JIM MARTIN [OFFICE OF AGING AND DISABILITY SERVICES]: -- very useful. If there's anything that we can do, if you run into technical assistance this morning, feel free to e-mail me directly and we'll figure out how to resolve it. But thank you, Steve, for your time, and I appreciate you being willing to facilitate.

STEPHEN PAWLOWSKI [BURNS & ASSOCIATES, INC.]: Sure. So I'm going to just lay out my agenda for what we're going to accomplish this morning, and then I'll jump right into it. As Jim said, the purpose of this morning's call is go over the proposed rate models, and there's some supporting documentation we'll cover with those as well.

There's another call scheduled for Monday at 11 A.M., as I recall, that I think the notice will be out later today with the log-in information for that, and at that meeting, we'll cover individualized budgets and service packages.

JIM: And let me just clarify, Steve, that 11 A.M. may be where you are. It's scheduled for 2:00 here in Maine.

STEPHEN: Thank you. I got my time zone difference messed up. What we're going to accomplish today is to walk through the rate models themselves. You should see that up on your screen, a page that says, "Maine Office of Aging and Disability Services, Sections 21/29 Waiver Rate-Setting, Proposed Rate Models."

So I'm going to walk through the really detailed assumptions that we're making and how we arrived at them. And as Jim said, the purpose of this is to give you the information that you're going to need in order to make comments, which are being accepted through September the 1st at OADS@Maine.gov. OADS@Maine.gov is the e-mail address to which your comments will be sent over the next month.

We're going to have time for questions today, but as folks who jumped on before I muted everyone, I'm not going to be able to take those as I'm walking through the presentation. It's going to be too much noise. So what we're going to do is I'm going to filibuster my way through the next hour and a half or so, and just go through the rate models, at which point I'll un-mute the line and hopefully be able to take some questions.

In terms of other housekeeping, this call is being recorded. As Jim mentioned, it will be posted online. And in terms of what else is available on the website right now, all I'm covering today is the rate model packet. But in addition, there's a PowerPoint presentation that those of you who attended the forum in Augusta a couple of weeks ago saw. That's a very high-level overview, a lot less detail than what we're going to do today. There are descriptions of the six space levels that we're going to use to determine the rates for services in a handful of instances, and then there's our estimated fiscal impact with the rates that we're proposing.

My other housekeeping item is there is a chat feature on this WebEx. However, as I'm walking through the presentation, I'm not going to be able to keep up on that. So I appreciate any comments that you're sending in, but I'm not going to be able to read them as I'm walking through this.

So with that, I'm going to jump right into the materials. You should be seeing these start to click through. There's the table of contents. The next page is just the list of services that were included and excluded as part of is this rate-setting project.

So you'll see, in terms of some of the notable services that are not included, there are no changes proposed to the rates for shared living, family center support, counseling, and then some other ones that are somewhat obvious as to why they're not in there, things like specialized medical equipment, assistive technology, et cetera.

The next few pages that'll show up, they're not rendered very well on your screen. In the packet, they'll look a lot better. These will show you a quick side-by-side comparison of the current rates to proposed rates. So I'm going to skip right over those.

And what I'm going to start with is walking through one rate model, then I'm going to pause a little bit and move towards the end of the presentation to walk through some of the assumptions before I return to each individual service. But I'd like to start with a rate model, just to show you effectively how it is we build rates.

So this is the proposed rate for Home Support Quarter-Hour Services. Whenever we're building a rate, we look at a handful of areas. We look at the wages and benefits for the direct care worker delivering this service. We look at administration and program supports, and then for each individual service, there might be other factors. Here, for example, we're looking at mileage. When we get to Community Support, there might be a facility cost. When we get to things like Agency Home Support, we make assumptions related to staffing patterns. So we try to outline as specifically as possible precisely what we're assuming in the rates.

The other thing I'll say when we're looking at these rate models is the assumptions that we're making are not prescriptive. They're not mandates on you. For example, we are assuming that the wage paid to someone who's providing quarter-hour Home Support services is $12.51. That's the first number that you see on the screen in yellow, but that's not a mandate. You're not required to pay everyone $12.51. We're just making an assumption about what the typical wage would look like.

So I'm going to walk through this rate model and just show you kind of mechanically how it works. So as I said, the starting point for all HCBS rates is the wage paid to the direct care worker. That's going to account for the majority of the cost of services in almost every instance. For this particular service, we are assuming a wage of $12.51. I am going to get more documentation tell you how we arrived at that particular estimate.

The next thing we do is we make a variety of assumptions about the benefits that the direct care worker gets. So as you'll see in a few minutes, we make assumptions related to health insurance, paid time off, mandatory benefits such as social security, Medicare, unemployment insurance and the like. So we'll detail those in just a moment.

But what we're assuming is the benefit rate for someone who's making $12.51 is going to be 42.1%. So next, all the model is doing is adding those two figures together, $12.51 plus another 42%, and that gives us an hourly staff cost of $17.77.

The next thing we look at is what we refer to as productivity, and the intent here is to account for the time that direct care workers are working, but not delivering services, and there could be a variety of reasons for that, and some of them are listed here.

For example, if you're traveling from one member to another, you're not able to bill that time, but you as an agency have to pay that support staff for that time. They're still on the clock, so to speak. So we need to account for that so-called down time or non-productive time.

So specifically what we're assuming here is based upon a 40-hour workweek, an individual delivering Home Support Quarter-Hour would be spending two hours per week traveling, a quarter-hour per week attending ISP, or person-centered meetings, and it's important to recognize that we realize that that doesn't happen in most weeks. In most weeks, they probably don't have any ISP meetings to attend. But over the course of a year, they do have meetings to attend. So we're assuming that the average across a 52-week year would be 0.25 hours.

We build in one hour a week for record-keeping time that's outside of the presence of the member, when you're back at the office filling out progress notes, for example. We build in a half hour for employer and one-on-one supervision time, and that is for responsibilities that they have as an employee of your organization, but it's not direct service related. So this could be things like receiving one-on-one supervision counseling. It could be attending staff meetings. It could be completing their time sheets, all those responsibilities they have as an employee but that are not direct care.

And then we put in an hour per week for training, and again, like ISP meetings, we don't anticipate that training is happening on a weekly basis, but over the course of a year, it certainly does take place. So one hour, of course, is equivalent to 52 hours per year of training. So one hour per week is equivalent to 52 hours per year.

So after we make those adjustments, we're starting with a 40-hour workweek. We're pulling out the time for these other non-billable activities, and that leaves us with a billable hour estimate of 35.25 hours. So they're working for 40 hours, but they're only billable for 35 and a quarter hours. We divide 40 by 35.25, and that gives us a productivity estimate of 1.13, and then, again, mechanically, all that's happening is we're taking that

$17.77, we're multiplying by 1.13, and that gives us a staff cost after productivity of $20.16.

So really, the simple way to think about productivity is it's a multiplier, because you have a fixed cost, say, 40 hours, but you're not able to bill for 40 hours. You're able to bill for 35, so we need to come up with a factor that allows you to recoup your full cost over that time that you are able to bill.

The next section of this particular rate model relates to mileage. So folks who are traveling from one member to the next, if they're seeing multiple people in the same day, they might on occasion be taking people out into the community or to the grocery store, something along those lines.

So we've assumed that over the course of a week, a direct care worker travels 150 miles. Then we're simply using the IRS reimbursement rate of $0.56 a mile currently, multiplying the number of miles by the reimbursement, we're left with a weekly mileage cost of $84. All we do then is determine how much that comes out to per billable hours, so we take the $84, we divide by the 35 and a quarter, and that gives us an hourly mileage cost of $2.38.

And then the last couple of things that we add to this particular rate are administration and program support. So administration is, I think, pretty obvious to folks. Those are things like the executive director of an agency, the budget, human resource staff, hiring staff and the like. Program support is for those functions that aren't administrative in nature, but that are also not direct services. So this could be things that are program-specific but not service-specific. So perhaps quality assurance, supervision, training, those are all things that we consider to be program support.

Overall, what we've done is we've added 10% for administration, and then program support, we add a flat amount per day. So in this case, we're doing $20 per day. Across all services, this works out to about 12% overall. It's a little bit more for some services and a little bit less, because we're doing it as a flat dollar amount. In this particular case, of course, it's almost exactly 10%, as you can see the number is about the same as it is for administration.

So at that point, we just add those four factors together. We're taking the staff costs, plus the mileage, plus the program support, plus the administration, and we're left with $28.20 per hour. We're then adding in the Service Provider Tax of 5%. That adds another $1.41. So we take the $28.20 plus $1.41, add them together and divide by four to come up with a quarter-hour rate, and that comes out to $7.40.

So as you can see, if you printed out your packet and you looked at that page 2, which is the comparison of the current rates to the proposed rates, this is in comparison to the current rate of $6.27 for the normal rate, and $7.50 for the medical add-on rates.

A couple other things I need to point out for this particular rate is that we propose different rates based upon the number of members that are being served. So largely, Home Support

Quarter-Hour is intended to be a one-on-one service, but there are times when multiple clients are going to be receiving services simultaneously. Kind of the classical example are siblings. You have a couple of siblings with disabilities receiving waiver services. One direct care provider is providing services to both of them at the same time.

Because there's still one direct care worker providing those services, it does not make sense to bill the full rates for both of the individuals. But at the same time, it's important to recognize that there is additional work required when multiple members are being served. So what we do is we build in a premium, in this case, 10%. We add that to the total base cost and the tax rate above, and that gives us an hourly rate for staff hour of $32.57. And then on a per-member basis, that works out to $4.07 per quarter-hour.

So then to determine how much you're earning, you simply add $4.07 plus another $4.07 for the second member, which means you're billing for $8.14 per quarter-hour, which is a premium over the $7.40. So when you're delivering services to multiple people, you're going to be billing more in total than you otherwise would be, but it's not double what you would billing.

And the concept is the same for a three-member rate. There's a 20% premium on a per person basis. That works out to $2.96, which, of course, for three members means you're billing -- that works out to $8.88 per quarter-hour across the three consumers.

And then the other thing that's being proposed for Home Support Quarter-Hour is a short-term rate and a long-term rate. And as the footnote at the bottom of the page says -- hopefully you see that -- the short-term rate is billed for the first 6 hours per 24 units of service within a day, and after that, the long-term rate is billed for each subsequent unit.

The reason for that is once you see a member for six hours in a day, the productivity adjustments change, because you're no longer traveling between members. If you've spent six hours with someone, you're typically not going to see a second person during the day. We've already accounted for things like recordkeeping. We've already paid for that in that first 6 hours, so it doesn't make sense to continue to pay for it if someone is getting an extended amount of service. And of course, the same thing is true for mileage. We've already factored in the mileage for that first 6 hours. If someone is getting 12 or more hours in a day, it doesn't make sense to keep paying for mileage, because that's probably not continuing to increase.

So because we're taking some of those assumptions out, the long-term rate is a little bit less than the short-term rate. That works out to $6.18, and that works out the same way otherwise. It's just making the adjustments to productivity and mileage.

So that's mechanically how our rate models work. This one is a pretty simple one, so that's why I started with it. But what I want to do is switch gears for a moment, and I want to flip toward the back of my packet. So for those of you who are following along on paper as well, it's going to be page A1, which in the back has these rate model appendices.

The first appendix relates to the wages we're paying for the direct care workers -- and it's now apparent to me that this is going to a little bit problematic, because you're seeing it run top to bottom as opposed to left to right, just because of the fact that this packet has pages running in both directions. So I hope a lot of you have the hard copy, and I know others of you are comfortable reading sideways.

So to take a step back in terms of how we determine wages, we take a look at the information reported through the Provider Survey, but that's only one source of data that we look at. And the reason for that is time and again, whenever we're doing these types of projects, providers tell us that they're paying staff a certain amount per hour, but they would really like to pay them more, and they think they need to pay them more in order to retain quality staff, but they're unable to do so based upon the rates they're receiving from the state Medicaid and through the state's medical disability agency.

