

Children's Medicaid System Transformation: HCBS Rates & SPA Rate Code Review

December 21, 2017



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THE MANAGED CARE TECHNICAL
ASSISTANCE CENTER OF NEW YORK

Introduction & Housekeeping

Housekeeping:

- Slides are posted at [MCTAC.org](https://mctac.org)
- Questions not addressed today will be:
 - Reviewed and incorporated into future trainings and presentations

Reminder: Information and timelines are current as of the date of the presentation



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Services Overview

Underlying the Medicaid System Transformation is a revision to the services provided to children¹

State Plan Amendment (SPA)

In addition to historically provided services, six services are being added or moved to the SPA under the 1115 waiver:

- Other Licensed Practitioners
- Crisis Intervention
- Community Psychiatric Support and Treatment (CPST)
- Psychosocial Rehabilitation Services (PRS)
- Family Peer Support Services
- Youth Peer Support and Training

SPA and HCBS will be the focus of the remainder of this presentation

Care Management (CM) / Health Home (HH)

CM services that have been provided under the historical 1915(c) waivers will transition to Health Homes under the 1115 waiver

CM/HH

SPA

HCBS

Home and Community Based Services (HCBS)

A single HCBS service array has been adopted under the 1115 waiver to be utilized uniformly across all covered children's populations

¹ For details on the service crosswalk between historical 1915(c) waivers and 1115 waiver, see the Draft Final Transition Plan available at: https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/docs/2017_11_14_child_transition_plan_final_draft.pdf

HCBS Rate Development

Overview – Guiding principles

Initial HCBS Fee-For-Services (FFS) rates have been developed for the services offered under the 1115 waiver

Considerations

- The distinct service arrays offered by each historical 1915(c) waiver was cross-walked to the consolidated 1115 waiver service array. A new set of rate codes will be used for the 1115 waiver HCBS service array
- Data was collected from various sources (e.g. service utilization & paid dollars, historical rates, rate development models & documentation, etc.). Working collaboratively with DOH and NYS partners, we used the best available data sources for each rate that was set
- Ultimately the various populations covered by this program transformation will transition to managed care. The proposed HCBS rates will be in place from the time a population transitions to managed care until these services are carved into the capitation rate

Methodology

- CMS's rate setting guidelines were used as a basis to determine rates
- Due to similarities in services offered between the OPWDD comprehensive waiver and the 1115 waiver service arrays, the comprehensive waiver rates and build-up were leveraged, wherever able
- Where comprehensive waiver rates were based on detailed cost data and rates were developed to be provider specific, an adjusted methodology to aggregate required data elements to get to statewide rates was applied
- The impact on provider reimbursement due to differences between historical rates and proposed rates was reviewed at the agency and provider level to understand reimbursement neutrality considerations

Overview – Rate Development

Summary of the components of the rate development process

Approach

- Current billings for the 1915(c) waivers were aggregated for the services that crosswalk to the 1115 waiver services
- Adjustments to selected base rates were applied, such as adjustment factors to align staff qualification requirements
- The 1115 waiver HCBS rates were adjusted for considerations regarding provider reimbursement neutrality
- Finally, rates were then adjusted to align with the rating period to account for items such as prescribed wage increases and medical trend

Impact

- From the Calendar Year 2016 claims data for the services and rate codes that align to the 1115 waiver services, historical provider revenue was **\$23M**
- Using consistent Calendar Year 2016 claims data, but instead applying the draft 1115 waiver rates, the estimated provider revenue would be **\$54M**

Additional Considerations

- Analysis of HCBS provider revenue levels is only one component of the 1115 waiver service array
- Increased service utilization due to membership increases associated with:
 - Changes to eligibility criteria
 - Removal of slot limits
- Changes in caseload requirements
- Other provider revenue considerations:
 - ICC/HCI to HH rate changes
 - HH rate level distribution
 - New SPA services

NOTE: Proposed rates developed and discussed within this presentation are DRAFT pending CMS approval

Key Assumptions

Comparisons of historical 1915 waiver services & rates, analyses of rating components, and outcomes of various scenarios informed the final assumption selection process

1**Base Rate Selection**

The OPWDD comprehensive waiver rates were used as the base rate unless another source was more appropriate (e.g. Community Self Advocacy Training & Support services)

2**Service & Staff Qualification Requirements**

Adjustments were applied to align the selected base rate to the 1115 waiver rate definition for differences such as the qualification (i.e. education/experience) level of staff provide the service

3**Additional Adjustments**

Adjustments for factors such as: facility overhead, crisis service cost differential, upstate vs. downstate differentials, group size efficiency, utilization/acuity differences, etc.

