

From: Brown, Holly M <holly.brown@mercer.com>
Sent: Thursday, October 21, 2021 5:27 PM
To: Smith, Rick
Cc: Wahlman, Jason; Song, Yixuan; Brown, Holly M; Tillis, Brent
Subject: [External] RE: ID/A Rate Assumption Adjustments

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Hi Rick,

Thank you for your time earlier this week to review some of the outstanding assumptions. As we are finalizing the fee ranges for the non-residential services, please see the few items/questions we would like to note for confirmation as well as the takeaways from Tuesday's meeting.

1. We are applying a 29% increase factor to wages for enhanced communication services (modifier U1) based on the average differential between the BLS occupation of 'Social and Human Service Assistants' and 'Interpreters and Translators'. **Please confirm ODP agrees with this percentage adjustment for enhanced communication wages.**
2. 'CPS Community On-Call and Remote Support': We are developing two fee ranges for this service (1:1 to 1:5; 1:6 and above) using most of the same assumptions that we used in the modeling in June 2021; however, reflecting the new changes ODP provided for ID/A services (e.g., wages reflecting \$14.25 min wage and 10% overtime at LB, training days, FT/PT split of 75/25, etc.)
 - **Is ODP expecting updated fee ranges for this service to align with the other ID/A assumption updates for CPS?** Please confirm as we recognize fees have been released in the public notice.
3. Please confirm that ODP removed the service for In-home and Community Supports using a 1:4 staffing level.
4. We have not modeled a separate fee for Targeted Services Management (T1017) as we understand the adopted fee is consistent with Supports Coordination.
5. We plan to provide the fee ranges for the following services with the residential/PDS fee range package. We wanted to call your attention to this as these services were listed in the current non-residential fee schedule and/or the assumption log for FY 19/20.
 - Agency with Choice Admin PMPM
 - 'Licensed Respite Group Home' and 'Respite Only Home'

Decisions from 10/19 call:

- Sign-on Bonuses: ODP is making one-time payments to providers to reimburse for these costs (outside of the service rate); therefore, do not include a cost category in the fee assumptions for bonuses.
- Add an additional level of wages for Director Staff for the following services, using a staffing ratio of 1:150 to 1:200 (Director to participants):
 - Companion
 - In home and community supports
 - Respite
 - Community Participation Services

We are conducting the necessary quality checks on the modeling for the non-residential fee ranges, which includes over 70 services, and will deliver the fee range results and assumption log to ODP early next week. I will be following up with an email outlining the anticipated timing for the other service categories of fee ranges (i.e., residential, ineligible and participant-directed services). If you have any questions or would like to touch base, let me know.

Thank you!
Holly

Holly Brown

Principal, Mercer Government, North America
T +1 612 642 8620 M +1 612 286 7688

Assistant: Raissa Rosado raissa.rosado@mercer.com



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A business of Marsh McLennan

From: Smith, Rick [REDACTED] >
Sent: Tuesday, October 19, 2021 8:54 AM
To: Brown, Holly M <holly.brown@mercerc.com>
Cc: Wahlman, Jason <jason.wahlman@mercerc.com>; Tolmich, Kevin <kevin.tolmich@mercerc.com>; Song, Yixuan <yixuan.song@mercerc.com>
Subject: RE: [External] RE: ID/A Rate Assumption Adjustments

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From: Brown, Holly M <holly.brown@mercerc.com>
Sent: Monday, October 18, 2021 4:43 PM
To: Smith, Rick [REDACTED]
Cc: Wahlman, Jason <jason.wahlman@mercerc.com>; Tolmich, Kevin <kevin.tolmich@mercerc.com>; Song, Yixuan <yixuan.song@mercerc.com>; Brown, Holly M <holly.brown@mercerc.com>
Subject: [External] RE: ID/A Rate Assumption Adjustments

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Hi Rick,

In follow-up to the assumption changes ODP provided for the ID/A waivers on 9/29, we have some items to confirm with you. Please see the information outlined below, and we will plan to talk through this during our scheduled call on Tuesday at 3pm ET.