So we used the survey data as one point of reference, but then we also looked for an independent source to kind of look at what the appropriate wage is across industries. And where we look to find that source of information is the Bureau of Labor Statistics. This is a federal agency. They do an annual wage study that's across industry across occupations, and then they publish data at a state-specific or even sub-state-specific basis.

They provide the data for hundreds or perhaps thousands of job classifications, and then they provide wage levels at a variety of points, at the 10th percentile, the 25th percentile, the median or 50th percentile, which means that folks at the median, half of the staff are making more than that amount, half the staff are making less. So the median is right smack in the middle of the wages. And then they publish the 75th and the 90th percentiles.

What you see listed on this particular page are just a very small subset of the total occupations that the BLS provides wage data for. As I said, there's hundreds or maybe thousands of job classifications, and the great majority of them have no bearing on the work that we're doing. You can find wages for everyone from an industrial engineer to a hotel front desk clerk, and again, most of those don't have any relevance to the work that we're doing.

So what you see on your page or on the screen is a list of about 30 occupations that we have found have correlations to the sorts of services that are covered by HCBS waivers. So things like Social and Community Service Managers all the way down to Personal Home Care Aides, Recreational Workers, and Residential Advisors. So all the screen is showing is the wage levels in the state of Maine for each of these occupations.

So flipping to the next page, and again, I realize that you're having to read from top to bottom when we scroll down. The challenge with the BLS is that they do not publish information for, say, an IID group home. There are occupations that are very close, but there are not things that are specific. In a couple of cases, we have a one-to-one relationship for things like Registered Nursing or Licensed Practical Nurse. There's a specific occupation for that classification, but you're not going to find a specific occupation for Home Support Quarter-Hour.

So what we do next is we take a look at the service standard, what's required of this service, and then we look at the descriptions in the BLS job classifications, which you can find online, and look to see where there are areas of overlap.

So when we look at the sorts of services that Home Support Quarter-Hour provide, we think that primarily what they look like most are Personal and Home Care Aides. So as you can see, what we have assumed is that 60% of the work that a Home Support Quarter-Hour staff person is doing is similar to the BLS job description for a Personal and Home Care Aides. That's the one that we think fits the best.

However, that's not their sole responsibility. They're not only doing personal care work. They also have other responsibilities in terms of providing habilitative services. So what we've done in order to cover those other responsibilities is build in some time for Rehabilitation Counselors, and again, because there is no habilitative service under the BLS, the Rehabilitation Counselor, we think, is the closest fit. And then we also include time for Social and Human Services Assistants. So again, these are folks who often do social work sorts of services.

So in other words, what we're doing is, because there's not a specific BLS classification for Home Support Quarter-Hour, is we're building our own based upon the BLS job classifications that we do have. So 60% for Personal Home Care Aide, 20% for Rehabilitation Counselor, and 20% for Social and Human Service Assistants.

I'm going to turn the page for a moment and then I'm going to return. I want to show you how this works in practice. So the first page that I showed you was the BLS wages at the 10th, 25th, 50th, 75th, and 90th percentiles. The second page showed you how we make assumptions to build a job classification, like Home Support Quarter-Hour. The third page here, which is page A3 in your packet, shows how those two pages come together.

So based upon the current wage levels in the BLS, and based upon the job mix assumptions that we're making, in this case, the 60% for Personal Home Care Aide, the 20% for Rehabilitation Counselor, and the 20% for Social and Human Service Assistants, that gives us a wage at the 10th percentile of $9.37, at the 25th percentile of $10.84, at the 50th of $12.51, at the 75th, $14.65, and the 90th percentile at $20.70.

What we have done in the rate models is we've chosen the median wage, or the 50th percentile wage, for each service. So when we walked through the Home Support Quarter-Hour, you saw that the wage we're assuming is $12.51, and that's right here in bold. You see exactly how we arrived at that figure. Again, it's based upon the BLS wages and then our assumptions about the sort of work that they're doing.

The other thing that this particular page shows you is how that compares to the Provider Survey. We're trying to put everything in one place, so they were able to quickly look at what we've assumed and how that compares to what was reported to us through the Provider Survey.

So in the Provider Survey, we had 19 respondents provide information about their Home Support Quarter-Hour workers. The minimum wage they reported to us was $9.36. The maximum was $21.18. The median wage, so the middle wage that they reported to us, was $10.65. And then the average wage, the weighted average when we exclude outliers, was $10.86. So again, the two numbers that really are the average reported to us are the $10.65 and the $10.86. So the $12.51 that we have built into the rate model is substantially higher than what was reported to us through the Provider Survey.

So that's mechanically how these three pages here in Appendix A work, the BLS wages, job mix assumptions, and then the combination of the two.

So what I'm going to do now is flip back to page A2, and I'm just going to walk through the other services one by one very quickly.

So after Home Support Quarter-Hour, we took a look at the responsibilities of Respite workers. And in this particular case, we determined that the work that they are doing is primarily Personal and Home Care Aide work. Again, that's really what it is, the state's looking for when they get respite services. They do, however, have some other responsibilities, so we built in 20% for Social and Human Service Assistants. So of course, you can see how that compares to the Home Support Quarter-Hour. We have more time for Personal Home Care Aides for respite, and we don't have any time built in for Rehabilitation Counselor.

Continuing to move up the line, Agency Home Support, so the group home services, we actually made the assumption that the work that they are doing is substantially similar to the work that the Home Support Quarter-Hour workers are doing. The environment is different, of course. One is within their family home or their own independent home, the other is within a group home type of environment. But the actual work that folks are doing, we're making the assumption is awfully similar. So a lot of Personal and Home Care Aide sort of work, but then some time associated with doing rehabilitative or habilitative training, and some time for the social and community service sort of work.

Continuing to move through the list of services, we have Community Supports. As you're going to see in a moment, we have both individual and group rates for Community Supports, but in both cases, we're assuming the same staff wage. And again, we're assuming some time for personal and home care work. We're also assuming some time for Recreational Workers, which is different than what we've seen previously. So these are folks who are helping folks be engaged in the community, oftentimes, and that tracks fairly well with the BLS description for Recreational

Workers. And then once again, we do have time in there for Rehabilitation Counselors and Social and Human Service Assistants.

Next, we have Career Planning and Employment Specialists, and we used the same wage assumptions for both of these services. And of course, Career Planning is a new service, but we're assuming that the staff doing both of these are largely similar. So we have built actually 50% of their time for Social and Human Service Assistants, and we split the remainder of their time between Rehabilitation Counselor and the Educational, Vocational, And School Counselor job classifications.

Again, these aren't necessarily entirely precise, but when we read the requirements of the job under the waiver, and then we look at the BLS job descriptions, we think that the positions that we've chosen here are the ones that are closest to it. And you'll see that we don't have any assumption built in for Personal and Home Care. We're not assuming that that's part of the function of folks delivering Career Planning and Employment Specialist services.

Next is the Work Support. Again, you're going to see that we have rates proposed for both individual and group services. But regardless of whether or not it's delivered on a one-to-one basis or in a group, we're assuming the same wage. So here we're assuming they do have some Personal and Home Care type of responsibility, some personal assistance responsibilities. We have 40% of their time for that. And then we have 20% for the Social

And Human Service Assistant category, 20% for the Rehabilitation Counselor, and 20% for the Educational and Vocational Counselor.

The Crisis Intervention services, right now we've built in 60% for the personal care component of the work that they do. And then we have 40% built in using the Mental Health Counselor classification.

Couple other classifications before I get to the end of this particular page. You'll see for Therapy Services, we're assuming an equivalent salary across all three disciplines. So we're assuming the same wage for OT, PT, and Speech, and we're determining that wage by taking an average of the three. So that's where you'll see the 33% applies to the three therapy disciplines, when you move to the bottom or the side of the page, OT, PT, and Speech. And as you see, when you get to the rate model, right now there are some differences across the rates page for those disciplines. We're proposing to have a single wage for all three disciplines.

For Certified Occupational Therapy Assistants, or COTAs, this is one of the areas where we fortuitously have a one-to-one relationship. There is a specific BLS job classification for COTAs, so we don't have to make any assumptions related to this job mix. We're simply using the BLS wage within the state of Maine.

Two more to go on this page, the Consultative Services for folks with a behavioral background. So those are not the psychologists, but perhaps the BCBAs who are delivering service. There's not a BCBA job classification, but when you read where the

BLS assigned them, they assign them to these two classifications, which are the, again, Clinical Counseling And School Psychologist, as well as the Mental Health/Substance Abuse Social Work classification. So what we've done is we've just taken an equivalent rating between the two, 50% for the counselor, and then 50% for the mental health/social work.

And then finally, the last job classification is for Consultative Services delivered by psychologists. And once again, we have the good fortune of having a specific job classification for psychologists, so there is no mix. It's simply funded 100% at that particular occupation.

So again, what this page uses is the job mix assumptions and the BLS wages within the state of Maine that we saw on page A1, and bringing the two together here back on page A3 shows you the wage levels that we're assuming.

So for Respite, we're assuming a wage of $11.07. That's the median based upon our assumptions. I think that makes sense if you think through it. They don't have the same sorts of responsibilities as a Home Support Quarter-Hour worker has. So it stands to reason their wage is going to be a little bit less.

And in this particular case, we did not have any providers report to us what their Respite workers make. There's not a whole lot of respite delivering in Section 29, and we didn't have any providers provide information to us for that position.

For Agency Home Support, again, because we're making the same assumptions as we have for the Home Support Quarter-Hour, the wage is exactly the same. It's $12.51, just as it was for Home Support Quarter-Hour. We had quite a few respondents in the Provider Survey provide information related to their Agency Home Support staff. On average, folks are making somewhere in the ballpark of $10.70. So once again, the wage that we're building into the rate models is substantially higher than what was reported to us as the current wage levels for staff.

For Community Support, again, both individual and group services, based upon the assumptions we just went over, the wage is $12.86, so pretty close to Home Support Quarter-Hour, Home Support and Agency Home Supports, but just slightly different. And again, you'll see that that compares pretty favorably to what was provided through the Provider Survey, where again, staff were somewhere in that just shy of $11 range.

For Career Planning and Employment Specialists, we assumed wage in the rate models at $17.06. Again, we did not have a whole lot of feedback in this particular area. The Career Planning is a new service. There's not a whole lot of Employment Specialist that's delivered. But of the two respondents that did participate and deliver Employment Specialists, they told us that the average wage is $12.11.

For Work Supports, we're assuming a wage of $14.85. So again, in comparative purposes, that's less than the Employment Specialist and Career Planning staff, but a couple dollars an hour more than the staff who do Community Supports or Home Support services. That $14.85 compares, again, to a wage reported to us in the Provider Survey of about $11 per hour.

Continuing to move up the page, Crisis Intervention, the wage that we're assuming for the staff delivering those services is $15.10, quite a bit more than what was reported in the Provider Survey of about $10.50 an hour. So I think the expectation is really when folks need these Crisis Intervention services, the staff delivering them are going to be more highly-qualified and more highly trained than your typical direct care worker.

For Therapy Services, again, this is an average across the three disciplines that comes out to $32.19. For COTAs, it's $22.59. For the Consultative Services delivered by the behavioral specialist, it's $27.22. And then for Consultative Services delivered by the psychologist, it's just shy of $32 per hour.

So that's really the process that we follow for determining the wages that we're building into the rates. Again, we look at the Provider Survey, but as is the case here, the wages that we're building in are significantly greater than what was reported to us. And we're doing that simply by using the BLS job data for the state of Maine, and that's across industries.

So again, it's important to recognize that you're not competing just with other waiver providers. You're competing depending upon the service with other medical providers, with schools, with hospitals, depending, again, on the specialist. So we think it's important not to focus just on what's currently being done within the waiver program, but also to look at what the prevailing wages are in the state of Maine. And in this particular case, that yields wages that are higher than what is currently being paid, at least based upon the Provider Survey results.