4**Provider Reimbursement Neutrality**

A review of provider reimbursement comparing historical revenue levels based on prior effective rates to estimated revenue levels under the proposed 1115 waiver rates was completed at the agency and provider level

5**Projection to Rating Period**

Upon setting the final base period rate, adjustments to project the rate to the rating period were applied for considerations such as mandated wage increases (e.g. minimum wage, befair2direct care) and medical trend

Rate Build-up Example

Below is a high level example of the rate build up based on the rate components discussed

Sample Calculation

	a	b	c = a*b	d	e = c*d
Service	Base Rate	Base Adjustment Factor(s) ¹	Adjusted Base Rate	Trend & Wage Adjustments	Final Rate
Sample Service	\$50.00 per hour	1.50 <small>(i.e. 50% increase)</small>	\$75.00 per hour	1.07 <small>(i.e. 7% increase)</small>	\$80.25 per hour

¹ **Base Adjustment Factor(s) include adjustments such as:**

- Differences in services
- Differences in staff qualifications
- Reimbursement neutrality considerations

Draft HCBS Rates & SPA Rate Codes

Initial **DRAFT** HCBS Rates & Rate Codes (1 of 3)

Initial rates were developed based on the best data and information available and are subject to change

Service	Service Detail	Rate Code	Unit Type	Downstate Rate	Upstate Rate
Caregiver/Family Supports and Services	Individual	8003	Hourly	\$108.91	\$97.11
	Group of 2	8004	Hourly	\$70.79	\$63.12
	Group of 3	8005	Hourly	\$52.64	\$46.94
Pre-vocational Services	Individual	8006	Hourly	\$80.70	\$71.95
	Group of 2	8007	Hourly	\$52.46	\$46.77
	Group of 3	8008	Hourly	\$39.01	\$34.78
Community Advocacy and Support	Individual	8009	Hourly	\$151.12	\$134.74
	Group of 2	8010	Hourly	\$98.23	\$87.58
	Group of 3	8011	Hourly	\$73.04	\$65.12
Habilitation	Individual	8012	Hourly	\$91.68	\$81.74
	Group of 2	8013	Hourly	\$59.59	\$53.13
	Group of 3	8014	Hourly	\$44.31	\$39.51
Supported Employment	N/A	8015	Hourly	\$93.47	\$83.33

NOTE: Proposed rates developed and discussed throughout this presentation are DRAFT pending CMS approval

Initial **DRAFT** HCBS Rates & Rate Codes (2 of 3)

Initial rates were developed based on the best data and information available and are subject to change

Service	Service Detail	Rate Code	Unit Type	Downstate Rate	Upstate Rate
Palliative Care	Pain and Symptom Management	8016	Hourly	\$118.67	\$105.80
	Bereavement Services	8017	Hourly	\$47.66	\$42.49
	Massage Therapy	8018	Hourly	\$56.29	\$50.19
	Expressive Therapy	8019	Hourly	\$39.04	\$34.81
Respite - Planned	Individual- Less than 4 hours	TBD	Hourly	\$55.24	\$49.25
	Individual - Per diem	TBD	Per Diem	\$245.50	\$218.89
	Group - Less than 4 hours	TBD	Hourly	\$32.04	\$28.56
Respite - Crisis	Individual - Less than 4 hours	TBD	Hourly	\$64.12	\$57.17
	Individual - More than 4 hours and less than or equal to 12 hours	TBD	Per Diem	\$284.99	\$254.10
	Individual - More than 12 hours and less than or equal to 24 hours	TBD	Per Diem (Overnight)	\$641.23	\$571.72

NOTE: Proposed rates developed and discussed throughout this presentation are DRAFT pending CMS approval

Initial **DRAFT** HCBS Rates & Rate Codes (3 of 3)