- 1. Sign-on Bonuses:** In our meeting in mid-September, we discussed incorporating a sign-on bonus into the wages to account for nurses and other direct care staff receiving bonuses in the current environment. This adjustment was not listed in the change document we received on 9/29. Does ODP still want to include this in the fee assumptions? **No. This is addressed by other ARPA funds.** If so, we suggest the following:
 - **Nursing and Therapy Services** (Skilled Nursing, Communication Specialist, Consultative Nutritional Services, Behavior Support, Therapy services and Family/Caregiver Training and Support): Apply an increase to all wage categories (direct care workers, supervisors, program specialists, etc.) of *\$1.04 per hour* representing an average of \$8-\$10k bonus applied to new staff only (using average turnover rate of 24%).
 - **All Other Services:** Apply an increase to all wage categories (direct care workers, supervisors, program specialists, etc.) of *\$0.20 per hour* representing an average of \$1,500-\$2,000 bonus applied to new staff only (using average turnover rate of 24%).
- 2. Director Staff Level:** Based on the 9/29 document and previous discussions, we understand that ODP would like to add a level of staff to account for Director wages in the fee development, specifically for the residential and non-residential services listed below. We'd like to discuss the following topics and items further with ODP.

- Questions:
 - Does ODP expect the Director staff to be providing direct service to the participants? **No** Or is this executive level staff of the provider agency? **Yes**
 - For this new staffing level, does ODP want to assume a 1:30 ratio for the Director to the participant? This is consistent with Supports Coordination; however, for larger providers and providers of multiple services, this may add too many director positions to the rates depending on ODP's view of what role these individuals play compared to positions already modeled. **I think a higher ratio, like up to 1:200 is ok. Let's discuss today.**
- Non-residential services: Companion, In home and community supports, Respite and Community Participation Services
 - For most of these services, adding a Director level of staff would increase the staff assumption from *two levels to three levels* of staff needed for the respective service delivery (i.e., going from DCW and Supervisor -- to DCW, Supervisor and Director). However, for CPS, the addition of a Director level increases the assumption to include four levels of staff (i.e., to DCW, Supervisor, Program Specialist and Director). *We'd like to discuss how the service delivery is different for CPS (as well as the difference between a Director versus Program Specialist) to confirm this additional fee assumption.* **Do not think we need 4 levels for CPS**
- Residential services: For Group Home and Life Sharing services, the current fee assumptions include a proportion of wages for direct care workers, Supervisors, Residential Manager/Program Specialist/Staff Trainer and Nurses (i.e., four levels of staffing for SIS levels 2 and above). Note that Unlicensed Group Homes only include three levels of staffing.
 - How is the Director level of staff different from the Residential Manager/Program Specialist/Staff Trainer? **Do not think a change is necessary**

Please let us know if you have any initial feedback on the items above, and we look forward to discussing further tomorrow afternoon.

Thanks!
Holly

Holly Brown

Principal, Mercer Government, North America
T +1 612 642 8620 M +1 612 286 7688

Assistant: Raissa Rosado raissa.rosado@mercer.com

Mercer Government, 333 South 7th Street, Suite 1400, Minneapolis, MN 55402
www.mercer-government.mercer.com



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A business of Marsh McLennan

From: Smith, Rick [REDACTED]
Sent: Thursday, September 30, 2021 12:07 PM
To: Brown, Holly M <holly.brown@mercer.com>; Wahlman, Jason <jason.wahlman@mercer.com>
Subject: RE: ID/A Rate Assumption Adjustments

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Hello,
After reviewing data for the past three years, I do not think it is necessary to adjust the 97% residential vacancy factor.
Thanks

From: Smith, Rick
Sent: Wednesday, September 29, 2021 11:11 AM

To: Brown, Holly M <holly.brown@mercer.com>; Wahlman, Jason <jason.wahlman@mercer.com>

Subject: ID/A Rate Assumption Adjustments

Good morning,

Attached are tweaks we want to make to the ID/A assumptions. I am still looking at data on residential vacancy, but wanted to get this to you asap.

Thanks,

Rick

Rick Smith | Director

PA Department of Human Services | Office of Developmental Programs

Bureau of Financial Management and Program Support

625 Forster Street Room 412 | Harrisburg, PA 17120

717.783.4873

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