So the next appendix within the packet is for benefits. And again, I apologize if this is reading from top to bottom as opposed to left to right. So let me spend a few moments talking about where we get our assumptions for benefits.

So once again, we start with the Provider Survey data. We think that's informative, and we certainly want to see how our assumptions compare to what's currently taking place out there in the market. But we also looked at the BLS again, and they provide some data related to benefits. It's a little bit less precise than it is for wages. They don't provide benefit information on a state by state basis. They do it by region. And I think that state of Maine is in what they have labeled as the New England region.

And then the next thing you'll see is the rate model assumptions that we're building in. Let me just start with the top-most boxes to explain to you what it is we're doing in each area. We start by looking at the percentage of employees with access to a benefit. So all "access" refers to is whether or not the individual works for an agency that offers the benefits.

So to provide a number to illustrate the point, based upon the Provider Survey, 64% of respondents told us that their full-time staff have access to holidays. When we look at the BLS data, which is, again, for the New England region, against private sector employers, 77% of full-time private sector workers have access to holiday pay.

Within the rate model, we've assumed that 100% of staff have access to holidays. So again, the Provider Survey told us that 64%, and this is just for full-time staff -- in the Provider Survey looking at the full-time staff, 64% of them have holidays. Our rate model assumption assumes that every full-time worker, which is to say every worker, because we're building a full-time model, has access to holiday pay.

The next group of boxes relates to what we refer to as a participation, and what the BLS refer to as participation. What this means is whether an employee takes up a benefit that offered to them. So the easiest example, I think, to use is health insurance. A lot of folks work for an employer that offers health insurance, but opts not to participate in their health insurance program.

And that could be for any number of reasons. It could be because they have health insurance through a spouse. It could be because they can't afford the premiums that they have to pay, their share of the cost, but for whatever reason, the benefit is available to them, but they don't participate in the benefit.

So again, looking at what was reported in the Provider Survey, holidays is not a great example, because everyone who is offered holidays takes a holiday. So I'll look at health insurance. Again, in the Provider Survey, 88% of full-time workers were reported having access to health insurance, but only 54% of the workers who have access are reported to have participated.

So again, what that is telling me is that for every two employees who have access to health insurance, only one of them is it actually enrolling in that program. And again, a lot of reasons why that might be the case. It just shows the difference between having access to a benefit and actually participating in the benefit.

The next set of boxes relates to the benefit level for participating employees. So this is, for those employees who get a benefit, what does that benefit look like? So in the case of holidays, it's how many holidays do they get per year. In terms of health insurance, it's what's the annual employer premium that's being paid. And in terms of retirement, it's what's their retirement contribution that they're receiving.

So again, this refers only to the benefit level for participating employees. And because that's the case, we also look at the effective benefit level. What the effective benefit level would account for is the participation rates. So if you return to my health insurance example, if you have someone who's receiving health insurance, your costs might be $400 a month. But if only half of your staff are actually participating in the benefit, your effective cost for all of your staff is only $200, because for half the staff, the cost is $400, but for half the staff, your cost is zero.

So that's what the effective benefits level is looking at, is after we account for the fact that not everyone is eligible or not participating in a benefit, what is the actual cost to the agency on a per person basis?

So that's how to read those four sets of columns. Now I'll walk through the specific assumptions. And I'm going to start here with what we've labeled mandatory benefits, and that's things like, as you see at the bottom of the screen, FICA, unemployment insurance, and workers compensation. Now, we don't survey providers regarding FICA, or federal unemployment insurance, because it's not provider-specific. These are kind of national rates across all providers. So FICA is 7.65. That's 6.2% for social security, and 1.45% for Medicare. That's the same across the board.

The federal unemployment insurance cost right now is 0.6% on the first $7,000 of wages. So again, that's for all employers. So we've built in that full 0.6%. The next area that we looked at is state unemployment insurance. What was reported in the Provider Survey is an average rate of 2.19. That's seemed reasonable to us, and we built the rate model effectively at that level. We built the rate model assuming 2.2% for state unemployment insurance.

And then for workers compensation, the rate reported to us was $3 per $100 in wages, which is equivalent to 3.15%, and once again, take a looking at that, that seemed reasonable, so we built the rate model using a 3.2% assumption. So those are the mandatory benefits that are built into the rate.

Continuing on with some of the more discretionary benefits -- although I understand that health insurance is becoming less and less discretionary -- we start with paid time off. And we divided, for the purpose of the survey, paid time off into holidays, and then all other paid time off, which is inclusive of vacation and sick leave.

So we started to talk about this already, but the Provider Survey indicated that 64% of full-time workers get holiday pay, and 89% receive paid time off, the combination of vacation and sick leave. When we look at the BLS data, we were told that 77% of time workers in the New England region have holiday pay, and 75% have vacation and 65% have sick leave. So again, they don't combine them like we did, so both of those numbers compare to the 89% on the Provider Survey.

As I mentioned, we're building the rate model assuming that all workers have access to both holiday pay and paid time off, so that comes out to 100%.

The next thing that we look at is participation. As I started to say before, participation for paid time off is always going to be the same as access, because no one is offered paid time off and says, "No, I'm not interested in receiving those vacation days." So the numbers are exactly the same. You'll see 64 and 89% from the Provider Survey, the 77, 75, 65 for the BLS, and then for the rate model, we're assuming, again, that everyone has access to and participates in holidays and paid time off.

The next thing that we looked at is how much do they get? How many holidays or paid days off do they receive? So again, amongst the folks who get holidays, the average reported through the Provider Survey was nine holidays per year, a little over nine holidays per year. In terms of paid time off, this is the combination of vacation and sick. That's why one of them shows zero, because the 15.7 is inclusive of both. So that's, of course, three weeks of time off across both across vacation days and sick days. In total, that's about 25 paid days off per year, if folks have access to the benefit.

When we look at the BLS data, full-time workers typically get eight holidays per year. They get ten vacation days and seven sick days. It's very similar to what was reported in the Provider Survey. Once folks get paid time off, they get about 25 days per year, and as a result, that's exactly what we used in the rate model. We're assuming that full-time workers for all direct care workers are getting 25 days off per year.

The last section just talks about the effective benefit level. So again, who this is telling us is, of the folks who get holidays, they get nine days on average based upon the Provider Survey, but we already know that there is a number of folks, 36% of folks, that don't get any holiday. So the effective average for employers is 5.8 holidays per year, 14 vacation and sick days. So in total, the effective benefit level is about 20 hours per year.

When we look at the BLS data and do the same math, we're left with a total of 18.2 in terms of the effective benefit level.

But here on the rate models, you will see that it's still 25, and the reason for that is because we're assuming 100% participation, right? So we've already demonstrated that the Provider Survey and the BLS show that not all folks have access to these benefits, but for the purposes of building our rates, we're assuming that they do, in fact, receive paid time off.

Next is health insurance, so moving back to the bottom of the page, or if you have it printed out, the left-hand part of the page. When we looked at the Provider Survey results for full-time staff, 88% of those staff are reported as having access to health insurance, as I mentioned a moment ago. That's significantly higher than the average across all industries. The BLS says that only 70% of workers have access to employer-sponsored health insurance. The rate model assumes that 100% of workers have access to health insurance.

When we look at the participation rates for the folks who take advantage of health insurance, for the Provider Survey, it drops all the way down to 54%. For the BLS, it drops down to 56%, and then for the rate model, we're assuming that 100% of staff participate. That's certainly not going to be true, but we want to build a rate that allows all staff to have access to health insurance. So we're assuming that 100% of folks participate in employer-subsidized health insurance.

The next thing that we look at is what's the benefit level. So as reported through the Provider Survey, the average cost for someone who has health insurance is $470. That's quite a bit greater than what the BLS says the average is, which is $392. What we built into the rate model was $400. That compares favorably with the BLS.

We looked at another source of data, which is noted in the footnote. The United States Department of Health and Human Services has a medical expenditure panel out there, which actually does provide state-specific data, and as the footnote says, the average premiums reported in the state of Maine was $474, but that's the total premium. When we look at just the employer share, the average was $383.75. So the BLS and the DHHS numbers were both very similar in just a hair under $400, and that is why we built $400 into the rate model.

And then again, we looked at the effective benefit level here at the top or the far right-hand part of the page. So the Provider Survey yields an effective benefit level of $253, and the reason for that is because the cost for participating employees is $470, but only 54% actually participate. So when we take that into account, the effective cost drops to $253. Similarly for BLS, it drops to $274. The average for those folks who get it, $392, but only 56% of folks do receive it. So the effective rate is $274.

You'll see the number does not change, though, for the rate model assumption, because again, we're assuming 100% participation. So even though that's extremely unlikely to occur, that's what we're assuming, and that means there is no adjustment. It stays at $400.

The next benefit that we included in the Provider Survey was retirement. What was reported to us was that 40% of folks have access to a retirement contribution. The BLS actually has a higher number at 65%. The rate model does not include any specifically for retirement, and I'll come back to that point in just a moment. Let me walk through the rest of the data first.

When we take a look at the number of employees who actually participate in a retirement program of some sort, in the Provider Survey, we were told only 9% do. So it's available to 40% of employees, but only 9% actually participates. When we look at BLS data, it goes from 65% with access, to 50% who participate. And again, the rate model does not include anything specifically for retirement.

Looking further at the Provider Survey data, for the folks who get a retirement contribution, the average contribution is 3.1% of wages. The BLS actually does not publish information. That's what I have the NR for. That stands for "not reported." And again, we do not include anything specific in the rate model for retirement. When we look at the effective benefit level, the Provider Survey says the effective level is 0.3%, and again, that's the function of how few folks actually get a retirement contribution.

So that's the reason why we did not include retirement specifically in the rate model, is because the survey said only 9% of staff actually receive that benefit. What we did instead is we built in something for other benefits. So for those of you who completed the survey, you will remember that we had a lot of specific questions related to paid time off, health insurance, retirement, and then we had a final category, which was for any other benefit that you as an employer offer. So that could be things like dental and vision insurance, long-term or short-term disability, tuition reimbursement, anything else that you're offering that your staff has a benefit.

So in our Provider Survey, we were told 64% of staff receive some other benefit in addition to holidays, other paid time off, health insurance, or retirement. There is no comparable BLS data for such a broad category. In the rate model, we're assuming 100% of folks have access to some other benefits. In terms of participation, the Provider Survey, 57%; the rate model assumes 100%.

And then we looked at the benefit level. So for the folks who receive other benefits, the average per person monthly cost is $31. We built into the rate model $50 per month.

Then in terms of employer contribution, the effective rate, we've assumed $25 in the rate model; $25 is what's built into the rate model for other benefits. And that's for anything else that you offer. So because we don't put anything in specific for retirement, if that's something that the organization wants to offer, they certainly can use that funding for. But because so few folks get a specific retirement benefit, rather than building in a specific assumption, we're using a more general assumption related to other benefits.

So just to recap, what we've built in terms of benefits are of course mandatory benefits, FICA, unemployment insurance, and workers comp.  We built in 25 days per year of paid time off, between holidays, vacation, and sick.  We've built in $400 per month for health insurance, and then $25 a month for all other benefits that are offered.

What we do next is convert that to a benefit rate.  So on the rate models, I don't detail each of these assumptions.  We just put it in the appendix, and we use this table in order to do so. So what this table is showing is a variety of wage levels, and then what the benefit rate is for each wage level.  So I'll just walk through the first couple to give you a feel for how this works.

So if someone's making $9 an hour, on an annual basis, they're receiving $18,720.  Based upon the assumptions that we just went over on page D1, the effective benefit rate based upon Provider Survey data would be 37.7%.  Based upon our rate model assumptions, it's 49.3%.

You will notice that as the wage goes up, the benefit rate goes down, and that's a function of health insurance costs. Because health insurance is a fixed cost; it's $400 a month, regardless of whether you're making $9 an hour or $35 an hour.  But as your wage goes up, the percentage of your wage that $400 accounts for goes down.  So if you're making $9 an hour, $400 a month benefit is an awful big equivalent amount of your salary. But if you're making $35 an hour, $400 a month is a very small equivalent amount of your salary.

