

**From:** Wahlman, Jason <jason.wahlman@mercer.com>  
**Sent:** Monday, January 31, 2022 5:58 PM  
**To:** Smith, Rick  
**Cc:** Brown, Holly M  
**Subject:** RE: [External] AWC admin fee development

Rick,

Thank you for your response. We have a few questions/comments for you before we finalize everything:

1. The current PDS selected fee for Supports Broker is \$6.39 at the 50<sup>th</sup> percentile. Adjusting this to the 75<sup>th</sup> percentile results in a PDS selected fee of \$8.27.
  - a. Please confirm Supports Broker fee selection update from 50<sup>th</sup> to 75<sup>th</sup> percentile is for PDS only (and does not apply to the selected fee for agency Supports Broker services). ODP's fee selection for the agency service was at the 25<sup>th</sup> percentile (i.e., \$18.02).
2. Note that increasing the selected fee for PDS Supports Broker affects the upper bound wage for the VF/EA and AWC wage ranges, increasing it to \$25.09.
3. For the AWC admin fee, using a 100% FT assumption results in a 25<sup>th</sup> percentile fee of \$301.30 and a 30<sup>th</sup> percentile fee of \$311.68. The fee ODP selected initially is \$285.28. Based on the 100% FT assumption, does ODP want to use the 25<sup>th</sup> or 30<sup>th</sup> percentile fee?
4. After finalizing the changes, Mercer will update several deliverables, including:
  - PDS assumption log
  - PDS fee range exhibit
  - Fiscal impact analysis
  - VF/EA and AWC wage range exhibit
  - ID/A report

Thanks,  
Jason

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**From:** Smith, Rick <[REDACTED]>  
**Sent:** Monday, January 31, 2022 8:51 AM  
**To:** Wahlman, Jason <jason.wahlman@mercer.com>  
**Cc:** Brown, Holly M <holly.brown@mercer.com>  
**Subject:** RE: [External] AWC admin fee development

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Thanks. We understand and are good with just the FT/PT adjustment to 100% FT, so we can finalize those. Also, we would like to make two adjustments to rates...AWC Admin Fee to 30<sup>th</sup> percentile (from 25<sup>th</sup>) and Supports Broker to 75<sup>th</sup> percentile (from 50<sup>th</sup>). Could you incorporate those changes into the fiscal analysis and wage ranges and finalize also? Almost done!

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**From:** Wahlman, Jason <[jason.wahlman@mercer.com](mailto:jason.wahlman@mercer.com)>  
**Sent:** Friday, January 28, 2022 3:45 PM  
**To:** Smith, Rick <[REDACTED]>  
**Cc:** Ahrens, Kristin <[REDACTED]>; Brown, Holly M <[holly.brown@mercer.com](mailto:holly.brown@mercer.com)>  
**Subject:** [External] AWC admin fee development

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Rick,

Per our conversation on Tuesday, we did some additional research on the AWC admin fee development and want to share our thoughts with you in order to determine whether a revised fee range is necessary:

1. Training costs: The training costs included in the AWC admin fee are for required trainings (e.g., CPR) that the AWC provides to the SSWs. These costs are included in the AWC admin fee because the AWC is paying the cost of these training days for the SSWs. This is distinct from the three training days for new hires we included in the PDS fee development.
2. Paid time off: PTO was intentionally excluded from the AWC admin fee because it is a PMPM-based service rather than a time-based service. The thought process behind this is that the other AWC team staff will cover the responsibilities of the team member on PTO, which would not result in a loss of billing to Medicaid for reimbursement. This is different from a direct care worker, who needs to be replaced temporarily when on PTO, which incurs additional costs for the provider.
3. FT/PT split: A 100% FT assumption is reasonable given the type of staff employed by the AWC entity. Changing the FT assumption from 30% to 100% increases the admin fee PMPM by approximately \$15 at the lower bound and \$20 at the upper bound. However, the increased fee range still captures the FY 2021-2022 AWC admin fee previously selected by ODP (i.e., \$285.28).

Based on this information and that we are suggesting only a change to the FT/PT split assumption, let us know if you would like Mercer to calculate a revised fee range for the AWC admin fee.

Mercer will provide a revised PDS assumption log that includes the **final** AWC admin fee assumptions.

Please let us know if you have any questions or if you would like to discuss.

Thanks,  
Jason

**Jason Wahlman, MPH**  
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