



Department of  
Medicaid



Resilience through  
Integrated Systems and Excellence

# OhioRISE Rate Discussion

May 17, 2021

11:00 AM – 1:00 PM

# Housekeeping



All participants can mute and unmute their own lines, **so please be sure to mute your line when you're not talking. If you are muted during the meeting and called in, you must press \*6 to unmute.**



Please introduce yourself by entering your name, title, and organization in the chat feature.

We hope to have robust oral discussion among Advisory Council members. All other attendees may enter comments or questions using the **chat** feature in Teams.



The slides from this meeting will be available following the meeting on the [OhioRISE Website](#).

# Meeting Agenda

- 1** ..... Welcome and Introductions
- 2** ..... OhioRISE New Service Rate Model Methodology
- 3** ..... Next Steps

# OhioRISE Advisory Council & Workgroups – Membership and Purpose

## Purposes of the OhioRISE Advisory Council & Workgroups

- » Offer specific advice, expert opinions and suggestions to Directors and staff regarding the OhioRISE program
- » Provide clinical and programmatic input on key components of new and enhanced services
- » Review rule development and changes
- » Provide critical technical feedback regarding initial implementation activities and OhioRISE operations



### **MEMBERS SELECTED FOR THE ADVISORY COUNCIL REPRESENT:**

**Diverse range of  
expertise and  
experience**

**Local system  
partners**

**Associations  
and providers of  
services**

**Youth and  
Families with  
lived experience**

**Ohio's  
geography**

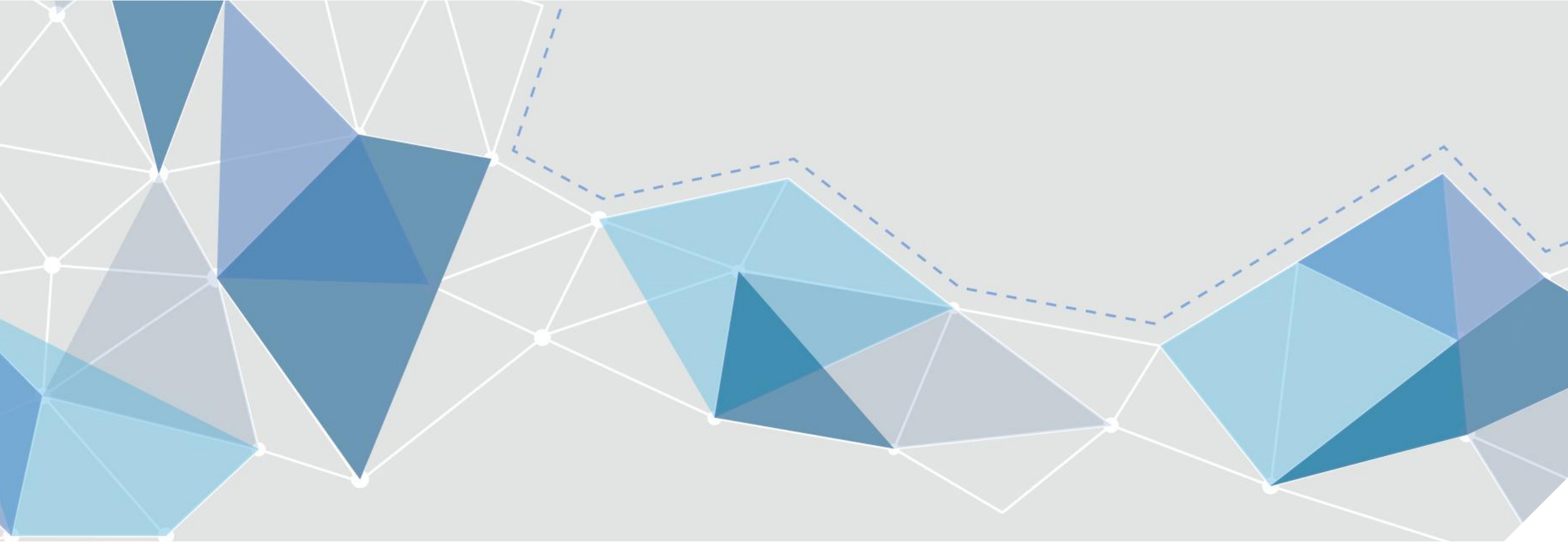
# OhioRISE New Service Rate Model Methodology

# OhioRISE New Service Rate Model Methodology



Ohio Department of Medicaid (ODM)