So benefit assumptions are the same across all services, but because the health insurance cost is fixed, as your salary goes up, your benefit rate goes down. And what the table shows is that the benefits that we've built into the rate model are significantly greater than what was reported in the Provider Survey. So a benefit rate of 37% versus 49%, or 35 versus 46.

In terms of how we built this into the rate model, we rounded the wage that we assumed down to the nearest dollar, and then used to that benefit rate. So we've already gone over Home Support Quarter-Hour, and as you recall, the wage for that service, I think, was $12.51. So what we did is we rounded down to $12, and then we used this table to look up.

So at a $12 wage, the benefit rate would be 42.1%, and when we go back to that rate model, you'll see exactly the 42.1% input. And the reason we round down is because that's to the benefit of the agency, because the lower the wage, the higher the benefit rate. So we round down to $12, and then we apply the 42.1% to the actual wage. So we take the $12.51 and we add another 42.1% on top of that. Whereas if we rounded up, you would get a lower benefit rate.

Again, that's a pretty quick overview of what we've assumed for benefits. So we've gone through wages and we've gone through benefits in terms of how we arrived at our assumptions in each of the rate models.

Appendix C I'm actually going to skip, because I'm going to handle it on a service by service basis, but I just want to tell you what it's showing. So this is a comparison of productivity across services. So I've already given you on outline of what productivity refers to. These are non-billable hours in someone's workweek that needs to be accounted for. Again, it's a real cost to an agency when you're paying somebody to attend a staff meeting. It's certainly a legitimate business function, so the rates need to reflect those responsibilities that staff has that are other than direct care.

And what this appendix allows me to do is to compare those functions across services. But because I'm going to walk through each of the rate models individually, I'm not going to cover this appendix, other than to make a couple of comments about assumptions that are largely consistent.

So for the most part, as a general rule, we built in a half-hour per week for what we call employer and one-on-one supervision times. So I explained already, that refers to things like attending staff meetings, receiving counseling from your supervisor, or even filling out your time sheet. These are all agency-related functions or employer-related functions. So overall, as a general rule, we put in 0.5 hours per week.

The other general rule that we've built in is an hour per week for training, and again, it's not our assumption that training occurs on a weekly basis, but we need to amortize the annual training requirements across the actual weeks. So really effectively, what we're saying is that we're providing for 52 hours of training per year for most services. There are a couple of exceptions. You'll see that we actually built in more training for what we call Extraordinary Agency Home Supports, so rather than one hour per week, it's one and a half hours per week, which translates to 78 hours per year. I think that's the only exception, just for that one service.

So you're going to see those two assumptions largely consistent across each service. The other assumptions vary a little bit depending upon the service that we're talking about. So I'm going to then return back to going over the specific rate models.

Again, just reorienting you to how what we just went over ties into the rate models themselves. Home Support Quarter-Hour, which we talked about. There's the $12.51 that you see. Again, that's the function of BLS wages in the state of Maine and our assumptions about the sort of work that they are doing. You have the 42.1% benefit rate. That takes into account all the benefit assumptions that we're making, then round down to $12, and applies 42.1% to the actual wage assumed. The productivity assumptions, you saw on that back packet on Appendix C. And then the rest of it are service-specific assumptions. So mileage, admin programs, that's all unique to Home Support Quarter-Hour.

So walking through the remainder of the services here, we have Respite. From a structural perspective, this is very similar to Home Support Quarter-Hour. So we have a wage. Again, the wage is less than it was for Home Support Quarter-Hour. The benefits rate is higher -- the lower the wage, the higher the benefits rate.

So this follows the pattern that I established. When it comes to productivity adjustments, somewhat fewer productivity adjustments then Home Support Quarter-Hour. Put two hours a week for travel, and then the half-hour for employer time and an hour for training. And those are the ones that are pretty consistent across services.

So we have the productivity adjustments. We multiplied that by the hourly staff cost, and that gives us a staff cost after productivity of $17.47. For mileage, we have fewer miles built in. We have 75 miles per week. Again, our assumption is that if you're providing respite services, it's usually for a more extended duration, so there are fewer opportunities for you to see multiple consumers on the same day. And then furthermore, there's really not the same expectation when you're providing respite services that you're transporting members anywhere.

Then we have the admin and program supports. Again, that's pretty consistent with what we showed before. It's $20 per day for program support, and 10% for administration. We add in the Service Provider Tax, and we're left with a quarter-hour rate of $6.23. And that compares to the current rate of $2.70 under Section 29. So it's more than double what the current Section 29 rate is. And then one of the things that we will see in the PowerPoint presentation is it's also being proposed that Respite services be added to the Section 21 waiver. So this would be a new service for that particular waiver, and this is the rate that would be paid at.

The only other things in this rate model follow the same pattern as for the Home Support Quarter-Hour. So we have multiple member rates, for those presumably infrequent instances when multiple members are being served simultaneously. Then we have short-term and long-term rates.

For those of you who are familiar with the Section 29 Respite program, you probably recognize that there's no per diem here. So right now, there's currently a per diem rate for Respite. We're proposing to eliminate that per diem, which is only $90 per day, and replace it with this system. So again, you're billed a higher short-term rate for the first 6 hours of the day, and then after 6 hours, all the way up to a full 24 hours, if that's what's someone's receiving, you bill the $5.59, the long-term rate.

Next is Agency Home Support, and what this is going to require me to do is just flip to the back of the packet one more time to go over Appendix D. So a couple of things about Agency Home Support. What's being proposed is a significant departure from the way rates are currently determined. As folks who provide the service are aware, there are a couple of hourly wages, and then it's a negotiation process on a home-by-home basis in terms of how many hours are being built into the home. Once those negotiations are completed, you use the hourly rate to determine what the home-specific per diem rate is going to be.

What we are proposing to do is to move away from those negotiated per diems and have fixed per diems that are going to vary based upon the individual's level of need and the home size that they live in. So the philosophy behind that is, of course, folks have different levels of need, and that requires a different level of support, and that needs to be reflected. But someone who's, say, Level 1 should get the same amount of support that another individual who's Level 1 is, even though they're being served by a different provider. So we're trying to create more consistency across providers.

What these matrices do is show you how we determine how many hours we're building into each home, based upon the home size and the level of need. So I'll walk through the first one to show you how this is operationalized, and then we'll go back to the rate model itself. So we have different matrices for four-person residences, three-, two-, and one-person residences.

We always have to start with the assumption that there are 168 hours in the week, which is a fairly obvious assumption; 24 hours a day times 7 days a week. What we then do is we make an assumption that folks are going to spend some portion of their time out of the home without home staff. So they're participating in, say, paid supports, Community Support program. Perhaps they have a job that they go to. Perhaps they have natural supports, but they're not spending all of their time with their Agency Home Support staff. So the assumptions that we're building into it specifically for Tier 1 is 22 hours per week, for Tier 2 is 24 hours per week, and for Tier 3 is 40 hours week.

I should have taken a moment to pause. The levels refer to SIS scale levels, so again, there's going to be a presentation on Monday that's going to go into more detail about how the system's being used to determine the level of need and how it's used to determine individual budgets. So I don't have time to go over that in detail today.

Level 1 are individuals with relatively fewer needs. Level 5 are the folks with the relatively most needs. And then what we do is we combine some of those levels into a smaller number of rates here. So if you're a Level 1, you'd be assigned a Tier 1. If you're a Level 2 or 3, you'd be assigned a Tier 2. And if you're in Levels 4 or 5, you'd be assigned a Tier 3. So I'm sorry to not start with that.

So we make the assumption about how much time folks are participating in community activities. Then what we need to do is we need to build back in an assumption for the occasional absence. So when we get to the rate model, based upon Provider Survey data, we're assuming a 90% attendance rate for folks who are participating in these programs. Again, if they're absent 10% of the time, we need to build those hours back in. Again, that might not occur on a weekly basis, but over the course of a month, someone might be absent one or two times, and that's what these hours are designed to accommodate.

So we start with 168 hours. We take out an assumption about how long they're out of the home without Home Support staff, and then we build back in an absence factor, and then we're left with number of hours per week within the residents of 148 at the high end, down to 141 at the low end.

We then divide those hours between daytime and overnight hours. So for overnight hours, we're rather simply assuming it's 8 hours per night, 7 days per week. So we always start with 56 overnight hours, and then the balance is daytime, so it's 148 minus 56 leaves you with 92.2 daytime hours, or 90.4 or 85.

Then what we do is we make an assumption about the number of staff on shift during the various times of the day. So here at Tier 1, we're assuming that there is one staff on shift during the daytime hours, and one staff on shift during the overnight hours. So again, mechanically, what's taking place is we're taking 92.2 and we're multiplying by one. Now we're taking 56. We're also multiplying that by one. Adding them together, that gives us 148 hours.

The next thing that we do is build in additional one-on-one hours per client per week. So we recognize that folks have interests outside the home that maybe aren't shared by their housemates, so we want to ensure that there's additional time built into the rate models to accommodate times where the staff maybe take members out into the community, take them grocery shopping, on an individual basis, for example. Or it can also account for the time that they are absent from their day program. So we've already built in an absent rate, but we are building in additional hours to provide additional coverage if they happen to attend their program less frequently than others.

So what this is showing us at a four-person home, it's giving us an additional 40 hours per week. So we have 10 hours per member times four members gives us 40 hours. So what we're really communicating that we're adding another full-time shift to the home. So in general terms, the home would have one person on site at all times, and then there would be another full-time staff who would be available to help either during peak hours or to provide some individualized support to a member within the home.

We add those two figures together, 148.2 plus 40. That gives us 188.2 hours, and then in terms of the number of hours per client per week, we're left with 47.1; 188.2 divided by 4 is 47.1. So that's the allocated number of hours per person within a home that only has Tier 1 members.

Let's walk through the other assumptions for Tiers 2 and 3, and then I'll make a couple of other points. So for Tier 2, again, these are folks that are more in the intermediate level of need, we're building two staff during the daytime hours, and one staff during the overnight hours. We're not going to build in any additional one-on-one supports, because again, the thought process is we have two people on site there at all times already. So we're left with, in this particular home, 236.8 hours.

And then finally, for a Tier 3 home, and these are folks with the most severe need. They might have significant medical or behavioral needs, we're assuming that for a four-person home, there needs to be three staff on site during the daytime hours, and two staff on site during the overnight hours. So again, we take 85. We multiply by three. We take 56 and we multiply by 2. That gives us a total staffing of 367 hours per week. Again, because we have so much staffing already in the home, we're not building in additional one-on-one support hours. So we take the 367, we divide by 4, and that means those individuals get 91.8 hours per person.

Now, one of the things that's really important to point out is that basically in a way requires people to be living only with other individuals with similar needs. We make that assumption in order to build a rate model, but if you have a four-person home that has, say, two people at Tier 2, one person at Tier 2, and one person at Tier 3, in order to find out the number of staff hours for the home, all you would do is take 47.1 for the first person, 47.1 for the second, then 59.2 for the third, and 91.8 for the fourth.

It's just important to emphasize, there is nothing in here that requires any sort of segregation to occur. That's not what the State's looking for. That's not what the rate model requires. Rate model just puts out a formula in order to determine how many hours people at each tier are going to get. Then when we do the number of hours within a home, it would be the sum of the hours that each individual member is attached to.

So that's another change that you're going to have. It's not going to be the same rates for every member in a home necessarily. If folks are at the same tier, they're going to have the same rate. But if I use the example I just went over, for billing purposes, you would be billing two people at the Tier 1 rate, one person at the Tier 2 rate, and one person at the Tier 3 rate, all within the same home.

The last thing that I'll say, and this is included in the PowerPoint presentation, is the assumption that the number of -- you will be deemed to be in compliance with the hours requirement if you're delivering at least 95% of the hours assumed. So again, to continue to use my example, we have 47.1 plus 47.1 plus 59.2 plus 91.8. So that's for that home with two Tier 1s, one Tier 2, and one Tier 3.

