



MINUTES
Rate Structure Work Group Meeting
Friday April 14, 2023 / 10:00AM - 12:00PM
Held via: Zoom Webinar

Attendance: Laurie Vachon, BDS Facilitator; Jen Doig, BDS Facilitator; Christy Roy, DHHS Facilitator; Abby Conger, BDS; Drew Smith, A&M; Krista Stephani, MSLC; Lesley Beerends, MSLC; Jacquelyn George, MSLC; Kim Shottes, ED Plus Company; Martin McNamara, Optumas; Will Walker, Family Member; Ellen McCahon, ED CSNI; Matthew Cordaro, ED One Sky Services; Shelley Kelleher, CFO Lakes Region Community Services; Sudip Adhikari, Gateways; Kara Nickulas, CMCC; Alecia Ortiz, A&M; Susan Silsby, Easter Seals

Please reference the corresponding slide presentation for the detailed agenda, including topics and themes covered in the meeting and corresponding takeaways and applicable action items.

Topic	Key Takeaways & Action Items
Service Coordination Wages	<p><u>General Information</u></p> <ul style="list-style-type: none"> • Myers and Stauffer received a total of 14 provider cost reports with cost data associated with service coordination. <ul style="list-style-type: none"> ○ Of these 14, 13 were used in preliminary analysis, as the information contained therein could be validated. • All 10 Area Agency (AA) cost reports were used • The other three cost reports were associated with independent case management agency provider vendors and an agency similar in size to an AA who also provided other services. <p><u>Cost Report Wage Data</u></p> <ul style="list-style-type: none"> • Based on the information reported on the 13 cost reports used in our preliminary analysis, the following was found: <ul style="list-style-type: none"> ○ Median wage for service coordinators: \$20.75 ○ Required education levels identified: 70% bachelor’s degrees, 22% associates, 5% high school, 3% masters. ○ Weighted averages by geographic location were also calculated and presented in the slide deck. <p><u>BLS Wage Data</u></p> <ul style="list-style-type: none"> • Myers and Stauffer reviewed BLS codes based on what other states are using and looked at what was provided from some work group members last fall. The responses from the homework assignment varied widely.

- The Department proposes using the following occupation codes 21-1018: Substance Abuse, Behavioral Disorder, and Mental Health Counselors, and 21-1022: Healthcare Social Workers.
 - We propose blending wages from these two codes.
 - Descriptions match what we believe a service coordinator does.
 - These two codes require a bachelor and master's degree. The Department asked us to look at these degrees because a higher required education level is the direction the Department would like to see for service coordination in the future.
- Median BLS hourly wage:
 - 21-1018: Median hourly wage \$22.42
 - 21-1022: \$30.71
 - Calculated weighted median hourly wage; \$26.57
 - Calculated inflated wage: inflation factor of 10.31% comes in at \$29.31.
 - Reminder, this is just a framework of what we're looking at.
- BLS still has not updated their wage data for 2022; should be updated by April 25, 2023.

Current NH Job Postings

- Found 31 postings for service coordinators in NH.
- Approximate median is \$19.43
- Most positions stated that an associate's or bachelor's degree was preferred.
- Weighted average wage, by geographic location: Statewide weighted average = \$22.31

Questions

- What was the size of the organization for which you could not validate cost report data?
 - Myers and Stauffer Response: It was an independent organization. Though we assume it was smaller in size, we cannot confirm because of the missing information.
- When you say an agency that was comparable to an AA, on what attributes would you make that claim?
 - Myers and Stauffer Response: Wages and the number of individuals served was comparable to what we saw from the AA cost reports.
- How did you weight the average geographic wages?
 - Myers and Stauffer Response: The average wages were weighted based on hours reported.
- If you are able to weight wages based on the average wage, why did you choose the median?
 - Myers and Stauffer Response: When we look at Bureau of Labor Statistics (BLS) data, we will actually use the

medians. When looking at geographic locations, there is no way to do this with the median. We needed to look at the average. The range between the average and median is very close. The average was \$21.81 with a minimum of \$14.56 and a maximum of \$38.46. It is important to note that the maximum was associated with a Director and an Associate Director of Case Management.