May 17, 2021  
DRAFT



# Agenda

1

Introductions and Background

2

Independent Rate Model Development

3

Stakeholder Next Steps

# Introductions and Background



# Introduction

## Stakeholder Feedback is a Critical Element Supporting Reliability of Comparison Rates

- ❑ ODM and Milliman are committed to transparency in the independent rate model framework and assumptions applied to establish the rates
  - Feedback should be submitted to [OhioRISE@Medicaid.Ohio.gov](mailto:OhioRISE@Medicaid.Ohio.gov) and [OH.IRM.Feedback@milliman.com](mailto:OH.IRM.Feedback@milliman.com)
- ❑ Scheduled to conduct two additional stakeholder meetings, both of which will be focused on specified types of services

Date	Time	Services to be Presented
5/25/2021	2:00-4:00	ICC/MCC Services
5/27/2021	2:00-4:00	MRSS and IHBT Services

- ❑ As part of the process, we will –
  - Collect and summarize questions, and prepare a response to FAQs for distribution
  - Consider and incorporate changes in both the framework and assumptions applied to independent rate models
- ❑ ODM intends to include the rates resulting from this process in a “directed minimum fee schedule”

# Project Milestones



**Develop an independent rate model framework for ICC, MCC, MRSS, and IHBT**



**Gather feedback from providers to inform independent rate model framework and assumptions**



**Develop fee schedule rates based on independent rate models for ODM to submit to CMS in their SPA application**

# Stakeholder Role

## ★ Purpose

Inform the development of the independent rate model and related assumptions that will be used to develop the fee schedule rates

- ODM is committed to creating the independent rate model framework and assumptions for each service with stakeholder input.
  - ODM has included input from the OhioRISE advisory council and services workgroups in the development of several assumptions included in the independent rate models
  - Certain methodology and assumptions have not been vetted by stakeholders to date.
- ODM requests stakeholders to review the independent rate model framework and assumptions, with a ***focus on methodology and assumptions that have not been vetted*** through prior stakeholder discussions

# Workgroups Supporting Rate Model Development

Workgroup	Role
Advisory Council	Overall program advisory council: -Members participate in the various workgroups -Review and comment on draft rules
CANS and Care Coordination	Input on policy and rules including: -Required activities and frequency for care coordination -Staffing assumptions
Mobile Response and Stabilization	Input on policy and rules including: -Staffing assumptions -Activities
Intensive Home-Based Treatment	Input on policy and rules including: -Staffing assumptions and team structures -Evidence-based practices

# Independent Rate Model Development

# Independent Rate Model

## Overview



### Ground-up approach

- Rates are built from the ground up
- Based on sum of independently determined rate inputs and components
- Inputs are based on expected resources required to provide the service



### Commonly applied method for rate determination for residential, community-based services

- Many states employ independent rate model approach
- One of accepted methods based on CMS guidance for HCBS services

### Benefits

- Provides transparency as to the reasonable costs required to provide the service
- Facilitates streamlined process to update rates in future periods
- Facilitates comparison of actual costs of providing services
- Can be adopted to support future rate updating or modification efforts
- Developed independently from actual costs incurred

# Independent Rate Model

## Data Sources



**Publicly available information,** including but not limited to, wage information from the Bureau of Labor Statistics (BLS), specifically for Ohio