We add up the hours for each of those four members. That gives us the total by home, and then you would be expected to deliver at least 95% of those hours each week. And the reason it's not 100% is because we recognize that there are going to be some weeks where there's going to be some urgent need that requires more hours, and there's not going to be additional reimbursement for that, and I think it's important to provide the opposite at the other end, where inasmuch as you have to provide additional hours an occasion, you should have the ability to provide somewhat fewer hours to make up for that at other times. So that's why a 95% threshold is suggested.

In the interest of time, I'm not going to walk through the other three-, two-, and one-person residence models. Mechanically, they work the exact same way, so you can take a look at the specific assumptions there in terms of how they work mathematically. It's exactly the process that we just went through.

So with that, I'm going to return to the actual model itself. So there is a different page for each home size, so I'm here on middle age for four-member residences, but there will be a different page for three-member, two-member, and one-member.

So starting with this particular model, once again, we begin as always with the direct care staff hourly wage.  That's $12.51.  So again, that's the same as the Home Support Quarter-Hour.  Then we build in the benefit rates.  We talked about how we did that.  We make some productivity adjustments.

Again, we don't make a lot of productivity adjustments in Agency Home Support, because generally speaking, they're going to be available in the home and delivering services.  So even though they have record-keeping requirements, they're still there to provide supervision.  You don't need to have a substitute staff person come into the home so that one worker can complete their notes.  So we just have a little bit of time for ISP or person-centered meetings, and then the standard assumptions for employer time and for training time.

So within a 40-hour workweek, we're assuming folks are in the home delivering services 38.25 hours per week.  So the productivity adjustment is $1.05.  The staff cost per billable hour becomes $18.58.

In terms of the number of hours per week, we talked about how we arrived at that in Appendix D.  On a per-person basis at Tier 1, that works out to 47.1 hours, for Tier 2, it's 59.2, for Tier 3, it's 91.8.  Then we just multiply those hours by the hourly rates.  We're left with a weekly staff cost that ranges from $8.74 to $1,700.

Next, we build in assumptions for vehicle or mileage costs. Now, as you saw in previous rate models, we're using the IRS reimbursement rate as a general rule. For these particular services, we're actually using a higher rate, because oftentimes for group homes or for agency homes, for residents, as I should say, they're using heavier-duty vehicles. Particularly for a four-person residence, they're going to have a van as opposed to a sedan.

So we're using a purchase price of $40,000. We're assuming established value of 20%, and a useful life of 100,000 miles. So based upon those assumptions, your capital cost, that is to say, your acquisition or depreciation cost, is $0.32 per mile. Then we need the operating cost, so if you actually dig into the IRS regs, within that $0.56 per mile, $0.23 is for depreciation. So what we've done is we've taken the $0.56, we've stretched depreciation out, and that leaves us with $0.33, and the reason we stripped the depreciation out is we came up with our own numbers. So we're paying $0.32 as opposed to the $0.23 assumed in the IRS rates. So in total, we're getting an enhanced mileage rate of $0.65; $0.32 plus $0.33 is $0.65.

Then we make assumptions related to the number of miles per week per residence. So we're assuming that the vehicle is used 300 miles per week, so on an allocation basis, that works out to 75 miles per person. You have four people, into 300 miles, gives you 75 miles per person, times $0.65 a mile. You're left with a weekly mileage cost of $48.75.

For program supports, we're doing that $20 per member per day, so on a weekly basis, that comes out to $140. And then 10% for administration. We add them together, that gives you a weekly cost per member ranging from almost $1,200 to over $2,100, and we build in the Service Provider Tax, which ranges from 59 to 105, and that gives us a rates per day that ranges from $177 to $315.

Now, the next thing that we do is we build in an absence factor. So when you have a per diem rate, if someone's out of the home, your costs have not changed. You can't send half a staff person home. That staff person is still going to be there. You still have to pay them. So what we do is we make the assumption that folks are not going to be in the home every day, but you still have to recover those costs when they're absent and you're not able to bill for them.

So we've assumed that they're going to be in the home for 350 days per year. So rather than, for example, giving a rate of $177.16, we're assuming a 350-day billing year and allowing you to bill a rate of $184.75, so it's higher than what it would be based on a 365-day year.

Now, it's important to recognize that there's also going to be a billing limit of 350 days, even if someone happens to be in the home for 355 days, you can still only bill for 350. And the reason for that, I hope, is clear, because we've already covered the full annual cost in those 350 billing days. And you do the math, and take 365 times $177.16, that's going to be exactly equal to 350 times $184.75. So we have fully covered a full year's of cost after you bill for 350 days, so you won't be permitted to bill for more than 350 days in an individual's plan year.

And this is really to the agency's benefit. If you don't have an absent factor built in, the second someone is absent for one day, that revenue is lost to you forever. So as long as someone is there for 350 days a year, you're getting fully compensated for that individual.

The last thing I put on the page is just for informational purposes only, and that's the revenue per staff hour, and I put that on there because I know that's the way folks are currently accustomed to looking at Agency Home Support. You have an hourly rate that they multiply by a number of hours that's negotiated. That's not the process we're following, so this is only for informational purposes, but I wanted to show you what the equivalent hourly rate is.

Off the top of my head, I actually don't recall what the current hourly rate is, but I think it's somewhere in the ballpark of like $21 to $23. So the revenue per staff hour is higher than what's proposed. However, I will say that based upon the current distribution of members, and what their assist levels are, overall the average rate for Agency Home Support is estimated to be about 8% less than what it currently is, and if you think through the reason for that, it becomes somewhat obvious. We're paying more per staff hour, so the only way for the average rate to go down is we're assuming fewer hours in the home than what is currently being delivered.

Again, you can look at the beginning part of this packet that shows the comparison, and that's described in there in terms of what the impact is on the average rates. So this is all going to be very individual-specific. For some individuals, they're actually going to get a higher rate, and for some individuals, the rate for them would be lower. And the same thing is true for providers. So even though overall, let's say about an 8% average reduction, there are actually some providers whose average rate will go up, and of course, other providers' average rate will go down. It's simply a function of how this rate model compares to folks' current negotiated hours.

So again, so I can get through the packet and leave some time for questions, I'm not going to go through the other rate models in any detail. They work exactly the same way. This is for a three-member residence. The next is for a two-member residence, and I would just point out a couple changes here. So for a two-member residence, we're no longer using the enhanced mileage rate. With a three- or four-person home, we assume they're using the heavier vehicle van, perhaps, when you're down to a two-person home, there's no reason to have such a more expensive vehicle. So we're returning to the IRS reimbursement rate of $0.56 a mile, rather than the enhanced rate that we built.

The other thing that we've done is we've capped the weekly admin cost per member at the three-member group home amount.

So obviously, it becomes more and more expensive to deliver services to one or two people at a time. But the administrative costs aren't necessarily going to be higher. So rather than let this number keep going up because the direct care costs go up, we're fixing that amount at the three-member equivalent.

And then finally, for one-person residences, it's the same two comments apply. No longer using an enhanced mileage rate, and capping the administrative rate, not at 10%, but using the three-member rates instead. So that's Agency Home Support.

The other thing that we've created is a rate model for what we call Extraordinary Agency Home Support. So again, the state is moving away from this negotiation process where every home has a different number of hours built in, and folks with similar levels of need are getting different levels of support, so something that's going to be a little bit more equitable across numbers and across providers.

But at the same time, the State recognizes that there are going to be instances where additional hours need to be offered within a home. If you look close to online at the other materials, there is some draft language around when this will be authorized, so I don't have time to go into the details now.

But what this is doing would be additional hours on top of the per diem. So the per diem rate would be built and then what's assumed to be a limited set of circumstances, there might be additional hours built in. We don't think this will happen in more than 5 or 10% of the cases, but it's important to acknowledge that it can occur.

So what we've built here is simply a staff hour rate.  So we have the same hourly wage, the same benefits as you saw for Agency Home Support.  We are assuming more training for these folks.  So recall that previously, we had one hour per week, or 52 hours per year training.  In this case, we're doing an hour and a half per week, or 78 hours per year.  So we're anticipating that the folks delivering this service are more highly qualified, because the individual who needs it has an extraordinary need, so the staff person has to be able to accommodate those needs.

And that's all that we're building into the rate model. We're not building in anything for mileage, and we're not building in anything for administration or program support, because the per diem rate already includes all those costs.  So there are additional staff hours being put into the home, but there are not additional miles or additional administrative dollars being put in.

So all that we're finding here is the cost of that staff person, and of course, the Provider Service Tax.  So that gives us a rate per 15 minutes at $4.94.  And then, I've gone over this pretty quickly.  I do refer you back to the proposed regulations that are available online that talks a little bit about how this would be authorized.

Crisis Intervention is the next model within the packet, and this works in the same manner as Home Support Quarter-Hour and Respite.  I can probably go through the model pretty quickly.  As always, we start with the wage. In this case, you can see that the wage is higher than what's assumed for the other services. Again, we're assuming that those folks have additional credentials that folks providing Home Support or Agency Home Support or Respite don't have. So we're paying for that additional experience, expertise, or credential with a higher wage, at $15.10.

Benefit rate, again, is a function of the wage. For productivity, we have time built in for travel. Some employer time, and this is another exception, for training. Again, these folks have a premium over what the other rate models have. So rather than one hour per week, they have 1.25 hours per week, which adds up to 65 hours per year.

The productivity calculations work in exactly the same manner we've talked about already. Then we built in a little bit of time for mileage, $20 a day for program support, 10% for administration. That leaves us with $29.42 per billable hour. We add in the Service Provider Tax, and we're left with a rate per 15 minutes of $7.72. This is higher than the current rate of $6.35.

And then, again, we have the same conventions proposed here for short-term and long-term, so the short-term rate would be for the first 6 hours of service. The long-term rate would be billed for subsequent hours.

And a number of these services, I'm probably going to walk through pretty quickly, because we've already talked about the primary assumptions, which relates to wages and benefits, and then mechanically, they work the same way as the other rate models we've already seen.

So Career Planning, again, a higher wage still. We're really expecting some higher-level expertise for the folks who are delivering this service. An hourly rate of $17, which works out a little better than $34,000 a year. The benefit calculation works the same way as we've previously seen. For productivity, you'll see we have more productivity adjustments here than for a lot of other rate models. We have four hours for program development.

The concept here is that if you're going to be successful at delivering these sorts of services, you're going to need to do a fair amount of work that's outside of working directly with members, to kind of build up your capacity, so to speak. For example, there's probably outreach to some employers to communicate to them the benefits of hiring folks with disabilities, and that's not necessarily member-specific. You might not have someone in mind, but you want to build employer capacity to help folks when you are assisting someone in getting a job.

So we build in some time to account for those sorts of responsibilities. We build in time for record-keeping and the standard adjustments for employer time and training. Again, from a mechanical perspective, that productivity adjustment is used to inflate the hourly staff costs, so it goes from $23.16 to $29.64.

For mileage, we're building in 100 miles per week, again, using the IRS reimbursement rate of $0.56. That gives us a mileage cost per billable hour of $1.79. And from here, it works the same way as the other models, $20 a day for program support, 10% for administration, and then the Service Provider Tax, and you're left with a rate of $10.10 per quarter-hour.

Employment Specialist services, again, operate functionally exactly the same way as we just talked about with Career Planning. As we spoke about in Appendix A, we're assuming the exact same wage. For benefits, we've already talked about what those assumptions are. For productivity assumptions, we have more time traveling. We're assuming that they're doing more traveling than quite a few other professions, because they're likely going to be seeing multiple consumers during a single shift. I give them a little bit of time to participate in ISP meetings, some time for of program development, recordkeeping, then the employer time and training.

