-TG	1 Day	\$81.05	11/1/2012
Self-Directed Personal Care	S5125	15 minutes	\$3.69	11/1/2012
Self-Directed Advanced Supportive Restorative	S5125-TF	15 minutes	\$3.97	11/1/2012
Self-Directed Respite (2-7 hours)	T1005-UF	15 minutes	3.69	11/1/2012

# OHCA Waiver Services Rate Change

June 2013

## 4. NEW METHODOLOGY OR RATE.

OHCA proposes the following new rates for the designated services in order to reimburse its home and community-based services providers in an equivalent manner as the OKDHS providers of the same services.

Service	Code	Current Rate	New Rate	Increase	% Increase
Personal Care	T1019	\$3.69	\$3.92	\$0.23	6.2%
Advanced Supportive Restorative (ASR)	T1019-TF	\$3.97	\$4.22	\$0.25	6.3%
In-Home Respite (2-7 hours)	T1005	\$3.69	\$3.92	\$0.23	6.2%
Assisted Living Low (Tier 1)	T2031	\$42.94	\$45.61	\$2.67	6.2%
Assisted Living Medium (Tier 2)	T2031-TF	\$57.94	\$61.55	\$3.61	6.2%
Assisted Living High (Tier 3)	T2031-TG	\$81.05	\$86.10	\$5.05	6.2%
Self-Directed Personal Care	S5125	\$3.69	\$3.92	\$0.23	6.2%
Self-Directed Advanced Supportive Restorative (ASR)	S5125-TF	\$3.97	\$4.22	\$0.25	6.3%
Self-Directed Respite (2-7 hours)	T1005-UF	\$3.69	\$3.92	\$0.23	6.2%

## 5. BUDGET ESTIMATE.

Estimated State Dollars based on estimated .047 impact to OHCA programs is \$116,330.

## 6. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE.

Increase will allow for members to have more options available for access of care.

## 7. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The agency requests the State Plan Amendment Rate Committee to approve the proposed rate increases to be effective July 1, 2013, upon Board approval.

## 8. EFFECTIVE DATE OF CHANGE.

July 1, 2013, upon Board approval.