- Can you confirm that the median is the middle data value?
 - Myers and Stauffer Response: Yes, the median is the middle data value.
- The averages you are putting forward, are these the rates actually being paid or is this from BLS?
 - Myers and Stauffer Response: The averages we discussed today are from the 13 cost reports. Most of the cost report data is from State Fiscal Year (SFY) 22. No inflation factors were added to this.
- Rate Work Group Member Comment: For your consideration, Indeed.com has some data analytics that can tell you the rates of pay, how many people applied for jobs, etc. This may be another data source for you to use.
 - Myers and Stauffer Response: Yes, we reviewed some research from job platforms, but we did not get into the level of detail you just mentioned. Thank you for this information.
- Is case management another occupation?
 - Myers and Stauffer Response: No, the healthcare social worker is the only occupation code that specifically mentions care or case management.
- It is either in our AA contract or regulation, but it does require that every AA director provide services to a caseload (min. of 4 people for service coordination). If you are only including one director in this calculation, is it undervaluing the wages that are included in the average or median?
 - Department Response: We will need to further discuss this offline.
 - Myers and Stauffer Response: There were some other agencies that have director wages included in the preliminary calculations, but the wages were not as high as the maximum previously noted.
- I just want to note that there was a desire to have input into the process to come up with the BLS job categories. Can you talk through the process because there will members of the public who will want to provide some input?
 - Department Response: This is a public meeting where members of the public are welcome to join. No decisions have been made yet about BLS occupation codes. What is presented today is just what we are proposing, and we are

	<p>open to feedback from those who participate in these meetings. We need to show what this looks like for average costs.</p> <ul style="list-style-type: none"> • Can you talk through the process on why these BLS codes were chosen? <ul style="list-style-type: none"> ○ Department Response: This is a critical position for New Hampshire, and we wanted to look at BLS data that included requirements for a bachelor's and master's degree. Our cost report data shows that the education requirements are mixed. There is a lot that goes into the duties of a service coordinator, and when we were looking at the BLS data, there is no direct hit for case management. We need to look at how BLS codes apply in a general way. We will look at a combination of these codes to determine a path forward for our work. Again, no decisions have been made and we are open to discussion. • So the wages presented here today just include the direct cost of labor, and does not include taxes, insurance, etc. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: Yes, the wages are only representative of the DSP wage component. • When looking at the position postings, did you look at weighted avg. if you dropped out the minimum and the maximum wages? Additionally, the weighted average found in the Dover-Durham area does not look correct. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: We will have to go back and look at the specific descriptions. We can see if there were things driving the rates that aren't necessarily noticeable in the wage itself. • Rate Work Group Member Comment: CSNI did some research to see how much current wages would have to be adjusted to attract more people. It could be another interesting data point that I could pass on to you. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: Thank you that would be helpful.
<p style="text-align: center;">Hours and Caseload Levels</p>	<p><u>Hours Assumptions</u></p> <ul style="list-style-type: none"> • Myers and Stauffer is proposing to use a 40 hour/week assumption for service coordinator hours for rate calculations. • What does this mean: <ul style="list-style-type: none"> ○ Hours per individual will be based on 40 hours worked per week (in the cost report data, we found a minimum of 37.5 hours and a maximum of 45 hours) ○ Cost reports showed the average total hours per week worked is 40 hours ○ This is consistent with our understanding of how the Choices for Independence (CFI) rates were evaluated. ○ By assuming 40 hours per week, this will eliminate a lot of the discussion about productive versus unproductive time.