For mileage, we're giving them more miles than we did for Career Planning, 150 miles per week. At $0.56 per mile, we're left with $2.53 per billable hour. Again, administration and program support at $20 per day and 10% respectively. Adding in the Service Provider Tax, we're left with a rate per 15 minutes of $9.74. This compares to the current rate of $7.42, and current medical add-on rate of $8.58.

And it occurs to me, when I was going through Home Support Quarter-Hour and Agency Home Support for that matter as well, I did not make the point clearly, so I will now, that the medical add-on rate is not important. There is no medical add-on rate incorporated into these rate models. We're proposing the elimination of medical add-on rates specifically. So again, this is another instance where there's currently a medical add-on rate. It's actually not used at all currently, but it would be eliminated going forward and replaced with this $9.74 rate.

For Work Support - Individual, again, we're assuming a higher hourly wage than, say, Home Support and Agency Home Support, but not quite as high as we saw for Career Planning and Employment Specialist. We're at $14.85, which is right around $30,000 per year. The benefits we've spoken about, the productivity, again, we have more travel time, the equivalent amount as we saw with Employment Specialist. Again, that these will be shorter-duration services, so folks will more frequently be seeing multiple consumers in a single day than, say, Home Support providers will.

Some time for ISP meetings and program development, record-keeping, and then employer time and training. So the staff costs per billable hour after productivity works up to $25.02. Mileage, 150 miles per week, so per billable hour, it's $2.55. Program support and administration, plus the Service Provider Tax, we're left with a 15-minute rate of $8.93.

For comparative purposes, the current Work Support - Individual rate is $6.91, and the medical add-on rate is $8.08. So even though the medical add-on rate is being eliminated, the rate that's being proposed is higher than it currently is.

So again, the last several rate models follow kind of the same pattern, so I've been able to move through them pretty quickly. The next rate model is for Work Support - Group, and this is going to take a little bit more time to work our way through. So we are proposing a change to the way Work Support - Group is currently billed. If you read the standard, it requires that the number of hours that you deliver to a group of people be divided amongst that group.

So to give a specific example, I'm hoping an easy one, if you're providing two hours of support to two members, the standards say that you are supposed to bill one hour for each of the members. So even though they both have two hours of support, because you're providing it to a group of individuals, you're only billing for one hour each.

We're proposing to eliminate that convention and to establish group rates that vary based upon the group's size. This is not going to vary based upon level of need. When we get to Community Support, it is going to vary based upon a level of need, but for Work Support we made the decision not to do that, because we don't want the group that they're serving to be a function of what level they're assigned to. It ought to be a function of the requirements of the job.

So that's to say that if folks with high needs can successfully work in a group with five or six people, that's great. If the job that someone has has a ratio of one to two, that's also perfectly acceptable. But each of those group sizes requires a different rate.

So I'm going to walk through these columns. We're assuming different rates for two-person, three-person, four, five, and six-person groups. The hourly wage is $14.85, just like it is for the individual service. The benefit rate is 39%, based upon our assumptions for the mandatory benefits, paid time off, health insurance, and other benefits. When we add those benefits in, we're left with a staff cost of $20.64.

We then make assumptions related to productivity. For participating in ISP or person-centered meetings, it starts at 0.5 hours per week for a two-person group, and goes all the way up to an hour per week for a five- or six-person group. The reason for that is if you are serving more individuals, a bigger group, you have more ISPs to attend. So for that reason, we thought it made sense to increase number of hours, we're assuming, as the group size goes up.

We're putting in one hour for program development. That could be helping out on negotiating contracts or anything along those lines to get a program up and running. For record-keeping, we start with two hours, and again, that gets progressively higher as the group size goes up. So two hours for a two-person group, two and a quarter for three four, and then two and a half for five and six-person groups.

Again, it's not a straight step upwards. We think there's probably going to be some economies of scale as related to record-keeping, since you're providing the same service to each member, but it's going to take more time, obviously, to complete the records overall. And then our standard assumptions related to employer time and training. So in a 40-hour week, we would assume that someone providing direct services for between 34 and 35 hours. Again, it differs a little bit based upon the group size. So the productivity adjustment varies a little bit, and then the staff cost per billable hour ranges from $23.59 to $24.28.

What we do next, though, is we have to divide by the number of members being served. So your cost per person goes down the bigger the group is. The staff cost is fixed, so to speak, at say the $20 per hour, or even the $24 after productivity, regardless of whether or not you're serving two or six people. So we simply divide that staff cost per billable hour by the size of the group. So $23.59 divided by two is $11.80, and $24.28 divided by six is $4.05. I think that makes sense. If the group size goes up, your per-person cost goes down, because you're not giving them an additional staff person. They're just more and more people sharing that same cost.

The next thing we do, just to make some assumptions earlier to attendance, and we use that later in the model. We're assuming that a program operates 250 days per year, which is kind of standard, 260 workdays minus ten holidays. And then we're assuming that folks attend 225 days per year, and that they attend five hours per day. So over the course of the year, they are receiving 1,125 hours of Work Support - Group, which is an important point to make.

One of the proposals that's being made on the service standard side is to eliminate the requirement of 850 hours per year of Work Support. So you will see on the Monday conference call, when individual budgets are proposed, and the expectation is that folks will have to live within their budget, but within their budget, they will be free to choose the supports that they want, and not have these other limits related to the 850 hours for Work Support or 225.5 hours a week for Community Support.

We then build in capital costs for vehicles using the same rationale we used for group homes. For a two-person group, we don't build in an enhanced capital rate, but we do so for a three, four, five, or six-person groups, because we believe when you're serving groups of that size, you're pretty obviously going to need a bigger vehicle to do so.

So for a two-person group, it's at the IRS reimbursement rate. For the other group sizes, it is the enhanced rate of $0.32 for capital and $0.33 for operating costs. But we're assuming, though, that a crew is traveling about 200 miles per week, and we divide that by the number of miles by the number of members being served, just like we did with the wages. So then the mileage cost ranges from $0.96 to $2.49.

Then we do the $20 a day per member for program supports, and 10% for administration. We add in the Service Provider Tax, and we're left with a rate per 15 minutes that ranges from $2.53 if you have six-person group, to $5.34 if you have two-person group.

Now, this is a little hard to compare to current rates because we don't really know how many units of service are being delivered. If everyone's following the standard that says you take fractions if you're serving groups of people, we don't know the true utilization out there. We made some assumptions based on Provider Survey results, and based upon those assumptions, we're anticipating that the average rates for Work Support is going to go up by something over 40%, because there's a lot of hours that you're just not billing for that aren't being reflected in the claims.

The current group rate is the current rate divided by the number of people you're serving, so it varies based upon the group size. So again, we have to make assumptions, and overall, we think the average rate will go up by greater than 40%.

The last thing that we do on this page is, again, for information only, tell you what the rate is per staff hour. So even though the rate goes down as the group goes up, on a per staff hour basis, which is your primary cost driver, your revenue is going up. So as your group size goes up, you're earning more and more revenue.

So we start at $42.72, which is quite a bit more than the other services we've talked about so far. The Home Support Quarter-Hour is an hourly rate by itself, so that worked out to a little shy of $30. This is $42, and that goes all the way up to $63 per staff hour, if you are operating a six-person group with one staff person.

Moving on to Community Support, we've proposed two different Community Support rates. The first is for Community Support programs that have a facility base, so to speak. They operate out of a facility. Now, there's going to be the expectation that folks do spend some time in the community participating in outings and the like, but it does have a facility-based component to it. There are times when they are receiving their Community Support or day rehabilitation in the facility.

And then we have a different rate for what we call community-only rates. So that would be for programs that don't have any facility home base, that exist purely in the community, and those have very different cost structures due to staffing patterns and facility costs.

So I'm going to start with the facility-based rates. The hourly staff wage that we're assuming is $12.86. Again, that's pretty close, slightly higher than what we're assuming for Home Supports and Agency Home Support, but less than what we've built in for Work Support. The benefit rates is 42.1%, which gives us an hourly staff cost of $18.27. We make some productivity adjustments, participating in ISP and person-centered planning meetings. That actually goes down as the tier goes up, because as you're going to see in a moment, the higher the tier, the smaller the group size.

So this is the exact same philosophy as we saw in Work Support. If you're serving more people, you're going to have more time especially with ISPs and with record-keeping. So you'll see the rest of the adjustments, we're left with in a typical 40-hour week, 32.75 of time of direct care services. And the productivity adjustment of 1.22, so hourly staff costs after productivity of

$22.31.  A little bit less for Tier 3 because we have fewer productivity adjustments built in.

What we do next is make assumptions related to staffing ratios.  So the staffing ratio is going to vary based upon whether or not services are being delivered in the facility or in the community.  When you're in a facility, that's a more controlled environment, and folks can safely be served in larger groups, whereas when you're in the community, it's much less controlled and you need smaller groups in order to keep them all safe.

So for Tier 1, again, which is Level 1 for folks with the relatively fewer needs, we're assuming that when they're in the facility, they can be served in a group of one to five.  For Tier 2, which is Levels 2 and 3, we're assuming that they can be served in a group of one to four.  And then for Tier 3, the folks with the relatively most needs, can be served in a group of two and a half members per staff person, which is really another way of saying a five to two staffing ratio.

We have to build in smaller assumptions when they're in the community, though, as I mentioned a moment ago.  So the folks in the community, we're assuming that ratio is never going to be greater than one to two and a half.  So again, that's two to five assumption for both Tier 1 and Tier 2.  And then for Tier 3, we're assuming one and a half members per staff person, or really three members per two staff people ratio.

We then look at the percent of hours delivered in the community.  We're assuming that 30% of the time is in the community on outings or field trips. So then we have to do a weighted average, because we have different staffing assumptions. So based upon these staffing assumptions and the amount of time they're in the community, the weighted average staffing number is 4.25 for Tier 1, and 2.2 for Tier 3.

The next thing we do is make an adjustment for attendance, so again, we're assuming attendance is 90%, 225 days per year. So we further adjust the staffing ratios, because you have a group, and just because someone doesn't show up doesn't mean the cost has gone away. You still have to pay the staff person. So it's important for us to recognize those absences.

So again, we started at 4.25 after we take into account the folks who are going to be absent. We're down with an adjusted weighted average ratio of 3.83 members. So the numbers obviously look a little strange since you're dealing with fractions, but it allows us to account for the different environments, community and facility, the percentage time in community, and the fact that people are going to be absent on occasion.

Next, we look at attendance. Several of the assumptions we have for Work Support, we're assuming that a program operates 350 days per year, members attend 225 days per year, and they attend for five hours per day, which gives you 1,125 hours per year of attendance. For capital costs, again, we're billing the enhanced mileage rates for a higher depreciation cost, so the assumptions are exactly the same as we saw previously with Agency Home Support and with Work Support.

In terms of the miles per vehicle per week, we're assuming 200 miles across the board, and now we assume there are five members in the vehicle, the one that's being transported, so that gives us an allocated number of miles per member per week of 40. At 250 days of operation, we're left with $1,300 per member per year, and then on a billable hour basis, we're left with $1.16.

The next thing we look at here is the facility cost. We're assuming that each member has 100 square feet of program space available to them. So the idea here is not to capture your reception area or any offices. This is only for the program-related space. The other space, your offices, your administrative, your shared lobby, for example, would all be included as part of the admin support rate. So this is just where the program space where services are being delivered.

We're assuming 100 square feet per member. We're funding that at $15 per square foot, which gives us an annual facility cost of $1,500 per member. Divide that by the number of billable hours, we're left with $1.33.

And then finally, we do supplies. So again, these are the cost of program supplies, not office supplies. For example, if folks are doing a craft, say, that would be the cost associated with the supplies in order to do that. So again, driven by what we saw in the Provider Survey, we're doing a dollar per day for supplies. With members attending 225 days per year, that works out to $225 per year, or $0.20 per billable hour.

Then we add in admin and program support, so program support is $20 per member per day, then administration 10%, and we're left with a total cost per billable hour per member that ranges from $13.91 to $16.98. After adding in the Service Provider Tax, that range is from $3.65 to $5.17 per quarter-hour.