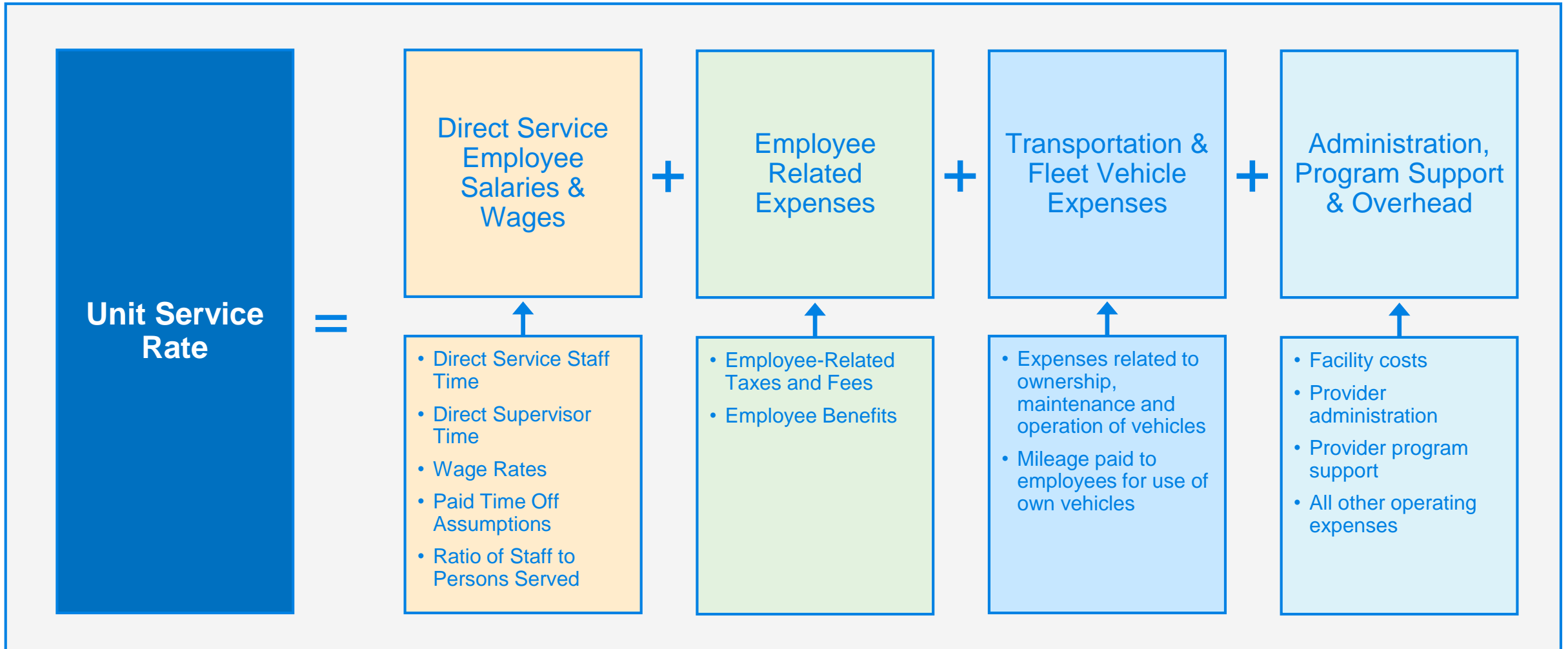
**State and stakeholder guidance,** reflecting the state and stakeholders' understanding of how the services are provided



**State procedure code** descriptions and regulations, and program descriptions

# Independent Rate Model

## Rate Build Up Components





# Independent Rate Model

## Detailed Framework Components

Component	Elements	Sub-elements	Clarifying Notes
Direct Service Employee Salaries and Wages	Service-related Time	Direct Time	<ul style="list-style-type: none"> <li>Corresponding time unit, or staffing requirement assumptions where not defined</li> <li>Adjusted for staffing ratios for some services (i.e., more than one person served concurrently, e.g., in group counseling sessions or for residential services).</li> </ul>
		Indirect Time	<ul style="list-style-type: none"> <li>Service-necessary planning, note taking and preparation time</li> </ul>
		Transportation Time	<ul style="list-style-type: none"> <li>Travel time related to providing service</li> </ul>
		PTO/Training/Conference Time	<ul style="list-style-type: none"> <li>Paid vacation, holiday, sick, training and conference time.</li> <li>Also considers additional training time attributable to employee turnover</li> </ul>
		Supervisor Time	<ul style="list-style-type: none"> <li>Accounted for using a span of control variable</li> </ul>
	Wage Rates	Can Vary for Overtime and Weekend Shift Differentials	<ul style="list-style-type: none"> <li>Wage rates based on BLS data and vary by position. BLS wages are blended for certain services.</li> </ul>
	Stipends	Payments for on-call capacity	<ul style="list-style-type: none"> <li>Used for selected services</li> </ul>
Employee Related Expenses	Payroll-related Taxes and Fees	FICA, FUTA, SUI, Workers Compensation	<ul style="list-style-type: none"> <li>Applicable to all employees, and varies by wage level assumption</li> </ul>
	Employee Benefits	Health, Dental, Vision, Life and Disability Insurance, and Retirement Benefits	<ul style="list-style-type: none"> <li>Varies depending on position</li> </ul>
Transportation – Fleet Vehicle Expense	Vehicle Operating Expenses	Includes all Ownership and Maintenance-Related Expenses	<ul style="list-style-type: none"> <li>Varies by service. Some assume employee-owned vehicle at federal rate. Other services assume fleet vehicle expenses or vans</li> </ul>
Administration, Program Support, Overhead	All other business-related costs	Includes program operating expenses, including management, accounting, legal, IT, etc.	<ul style="list-style-type: none"> <li>Excludes expenses related to managed care administration</li> </ul>

# Assumptions Informed by Workgroups

The following methodology and assumptions have been vetted through prior stakeholder discussions and incorporated in the draft OAC rules for each service. Therefore, ODM does not anticipate significant additional discussion on these items as part of the rate setting workgroup.