Service	Service Detail	Rate Code
Customized Goods and Services	Customized Goods and Services - Level 1	8020
	Customized Goods and Services - Level 2	8021
	Customized Goods and Services - Level 3	8022
Accessibility Modifications	Accessibility Modifications - \$1.00 Unit	8032
	Accessibility Modifications - \$10.00 Unit	8034
	Accessibility Modifications - \$100.00 Unit	8035
	Accessibility Modifications - \$1000.00 Unit	8036
Adaptive and Assistive Equipment	Adaptive and Assistive Equipment - \$1.00 Unit	8037
	Adaptive and Assistive Equipment - \$10.00 Unit	8038
	Adaptive and Assistive Equipment - \$100.00 Unit	8039
	Adaptive and Assistive Equipment - \$1000.00 Unit	8040

Service	Service Detail	Rate Code
Vehicle Modifications	Vehicle Modifications - \$1.00 Unit	8041
	Vehicle Modifications - \$10.00 Unit	8042
	Vehicle Modifications - \$100.00 Unit	8043
	Vehicle Modifications - \$1000.00 Unit	8044

NOTE: Proposed rates developed and discussed throughout this presentation are initial DRAFT rates pending CMS approval. Rates for services and rates codes above were previously determined and will be communicated separately, as needed.

SPA Rate Codes (1 of 2)

Services, rates, and rate codes are approved; however, they cannot be accessed until transition to the 1115 waiver

Service	Service Detail	Rate Code
Other Licensed Professional (OLP)	OLP Other Licensed	7900
	OLP Other Licensed Offsite only	7901
	OLP Individual Counseling	7902
	OLP Individual Counseling Offsite only	7903
	OLP Family Counseling	7904
	OLP Family Counseling Offsite only	7905
	OLP Crisis Offsite	7906
	OLP Crisis Triage (by telephone)	7907
	OLP Crisis complex care follow-up to crisis	7908
	OLP Group size: 2	7909
	OLP Group size: 3	7910
	OLP Group size: 4	7911
	OLP One offsite client regardless of group size	7912

Service	Service Detail	Rate Code
Crisis Intervention (CI)	CI 1 licensed practitioner	7913
	CI 1 licensed practitioner & 1 peer support	7914
	CI 2 licensed practitioners	7915
	CI 90-180 min & 2 clinicians- 1 licensed	7916
	CI Per Diem 3 hrs, 2 clinicians 1 licensed	7917
Community Psychiatric Support and Treatment (CPST)	CPST Masters Level	7918
	CPST Bachelors Level	7919
	CPST Licensed 3 or less units offsite	7920
	CPST Licensed 4-6 units offsite	7921
	CPST Masters 3 or less units offsite	7922
	CPST Masters 4-6 units offsite	7923
	CPST Bachelors 3 or less units offsite	7924
	CPST Bachelors 4-6 units offsite	7925
	CPST Bachelors 4-6 units offsite	7926
	CPST Group size: 2	7927
	CPTS Group size: 3	7928
	CPST Group size: 4	7929
	CPST One offsite client regardless of group size	7930

NOTE: For associated SPA rates, details can be found at: https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/proposed_spa.htm

SPA Rate Codes (2 of 2)

Services, rates, and rate codes are approved; however, they cannot be accessed until transition to the 1115 waiver

Service	Service Detail	Rate Code
Psychosocial Rehab (PSR)	PSR Bachelors Level	7931
	PSR All other professionals	7932
	PSR Bachelors Level 3 or less units offsite	7933
	PSR Bachelors Level 4-6 units offsite	7934
	PSR All other personnel 3 or less units offsite	7935
	PSR Allow service personnel 4-6 units offsite	7936
	PSR Group size: 2	7937
	PSR Group size: 3	7938
	PSR Group size: 4	7939
	PSR One offsite client regardless of group size	7940
Family Peer Support and Services (FPS)	FPS Bachelors Level	7941
	FPS All other service personnel	7942
	FPS Bachelors 3 or less units offsite	7943
	FPS Bachelors 4-8 units offsite	7944
	FPS All other personnel 3 or less units offsite	7945

Service	Service Detail	Rate Code
Family Peer Support and Services (FPS) cont.	FPS All other personnel 4-8 units offsite	7946
	FPS Group size: 2	7947
	FPS Group size: 3	7948
	FPS Group size: 4	7949
	FPS One offsite client regardless of group size	7950
Youth Peer Supports and Services (YPS)	YPS Bachelors Level	7951
	YPS All other professions	7952
	YPS Bachelors 3 or less units offsite	7953
	YPS Bachelors 4-8 units offsite	7954
	YPS All other professions 3 or less units offsite	7955
	YPS All other professions 4-8 units offsite	7956
	YPS Group size: 2	7957
	YPS Group size: 3	7958
	YPS Group size: 4	7959
	YPS One offsite client regardless of group size	7960