Now, this is a reduction from the current rate, which is $5.28, and then $6.51 for medical add-on, so it's a function of the assumptions that we've outlined here. Because this is a group service, we would expect the rates to be higher than lower than, say, Home Support Quarter-Hour, because you're spreading the cost over a greater number of members.

So that's why, again, for informational purposes only, we put how much you're earning per staff hour, and for Tier 1, that's $55.85, and for Tier 3, it's $40, almost $41. So again, for staff hours, it's still quite a bit more than the Home Support Quarter-Hour, but it is less, like somewhere in the ballpark of 20% on average than the current rate.

The next model is for Community Support, community only. Again, this is going to be driven by an individual's SIS scale level as well as their tier. And the model works similarly to what we saw a moment ago, so again, the same assumptions related to wages and benefits. Productivity adjustments are I don't believe identical, but similar, and then we move on to staffing ratio.

So in the facility, there is no facility time, so we put it on here for comparative purposes, but there is no facility time. So for the group size in the community, we spoke already that we're assuming a two to five for Tiers 1 and 2, and two to three for Tier 3, and they're spending 100% of their time in the community. So the hours number of members per staff doesn't change, because there is no weighting. It is funded 100% at the community staffing ratio.

We still need to build in an absence factor. We're using the same absence factor as before of 90%. So we divide the staffer cost per billable hour by the number of members that they're serving, and we're left with a range of $9 to just about $15.

So again, it's important for me to reiterate that this is for services or programs that operate exclusively in the community. So the members are never served in that facility. I think the great majority of programs are going to be what I would call a mixed program, where people are going to be in a facility a portion of the time, and in the community the other portion of the time. So most folks would bill on those rates that we just talked about. For those of you who have established or are considering establishing a community-only program, you're going to be paid at this rate, which as you'll see in a moment, is going to be higher than the facility-based rates.

And one of the things that's being discussed is there's going to have to be some sort of process for approving and authorizing those community-only rates. The State will have to develop what the process is for determining what programs truly are community-only.

The attendance assumptions are the same as we just saw, so I won't repeat them. The mileage assumptions are largely similar to what we've previously spoken about. The supplies are the same. And that just leaves us with program support and administration, $20 a day per program support, 10% for administration. So factoring all that in, plus the Service Provider Tax, we're left with a rate per 15 minutes per member that ranges from $4.19 up to $5.94. So again, you'll see when you compare Tier 1 to Tier 2 to Tier 3, that the community-only rate is always going to be higher than the facility-based rate.

And finally, we've also built a training support trait for one-on-one services in the community. And we thought this was important to have, particularly when we're encouraging person-centeredness and hoping that folks are going to be as engaged as possible in the community, and they have the ability to get services on a one-on-one basis when that matches up with their needs. There is no one-on-one rate for facilities services. This is only a one-on-one for community time.

So again, the assumptions are similar, $12.86 for the staff wage, 42% for benefits. You'll see a handful productivity adjustments, leaving us with a staff cost per billable hour of $21.81. For mileage, we're assuming 150 miles per week at $0.56 per mile, which is gives us a mileage cost per billable hour of $2.51. Then again, we're building in program support at $20 per day, and administration at 10%, and that will leave us with a total cost of $30.34 before the Provider Tax. After the tax, we're left with a rate per 15 minutes of $7.96. So about, obviously, a little shy of $32 per hour for this particular service.

Again, only for services delivered in the community, and this is designed to encourage and allow folks to receive those individualized services in alignment with what their needs and desires are.

So we have a handful of rate models to go, but we are definitely on the home stretch, and then I will open it up to questions. We're proposing a couple of changes to the way therapies are reimbursed. Again, as I mentioned at the top, we are proposing that there be a single therapy rate. So rather than the different rates for speech therapy as compared to the other disciplines, everyone would be reimbursed at the same rate. The other thing we're proposing to do is to have the same rate for maintenance and consultative services, so those rates will no longer be different.

So starting with the direct staff hourly wage, clearly it's going to be a lot higher than what we've seen so far, because we're paying for PT doctorates and the like. So $32, which comes out to a little shy of $65,000 a year. Benefit rate is lower, again, because health insurance is a fixed cost. Your benefit rate is going to go down as your salary goes up. Productivity, you'll see that we've built in actually a pretty fair amount of time on a weekly basis for participating in person-centered planning meeting. One and a half hours per week translates to 78 hours per year.

For missed appointments, we put in an hour per week. For record-keeping, and this is record-keeping outside of the presence of the member, two and a half hours. This is an important point for me to emphasize. Oftentimes for these sorts of services, some of the record-keeping is done while services are still being delivered. The last kind of five or ten minutes are spent with the consumer, but their records are being completed.

So this record-keeping, I recognize does not account for all the time associated with records, but what we're trying to capture is the amount of time associated with note-taking and progress notes and the like that's outside of the presence of the member and therefore not billable.

And then employer and one-on-one supervision time and training. Training is less than it is for the other services. We have 0.75 hours compared to one hour for most of the paraprofessional services. It's just the expectation that the ongoing training requirements for the Therapy Services are going to be less than what they are for the other, what I call, paraprofessional services.

So you take the productivity adjustments, we're down to a 33.75-hour billable workweek, which gives us a productivity adjustment of 1.19, for an hourly staff cost of $49.04. We're building in program space, so again, the concept here is the space where services are delivered, not the office space, and I know for therapy, there might be overlap. Oftentimes between that, but the intent here is not for it to be lobby space or hallways or anything else. It's just for the space where service is actually being delivered. So we're assuming that each therapist has 150 square feet of service space, at an annual cost of $15.00. For the billable hours, that works out to $1.28.

Then we build in an annual cost for supplies and equipment of $2,000. On a billable hour basis, that works out to $1.14. As we've talked about already, we're doing $20 per day for program support and 10% for administration. So we're left with a total cost of $60.47. after accounting for the Service Provider Tax, we have a rate of $15.87 per quarter-hour, which is significantly greater than what the current rates are for both consultation and maintenance, as I recall.

The other thing that we have here is, as we saw with Home Support Quarter-Hour and Respite and one or two other services, we have multiple-member rates. Therapies are primarily going to be delivered on a one-on-one basis, but there are times, for example, with speech therapy, where it sort of might be delivered to a group.

As we did previously for those group services, we're building a premium in to accommodate the higher cost. You are not permitted to bill a full rate when you're serving members simultaneously, but the convention is the same. A 10% premium which increases the hourly rate up to $69.84. On a per-person basis, that works out to $8.73, so if you multiply that by two, it comes out to almost, like, $17.50 or $18.50, compared to $15.87 if you're just serving one person. So you're earning more money, but you're not doubling your income when you're serving multiple members.

And I think there's currently a group rate for speech. So folks and therapists that might be listening are probably already familiar with having a different rate for group-based services.

For COTAs, the rate model works in exactly the same manner as it does for therapists. However, we do believe there ought to be a separate COTA rate, because they don't have the same qualifications as a licensed OT. So they have a different wage based upon the BLS, no surprise. They do make less than an OT makes. Productivity is pretty similar. Program space, equipment, is all very similar. The only change it shows at the very bottom is where we add in supervision time, so they're working under the supervision of a licensed OT, so we're building in one hour per week of supervision time funded at the OT rate, so that gives us a supervision cost of another $1.79. So overall, it's $47.11. With the Provider Tax, it comes up to $12.37 per quarter-hour for COTAs.

And I know I went over that one pretty quickly, but it does work in the same manner as the therapy rates, just with the addition of supervision.

Consultative Services - Behavioral, again, we've talked about how we came up with the wages. This is a mix of, I think, a Psychologist and a Mental Health Counselor, the BLS job classifications. The benefit rate works out to 30%. We make some productivity adjustments, as we saw with therapists who are putting in more time for ISP, person-centered planning meetings, and less time for training. We allow for program space and then we put in program support at $20 per day, administration 10%, giving us a total cost after the Service Provider Tax of $13.48.

Now, this is actually a reduction to what the current rate here, which is $13.85, and it's largely being driven by the wage assumption that we've made. So again, based upon the BLS data, a wage that would have worked which is $27.22, and after we worked through the rest of the assumptions, we do have a reduction here from the current $14.85 down to $13.48.

And then I believe this is the final rate model, Consultative Services - Psychological. So what we're using here as the starting point for the wage is the Licensed Psychologist from the BLS data, which works out to about $32, or just a shade under $64,000 per year. And you'll see the benefit rates. The productivity adjustments follow what we saw for behavioral, so more time for ISP, person-centered meetings, and less time for training.

Program space, we're putting 150 feet of program space per psychologist, funding it at $15. We're doing program support of $20 per day, administration 10%, and then the Service Provider Tax. So with all those assumptions, we're left with $15.48 per 15 minutes, which, again, is an actual reduction from the current rate, which is $19.80. Again, driven primarily by the wage that we're assuming.

So that's the presentation. In just a moment, I'm going to open up the phone line. I encourage you to mute it on your end, so there's not as much background noise, because we still have almost 200 people on the line. And you can just chime in, ask questions.

What I'll say is to reiterate, we are looking for comments on each of these rate models, and the more detailed that you can be, the better it's going to work out for everybody. We really want to hear not just that you think is rate is just right or too low, but what specifically you think we might have missed in the rate model. So that's why we spend as much time as we do detailing the rates, so you know exactly what we're assuming for wages, exactly what we're assuming for productivity, and everything else down the line.

Certainly, if you want to tell us that you don't like the rate, that's fine, but it's not really an actionable item. We're really looking for specific proposals that differ from what it is we've put here on paper. And our process is going to be reviewing every comment that we get in writing and providing a written response to it, and telling you what the changes are going to be.

I can tell you having gone through a rate setting in a number of different jurisdictions, the rates that are proposed are never the same as what's ultimately finalized. Some rate models might stay same, but I can guarantee you that based upon public comments, changes are going to be made in one place or another. So it's a very important process, and it is very meaningful.

So we're happy to take questions now through the next hour in just a minute, like I said, but I also encourage you, if there's something specific that you'd like to see changed, not just to ask it today, but also to submit that in writing to that OADS@Maine.gov e-mail address.

I think that's everything I wanted to say before I opened it up. Jim, is there anything that you wanted to add before I mute everyone's line? If you're talking to me, I can hear it on your end. Jim, you might not be on. So what I'm going to do now is hopefully un-mute everybody. So I believe that everyone should be able to talk now.

[static on the line.]

STEPHEN: What is going on is I've just finished the presentation and I've opened up everyone's phone lines. If you're muted on your end, you need to un-mute yourself.

JIM: Steve, can you address the questions in the chat box first? It might be simpler. Steve, put everyone on mute, then go to the chat box and just answer those.

STEPHEN: Okay, it's going to take me a few minutes to mute mine.

[static]

STEPHEN: I'm almost there, getting everyone's line back on mute. Easier to take it off than it is to put it in, so I think I've caught just about everybody.

So I think everyone's back on mute. And Jim, I'm not sure if you're still on or not. I'm searching for your name. I don't see it, so if you're on someone else's line, I don't see you, so I still have you on mute as well. So everyone except me, I think, is on mute. Now you can see why we mute people to get through the presentation, and couldn't take questions during the process. So what I will do now is you can use the chat function. I'll scroll back up to the top and see what I've gotten so far.

[pause]

There's a lot of introductory stuff that you were asking before it started. So one of the questions I got is, "Why don't we exclude time for vacation, holiday, and sick time from the productivity analysis?" That's actually an excellent question. In a couple other jurisdictions where I'm currently working, that's exactly the way I'm handling it. It's certainly a real cost to you, because it's a benefit that you're offering and when folks aren't there, you're still paying them.

There's really one of two ways you approach it, and they're both actually valid. At the end of the day, they get us to the same place, so it doesn't much matter. What we've done is built it in to the benefit rate as a cost on that side, as opposed to a productivity adjustment, where it reduces number of billable hours.

