

**From:** Wahlman, Jason <jason.wahlman@mercer.com>  
**Sent:** Wednesday, February 9, 2022 4:10 PM  
**To:** Smith, Rick  
**Cc:** Brown, Holly M  
**Subject:** RE: [External] AWC admin fee development  
**Attachments:** ODP FY 2022 IDA Renewal Fee Development Report\_02072022.pdf; IDA PDS SFY 2022 Assumptions Log\_20220202.pdf; Ineligible (Residential)\_IDA FY 21-22 Assumptions Log\_20211123.pdf; Non-Residential\_IDA FY 21-22 Assumptions Log\_20211108.pdf; Residential\_IDA FY 21-22 Assumptions Log\_20211108.pdf

Thanks, Rick. Attached please find the Final IDA Fee Development Report for the FY 2022 rates, which includes the adjustments that ODP has requested since the initial draft was provided on January 12.

Specifically, the report and appendices reflect the following changes:

- Updated the AWC admin fee range to reflect 100% FT assumption
- Updated the ODP selected AWC admin fee to reflect the 30<sup>th</sup> percentile of the FY 21/22 revised fee range
- Updated the PDS Supports Broker fee selection to be at the 75<sup>th</sup> percentile of the FY 21/22 modeled fee range
- Updated the PDS assumption log to include AWC admin fee assumptions

For reference, I have also attached the final versions of all four assumption logs.

Please let us know if you have any questions.

Jason

---

**From:** Smith, Rick <[REDACTED]>  
**Sent:** Tuesday, February 8, 2022 2:51 PM  
**To:** Wahlman, Jason <jason.wahlman@mercer.com>  
**Cc:** Brown, Holly M <holly.brown@mercer.com>  
**Subject:** Re: [External] AWC admin fee development

**CAUTION:** This email originated outside the company. Do not click links or open attachments unless you are expecting them from the sender.

No more changes. Thanks

---

**From:** Wahlman, Jason <jason.wahlman@mercer.com>  
**Sent:** Tuesday, February 8, 2022 3:34:22 PM  
**To:** Smith, Rick <[REDACTED]>  
**Cc:** Brown, Holly M <holly.brown@mercer.com>  
**Subject:** RE: [External] AWC admin fee development

Rick,

We are finalizing the updated version of the ID/A report and want to confirm that all fee assumptions and selected fees are final, given that the public comment period just ended. We would like to only send the final version of the report (to avoid confusion with too many iterations). Please let us know if you are anticipating any other changes.

Thanks,  
Jason

---

**From:** Wahlman, Jason  
**Sent:** Wednesday, February 2, 2022 4:48 PM  
**To:** Smith, Rick <[REDACTED]>  
**Cc:** Brown, Holly M <[holly.brown@mercer.com](mailto:holly.brown@mercer.com)>  
**Subject:** RE: [External] AWC admin fee development

Rick,

Attached please find the following updated documents for the FY 21/22 IDA waiver fees:

- PDS assumption log
- PDS fee range exhibit
- Fiscal impact analysis
- VF/EA and AWC wage range exhibit

These files reflect the following changes:

- Updated the AWC admin fee range to reflect 100% FT assumption
- Updated the ODP selected AWC admin fee to reflect the 30<sup>th</sup> percentile of the FY 21/22 revised fee range
- Updated the PDS Supports Broker fee selection to be at the 75<sup>th</sup> percentile of the FY 21/22 modeled fee range (this affects the VF/EA and AWC wage ranges, as you acknowledged previously)
- Updated the PDS assumption log to include AWC admin fee assumptions

We are planning to send the updated final report next week.

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

Thanks,  
Jason

---

**From:** Smith, Rick <[REDACTED]>  
**Sent:** Monday, January 31, 2022 5:45 PM  
**To:** Wahlman, Jason <[jason.wahlman@mercer.com](mailto:jason.wahlman@mercer.com)>  
**Cc:** Brown, Holly M <[holly.brown@mercer.com](mailto:holly.brown@mercer.com)>  
**Subject:** RE: [External] AWC admin fee development

**CAUTION:** This email originated outside the company. Do not click links or open attachments unless you are expecting them from the sender.

---

**From:** Wahlman, Jason <[jason.wahlman@mercer.com](mailto:jason.wahlman@mercer.com)>  
**Sent:** Monday, January 31, 2022 5:58 PM  
**To:** Smith, Rick <[REDACTED]>  
**Cc:** Brown, Holly M <[holly.brown@mercer.com](mailto:holly.brown@mercer.com)>  
**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). **Confirmed**

- 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. **Noted, we expected this**
- 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

---

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

**CAUTION:** This email originated outside the company. Do not click links or open attachments unless you are expecting them from the sender.

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!

---

**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

**ATTENTION:** This email message is from an external sender. Do not open links or attachments from unknown sources. To report suspicious email, forward the message as an attachment to [CWOPA\\_SPAM@pa.gov](mailto:CWOPA_SPAM@pa.gov).

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**  
Principal, Mercer Government, North America  
T +1 612 642 8675 M +1 763 639 5756

Assistant: Brooke Erickson [brooke.erickson@mercer.com](mailto:brooke.erickson@mercer.com)

Mercer Government, 333 South 7<sup>th</sup> Street, Suite 1400, Minneapolis, MN 55402  
[www.mercer-government.mercer.com](http://www.mercer-government.mercer.com)



welcome to brighter

A business of Marsh McLennan

---

This email and any attachments may be confidential or proprietary. Any review, use, disclosure, distribution or copying of this email is prohibited except by or on behalf of the intended recipient. If you received this message in error or are not the intended recipient, please delete or destroy the email message and any attachments or copies and notify the sender of the erroneous delivery by return email. To the extent that this message or its attachments were sent without encryption, we cannot guarantee that the contents have not been changed or tampered with. Any advice expressed in this message is being delivered to you solely for your use in connection with the matters addressed herein and may not be used for any other purpose without our prior written consent.

---

This email and any attachments may be confidential or proprietary. Any review, use, disclosure, distribution or copying of this email is prohibited except by or on behalf of the intended recipient. If you received this message in error or are not the intended recipient, please delete or destroy the email message and any attachments or copies and notify the sender of the erroneous delivery by return email. To the extent that this message or its attachments were sent without encryption, we cannot guarantee that the contents have not been changed or tampered with. Any advice expressed in this message is being delivered to you solely for your use in connection with the matters addressed herein and may not be used for any other purpose without our prior written consent.

---

This email and any attachments may be confidential or proprietary. Any review, use, disclosure, distribution or copying of this email is prohibited except by or on behalf of the intended recipient. If you received this message in error or are not the intended recipient, please delete or destroy the email message and any attachments or copies and notify the sender of the erroneous delivery by return email. To

the extent that this message or its attachments were sent without encryption, we cannot guarantee that the contents have not been changed or tampered with. Any advice expressed in this message is being delivered to you solely for your use in connection with the matters addressed herein and may not be used for any other purpose without our prior written consent.

---

This email and any attachments may be confidential or proprietary. Any review, use, disclosure, distribution or copying of this email is prohibited except by or on behalf of the intended recipient. If you received this message in error or are not the intended recipient, please delete or destroy the email message and any attachments or copies and notify the sender of the erroneous delivery by return email. To the extent that this message or its attachments were sent without encryption, we cannot guarantee that the contents have not been changed or tampered with. Any advice expressed in this message is being delivered to you solely for your use in connection with the matters addressed herein and may not be used for any other purpose without our prior written consent.