## Personnel requirements

- Credentials and team requirements
  - Licensed professional
  - Paraprofessional (including Peers)
  - Advanced Practice Nurse
  - Physician
- Staff functions and roles
  - Direct Service
  - Supervision
  - Consultation
- Caseloads and staffing ratios
- Supervisory requirements

## Activities

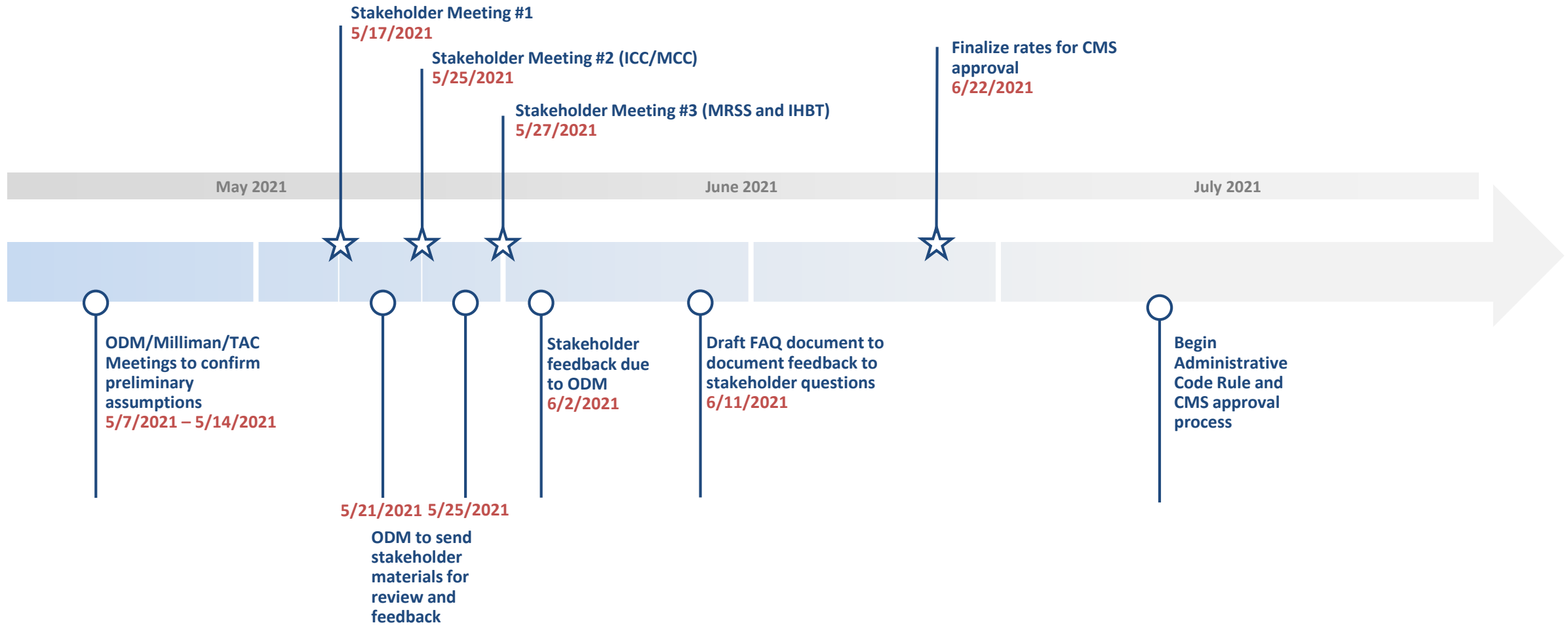
- Required direct service activities as described in rules (varies by service)
  - Assessment
  - Service Planning and Facilitation (including crisis and Safety Plans)
  - Care coordination
  - Referral and transitions
  - Monitoring and updating plans
- Frequency of specific activities (varies by service)
  - Contacts with member and caregiver (face to face and virtual)
  - Assessment and reassessment timeframes

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# Next Steps

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# Project Timeline



# Stakeholder Next Steps

- Provide any comments to ODM on the proposed rate setting methodology and stakeholder process.
- Expect to receive meeting material on May 21 and 25 and prepare for Stakeholder Meetings #2 and #3.

*Send feedback to [OhioRISE@Medicaid.Ohio.gov](mailto:OhioRISE@Medicaid.Ohio.gov) and [OH.IRM.Feedback@milliman.com](mailto:OH.IRM.Feedback@milliman.com)*

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