Caseload Assumptions

- To determine the hours per individual, we need to define the caseload per service coordinator.
- The caseload will be divided by the total hours per service coordinator to calculate an average hours per individual in a year.
 - Previous slide discussed using 40 hours/week, which is 2,080 hours/year.
- We are currently evaluating an average caseload of 30 individuals per service coordinator. This equates to around 69.33 hours/year, or 5.78/month for one individual.
- Cost report showed:
 - Median caseload for individuals with a risk management plan = 24
 - Median caseload for individual without a risk management plan = 30
 - Overall median for all individuals = 28

Questions

- How much do vacancies play into people having higher caseloads? I would assume risk management would be around 18-22. People handling risk management plans have to be highly involved in an individual's care. Having a caseload of 24 for an IST coordinator doesn't seem reasonable.
 - Department Response: We agree, but we wanted to start with some baseline information. What we have not decided yet is if we are going to look at two different levels of case management or not. This is just a starting point for an "average" caseload.
 - Rate Work Group Member Comment: I suggest we look into having three service coordination modifiers: A "typical care" modifier, one modifier for behavioral health intensity, and one modifier for medical intensity.
 - Rate Work Group Member Comment: Region 9 increased wages after what was reported on the FY22 data.
- Question: How are you taking into account staff holidays/vacations?
 - Myers and Stauffer Response: We have been back and forth on how to account for paid time off (PTO). Just because a service coordinator is on PTO, does not mean an individual stops receiving case management. We assume a different service coordinator fills the role until the staff member is back from PTO. So do we really want to remove PTO from the calculation for hours? As of now we are using the whole 2080 for hours, which will result in a higher number of hours per individual.
 - Comment: Caseloads higher on R9 case report due to vacancies.

	<ul style="list-style-type: none"> • Is it possible to look at having a maximum caseload? Anything over 38 is getting in to a quality issue. There are times though where we get an influx of people transitioning in to waiver services, or loss of staff (due to school). So sometimes caseloads inflate for 60-90 days. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: We will definitely take back the question about modifiers and min/max caseload numbers and review possibilities with the Department.
<p style="text-align: center;">Employee Benefit Percentage and Transportation</p>	<p><u>General Information- ERE</u></p> <ul style="list-style-type: none"> • For employee related expenses (ERE), received cost reports from 38 providers (we were looking at this as a whole) with cost information for employee benefits (we were able to use 36, a lack of data/information was invalidated and we couldn't validate with agencies). • Information from cost report: <ul style="list-style-type: none"> ○ Median employee benefit % of total wages= 26.04% ○ Mean = 26.10% ○ BLS data from December 2022 = 2022 25.95% ○ Benefits included in this percentage are payroll taxes, worker's compensation, health insurance, retirement contributions, and other benefits such as disability pay. ○ No significant outliers noted in the data. ○ Minimum was 10.5% and maximum was 38.5% for employee benefits. These numbers were validated. <p><u>Transportation</u></p> <ul style="list-style-type: none"> • As Myers and Stauffer reviewed the NH waiver applications, it seems like there may be some requirements for a service coordinator drive to an individual, but that transportation itself is not a component of the service. • What types of requirements are in place around transportation? • Work Group Member Feedback: <ul style="list-style-type: none"> ○ Service coordinators will provide transportation to a doctor's appointment, particularly if they have no other supports for this. It's less about transportation it's more about supporting someone in the doctor's appointment. ○ Service coordinators provide transportation when necessary, but it is avoided if possible. ○ Service coordinators are not reimbursed but we have to pay the mileage. If there was a mileage stipend that we could tap into, this would be exceptional. It's very random and frequent, no consistent transportation pattern. If service coordinators do not provide transportation, nobody else would. ○ We have reduced service coordinators providing transportation, because transportation is not part of case management reimbursement.

