



**Office for People With  
Developmental Disabilities**



**Department  
of Health**

# **OPWDD Rate Methodology Review**

February 14, 2018

# Agenda

- Introductions
- 7/1/17 Rate Review
- Moving Forward – “Things on the Plate”
- Open Discussion

# 7/1/17 Rate Review

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- Rebased Rates
  - CFR Periods Utilized 2014-15 (FY filers) and 2015 (CY filers)
  - Final Transition 25/75 Percent (base/target) to 100 Percent Target Rate
- Survey D
- Acuity Factor (Supervised and Supportive IRA)
- Budget Neutrality
- Occupancy Factor
- Capacity/Units
- Property

# Acuity Adjustment Factors

- Concept - Create a Factor to Address Resource Utilization (Similar to Risk Adjustment in Traditional Rate Setting)
- Goal - Examine if a correlation exists among resource utilization and current assessment tool (DDP)
  - Historical DDP Information
  - Historical Utilization – DC Staff Hours
  - Template Status
  - Willowbrook Status
  - Average Bed Size

# Steps Taken in Developing an Acuity Adjustment

- Step 1 – Utilize cost report data and agency DDP assessment tool to build dataset
- Step 2 – Perform regression analysis to determine how variables (bed size, behavioral, adaptive scores, Willowbrook & Template status) influence direct care hours
- Step 3 – Use regression results to determine appropriate direct care hours per individual per month
- Step 4 – Adjust results to account for variation not explained by regression (“credibility” adjustment”)
- Step 5 – Use results to determine agency-specific case intensity relative to Statewide average (2015 Statewide Avg Hours: Supervised IRA – 3,518; Supportive IRA – 1,143; 2017 Statewide Avg hours: Supervised IRA – 3,541; Supportive IRA – 1,051)

# Acuity Results

- What is driving the change in Acuity?
  - CFR hours per capacity – Actual agency experience makes up at least 75% of the factor, and many agencies have changes of 5-10% or more hours per capacity
  - DDP2 scores – Some agencies see significant changes in DDP2 scores, especially agencies with lower capacities
  - Other components of factor – Average bed size, percentage of Willowbrook class, incorporating template, minimum staffing needs

# Budget Neutrality

- Corridor Approach
  - Resources generated from rebasing will be reinvested into High Priority Programs and Waiver Services (Supervised IRA Supportive IRA, Day Habilitation, Prevocational Services)
  - Corridor approach allows for a transition period for providers negatively impacted by the rebasing



# Budget Neutrality Corridors

## Waiver Services

From	To	Budget Neutrality Factor
-7%	-8+%	1.03000
-3%	-7%	1.02000
0%	-3%	1.01000
1%	0%	1.00000
5%	1%	0.99000
5+%	5%	0.98000

## ICF/IID

From	To	Budget Neutrality Factor
0%	Neg%	1.00000
1%	0%	1.00000
3%	1%	0.99000
3+%	3%	0.98000

*Note: No additional resources generated from the rebasing are included in the ICF/IDD rates.*

# Occupancy Adjustment

- Supervised IRA and ICF/IID
- Based on Previous Year's Experience (7/1/16-6/30/17)
- Non-Billable Days Survey
  - Days not billed through Medicaid or OPWDD Voucher Processing

# “2018 Things on the Plate”



# Moving Forward - “2018 Things on the Plate”

- 1/1/18 Minimum Wage Increase and Reconciliation
  - Provider Attested Survey
  - 2015 CFR Data (for providers who did not submit a survey)
  - Supplemental Cost Report to Verify Use of Resources
- 1/1/18 Direct Support Professional Compensation Increases
  - “Be Fair to Direct Care” Compensation Increase (3.25%)  
Position Title Codes: 100-199 Support Staff and 200-299 Direct Care Staff
- 4/1/18 Compensation Increases
  - “Be Fair to Direct Care” Compensation Increase (6.5%)
  - Clinical Compensation Increase (3.25%)  
Position Title Codes: 300-399

# Moving Forward - “2018 Things on the Plate”

- CFR Corrections

- Use of revised CFR data is limited to the calculation of 7/1/18 rates

- Timeline for CFR Corrections:

January 29, 2018	Letter to providers detailing resubmission and revision specifications
February 9, 2018	Deadline for CFR Requests for Resubmission and CEO Attestation Statement
February 16, 2018	Issuance of DOH Determination of Request
March 2, 2018	Deadline for revised CFRs to be uploaded electronically, via the internet CEO Certification Statement (CFR-i) sent to OPWDD
March 30, 2018	Independent Accountant’s Report (CFR-ii or CFR-iiA) for revised CFR to OPWDD
June 1, 2018	Assessment of budget neutrality calculations and use of corridors
July 1, 2018	Rates issued based on revised CFR information.

# Open Discussion

# Contact Information

**Bureau of Mental Hygiene Services Rate Setting:**  
[mhrs@health.ny.gov](mailto:mhrs@health.ny.gov)



**DOH Webpage:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/mental\\_hygiene/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/mental_hygiene/index.htm)