NOTE: For associated SPA rates, details can be found at: https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/proposed_spa.htm

Q&A

Please submit additional questions to:

DOH Transition Mail Log

BH.Transition@health.ny.gov



**Department
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DOH BH Transition Webpage

https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/

OMH Managed Care Webpage

<https://www.omh.ny.gov/omhweb/bho/>

DOH Transition Mail Log

BH.Transition@health.ny.gov

Health Home Bureau Mail Log

https://apps.health.ny.gov/pubdoh/health_care/medicaid/program/medicaid_health_homes/emailHealthHome.action

OMH Managed Care Mail Log

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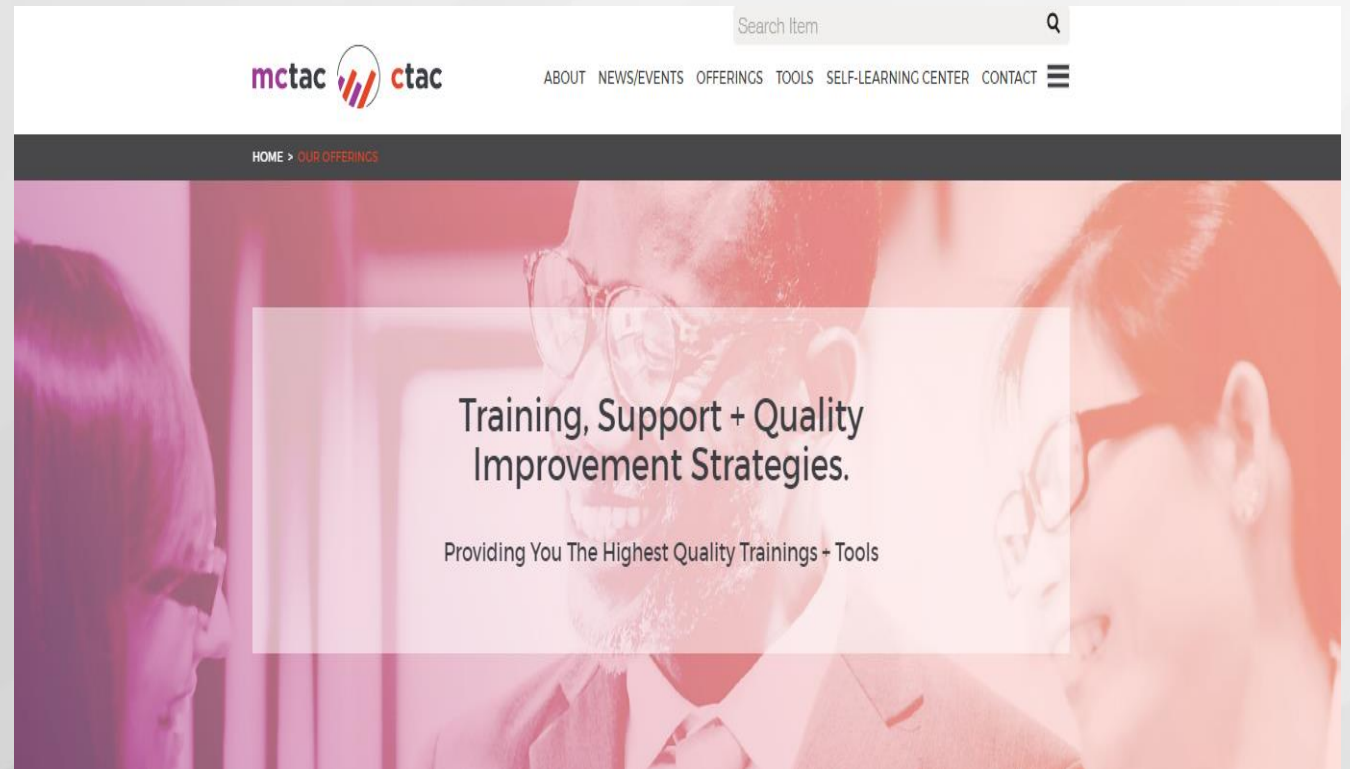
Questions and Discussion

Please send questions to:
mctac.info@nyu.edu

Logistical questions usually receive a response in 1 business day or less.

Longer & more complicated questions can take longer.

We appreciate your interest and patience!



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