	<ul style="list-style-type: none"> • Department Feedback: <ul style="list-style-type: none"> ○ Transportation to medical appointments is technically covered under the state plan. But service coordinators are filling in around services as part of their role. ○ Non-medical transportation (NMT) is starting to be used more under the waiver. ○ Service coordination does involve some related transportation costs. <p><u>Questions</u></p> <ul style="list-style-type: none"> • Was the ERE data evenly distributed? <ul style="list-style-type: none"> ○ Myers and Stauffer Response: The median was at 26.04%. We did receive cost reports from smaller agencies without robust benefit packages. • Were the ERE percentages adjusted for smaller benefit packages or regional differences? Lower numbers can really skew this whole situation. The geographic considerations will be really important to consider. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: We have not looked at benefits yet geographically, but we can. There were five agencies with a percent under 17%. • What does it look like if you pull the agencies with an ERE percent of under 17% out of the calculation? <ul style="list-style-type: none"> ○ Myers and Stauffer Response: If we exclude data from these agencies, the median changes to 27.33%. • Will size of agency and part-time versus full-time equivalents be important in the construction of the rates? <ul style="list-style-type: none"> ○ Myers and Stauffer Response: Not necessarily. The rates will be more dependent on how we balance the rate components. The goal is not for anyone to cut benefits, even. We will consider issues like geography and part-time versus full-time staff. Right now we aren't looking at any allocations from the cost report. Right now we are just looking at total benefit expense. Stipends should have been on another line so we are only looking at direct wages. We will look at family managed employees to see what is happening there. • Will you also look at inflation for ERE, as well? Additionally, some AAs are increasing health insurance for the first time in many years. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: Thank you for this information. We will take this back and consider inflation and increases in health insurance.
<p style="text-align: center;">General Questions</p>	<ul style="list-style-type: none"> • Can we receive materials in advance? I'd like this at least two working days beforehand. <ul style="list-style-type: none"> ○ Department Response: We will work on providing material ahead of these meetings. • I'd like to mention that with the recent information with case management responsibilities, historical information is not really

	<p>accurate. I am concerned that case managers will have more work to do. There are a lot of things that in the business office that we do but it's not really captured in the case management cost. Caseload of 30 didn't originally seem unreasonable, but now that I'm thinking about activities, it may be.</p> <ul style="list-style-type: none"> ○ Myers and Stauffer Response: This is one of the reasons we are moving toward a caseload instead of looking at activities. If we are comfortable with a caseload number, this will be how we calculate hours per individual and the change in activities should not impact this. As you think about this, let us know if you have other thoughts. Remember we are calculating a cost per hour and then this is going to be multiplied by the number of hours. The hours and caseload will drive the rate. If we set a rate that we are not comfortable with, we can always go back and adjust. You know the assumptions that are going in it and you can validate if something needs to change. ● How will you recognize the churn in staff experienced by providers? If you bring someone on, they likely can't handle a full caseload for a while. This needs to be taken into account. <ul style="list-style-type: none"> ○ Myers and Stauffer Response: We have talked about this too, but we have not come to a place that we are comfortable with yet. But this validates discussions that we have had. ● So in May will we have the next iteration of these rates? <ul style="list-style-type: none"> ○ Myers and Stauffer Response: Yes, we may have some other proposed information for other services. We do not have a particular schedule laid out, but we may look at some of the non-residential services first. ● Are you also accounting for caseload differences between PDMS and traditional services? Our agency has some differences. Do we need to discuss? <ul style="list-style-type: none"> ○ Myers and Stauffer: We can discuss this. We did see a higher caseload for PDMS individuals, but not necessarily consistently. Some agencies had a higher caseload per PDMS, not clear on why this was the case. We may want to explore having a separate PDMS service coordinator rate.
<p>Next Steps</p>	<ul style="list-style-type: none"> ● Myers and Stauffer will take information we received today and reevaluate. Any additional information please reach out to BDS email. ● Myers and Stauffer will continue to work through some other items like transportation and take it back as it applies to program related expenses. ● The calculation of service rates will continue, as will the evaluation of SIS-A data and the data's correlation to rates.