So we have accommodated paid time off in the rate model. Like I said, I've done it both ways where it's either part of the benefit rate or part of the productivity adjustments. The end result is the same, so I think just because this is the way we've been communicating things so far, we'll probably keep it this way on these rate models. Again, it's being accommodated. It's just a matter of where it's being accommodated.

Next question is, "Will the base pay rate be adjusted over time based upon BLS rate changes and future changes in mandatory benefits, such as social security, to keep up with the inflation economy?" Well, I hope the social security rate doesn't go up, but other than that, that's the idea behind the rate models is that they allow the state to maintain them over time, and to adjust them as necessary.

Now, I can't speak for OADS to say whether or not that's going to be done, because of course, we're constrained with the resources that we have. So I work in states where they are able to annually adjust the rate models, and it becomes a powerful tool in talking with legislators and the budget offices, because you can say, "This is what the rate model assumes, and this is what the actual cost is today, and therefore we need an adjustment," and they are successfully able to get additional funding to do that.

And of course, there's plenty of other states where the legislature is not entertaining conversations related to rate changes. So the rate models allow themselves to be updated for just those sorts of changes, whether it be an IRS change in the mileage reimbursement or changes to the BLS wages. But that's going to be a function of available resources. So I don't think that anyone can commit to making those changes, but the information will be there funding is available to do so.

Then I got a question that says, "Ignore the vacation sick time and productivity, Bill." I did answer that for everyone's benefit, I suppose.

Question, "Will overnight staff be expected to be awake?" The answer to that question is yes. That, I think, shows up in some of the other documentation that you see on the website, including the overview of presentation that I made to a forum a week and a half or two weeks ago. And the rationale behind that is if you look at the wages that we're assuming and the way we're building the hours in, we're fully funding the wages the same, regardless of whether or not someone is awake or asleep. So as long as they're getting paid the same, the rationale is the State's paying for those staff. They ought to be awake and available to deliver services.

Someone asks about, on Appendix D, which is the Agency Home Support staff hour matrix, why there are more hours taken out for the higher tier. So as folks recall, we have 22 hours, assumed to being out of the home for Tier 1, and it goes up to 30 for Tier 3.

That's a very good question. The reason for that is because we have tied it back to what we're building in on the individualized budgets, which again will be talked about on Monday. But this was bought up by the provider advisor committee that we put together that's been writing some inputs through this process. And that's something that's currently under consideration, and might very well change.

The reason is we wanted to align it to what we assume is the individualized budget, and we wanted to make sure those folks have access to the most amount of time in the community, if they're able to be so engaged. But we do recognize that it looks a little strange when you put it in terms of staffing matrix. So that's something we've heard already, and that's something that's currently being considered. And as part of this public comment process, the decision will be made, and that very well could change.

Question about, "Have you factored in a replacement rate for the medical add-on?" I'm not sure I entirely understand the question, but I believe the answer is no. There are no medical add-on rates being proposed. So you'll see that we have two rates for certain services, like Agency Home Supports and Community Supports. But for, say, Home Support Quarter-Hour, it's a single rate that we're proposing. It so happens that that rate is almost the same as the current medical add-on, so it's still being paid as if it was the medical add-on rate, but there will be no more rate differentials.

And the rationale behind that is because the State's buying more or less the same thing, an hour of support is an hour of support. So when we start talking about group-based services, it's tiered because folks are being served in a smaller group. When they have higher needs, they get more intensive services. But in terms of Home Support Quarter-Hour, as an example, they're still getting one staff hour of time. It's a one-on-one service, regardless of whether or not it's a formerly medical add-on person or not.

I think the area where you're likely to see impact associated with that, though, is more on the budget side, right? So you will see, again, or if you look at the materials that are already available online, when we built individualized budgets, folks with a higher level of need are getting a greater number of hours from support quarter-hour than folks with lesser needs. But the rate is the same, because what the State is buying is an hour of support one-to-one for both consumers, whether they be high needs or extraordinary need.

Next question, "In the therapy code behavioral psych, there's a great deal of travel time. Please allow for more travel time. I would suggest three to four hours per week." So the rationale for not having as much or if any travel time in those rate models --I'm looking at it right now. Yeah, we don't have any travel time --is that we're assuming this is primarily a project-based service, that folks are working out of a clinical environment. That's why you have program space built in. And that, I think, as I recall, is driven by what we saw on the Provider Survey, where we asked, "How much time is spent in the clinic versus the community?"

If there are, in fact, a lot of services that are being delivered in the community, what I would suggest for folks who are listening in is to submit some information in that regard, and let us know, of the services you deliver, how much is in the community versus in the clinic? And then we can consider whether or not to build in a community rate, because there are very different ways of delivering services, and you're absolutely right. When you're providing services in the community, you need to account for travel time, and that's going to reduce the number of people you can see in a day. And on the reverse side, we wouldn't have program space built in.

So we can build a rate, or we can look at doing a blend of the two. But any feedback I can get from folks who deliver the service about what proportion of your total units are delivered in the community versus in a clinic?

"Are you developing rate change for five and six-bed homes?" The answer to that right now is no. The expectation would be that that four-person model would be billed for four or larger-bed residences. There won't be a separate model for five and six-bed homes. Anything four or larger will be billed at that same rate.

The next question, I'm not sure if it still applies. It says, "At a calculated time off benefit percentage of 9.62, or 8.85

in the Agency Home Support calculation," and asks for an adjustment to be made. I don't understand this particular point, I don't think, so I'm not sure if it's related again to whether or not benefits or paid time off is built into productivity or not. It's built in as part of the benefit rate. So I'm not sure if this question still applies. If it does, it's going to need to be resubmitted, because I'm not understanding exactly what's being suggested.

Someone suggested that I send questions to chat, which was an excellent suggestion. That's what we're doing.

"Is there any middle ground for including support for a program that's done 60 to 65% time in the community?" The answer from the rate model perspective right now is no. Again, if that's something that folks are interested in seeing and believe is necessary, I think that would be worthwhile for you to send as part of the public comment process so it can be considered further, and that may or may not occur.

The other thing that I'll keep in mind is what I always encourage states to do is make sure that they are in alignment between their service requirements and their rates. So just to use this as an example, if we're building a rate model that assumes 60% of the time is spent in the community, then I think they ought to have a standard that says, "60% of the time has to be delivered in the community, and if it's not, then you're not able to bill this rate." But again, the direct answer to the question is no, there's not such a rate envisioned right now, and I would encourage you to submit that question, as well as any supporting documentation about the way your program's designed and how you're currently delivering services between the community and the facility as part of the public comment process.

"Do I need a drink of water?" Yes. Hopefully I was making sense throughout the call.

"The assumption made in the process was that enough to use 40 hours, how would the ACA require organizations to recognized any employees with 30 or more hours, and this will impact our training cost as well as benefit cost. Could you share your thoughts on how your rate structure will accommodate that?"

So primarily, we build into the 40-hour assumption just as a matter of the productivity adjustments. So the concept is if someone's working halftime, say, 20 hours per week, the productivity would all be cut in half. So rather than saying that they're spending two hours per week in travel, they're only spending one hour per week in travel, because as it relates to productivity, it really doesn't matter how many hours per week we're assuming.

What's important is the ratio. We're really looking for the percentage of their time that's billable. Now, I know that's not exactly what you're asking, and you're raising a good point about the ACA requiring benefits down to 30 hours per week and how that could impact training. Again, I understand the question. I want to spend a little bit time thinking about that before responding. So this is another one where I certainly encourage you to submit it through the comment process, where we can give you a response in writing to it.

"In maintaining compliance with delivering at least 95% of the agency home staff hours, is it per week, per month, or other?" That's a good question. I certainly don't think it would be per day. I think it would be per week, but that's something that I don't think has been firmly decided yet, and if folks have opinions on that one way or another, I think that would be another good thing to suggest through the comment process.

Obviously, the way the rate is model is designed is on a weekly assumption as opposed to a monthly assumption, so it's pretty obvious what the weekly assumptions are. To do a month would be, of course, multiply times 4.3. So again, that decision hasn't been made. If folks have feelings one way or another, I think everyone would be interested in hearing those.

"Will travel time be considered for psychological consultations?" This goes back to the exact same question as it relates to therapy. So right now, the assumption is that this is primarily a clinical-based service. So as I said before, if a lot of services are being delivered in the community, I'd be interested in getting responses from those of you who deliver that service about how much of your time is in the community versus in the clinic, and then we can consider whether or not to build a separate community and rate, or do some sort of blended rate that assumes a mix of community time and clinic time.

"For people supported in Agency Home Support 160 hours per week, they do not attend day services, is there a mechanism to accommodate this?"  Is short answer to that is yes.  That's what the extraordinary Agency Home Support is for.  But the longer answer is significantly more complicated.  I think there is an expectation, particularly when you look at some of the new federal HCBS rules, that folks are going to be more engaged in the community than many of them currently are.

So the direct answer to your question is yes, there is a mechanism to address those sorts of circumstances.  But I think it's fair to say that the expectation of those circumstances will be far less frequent than they are currently.

"The training assumptions for an FTE is 52 hours a year. New employees are required to have about 130 hours a year," at this provider, apparently.  "Turnover averages 35%, so how does the rate accommodate these higher training expenses?"  The training hours are driven off of really what we saw in the Provider Survey.  I don't have that in front of me at the moment, but for those of you who completed the Provider Survey, we did ask about training hours in the first year of employment, and training hours in the subsequent years, and then we asked about turnover rates, and then based upon the turnover rate, those first year and subsequent year assumptions, it looked like the current average is somewhere in the ballpark, of, I think it was actually a little bit less than what we built in.  I think it was closer to 40 or 45.

So again, I know that that's going to vary provider to provider, but overall, the 52 hours that we have built in, it is based upon the feedback that we got through the survey process.

Again, I will make the plea I made before I started the questions. All these are excellent questions that are submitted in writing, so that you're not only hearing it from me over the phone now, but that when we give you a more formalized response and tell you if a change is made of not. And then furthermore, whenever you're providing suggestions, any documentation you can provide to bolster your case is only going to help your cause.

So when we were talking about some of the other things, like the travel time for therapies and psychologists, if you have data that talks about what their weekly schedule looks like and how much time they're on the road, that's great. Again, I've already said it would be helpful to have information about what percentage of your units are delivered in the community versus in the facility.

Here, when we're talking about training, if you have information that you want to provide about how much training you actually deliver to your staff, I think that would all be helpful for us to consider as changes are contemplated.

"Can you provide the training hours annualized for Agency Home Support from Appendix D? Currently in the state of Maine, the required hours for training to do the work is over 100 hours today." I'm not sure that I entirely understand that question, if it's member-specific or home-specific -- if it's staff-specific or home-specific. Of course, our training hours assumptions are all staff-specific. So for every person in the home, we're assuming 52 hours per year on average.

And we certainly recognize in the first year, it's going to be more than that, and the thought is in subsequent years, it's going to be less than that. So I'm not entirely sure I follow the question. If 100 hours is where you're saying the current training requirement is for every single staff, again, any justification for that, I encourage you to submit.

"In the presentation, I mention that the billing threshold is recommended at 95. In current threshold is 92.5 to 105. Will that now be changed to 95%?" Yes, that's what the proposal is.

"Will there be clearer guidance coming specific to community-only models?" Yes, there's going to have to be, as I said. There's going to have to be some sort of process, and I don't want to use charged work, because I know things all mean different things, but certified or approved, there's going to be some sort of process for the State to give you the check mark, so to speak, that you're operating a community-only program. And as I said, those details are not yet available. But yes, there will certainly be clearer guidance about those.

Again, conceptually, what's envisioned right now, though, in very simple terms is that folks don't receive any of their services at a facility. They could use a facility as a staging area. You know, everyone gets dropped off and then they're taken out, but none of their services are actually delivered at the facility. Again, while I agree with the comment. Yes, things will need to be a lot more specific about exactly what "community-only" refers to.

"90% of attendance assumption is quite high, especially in folks with complex medical needs. Although medical add-on is going away, this does need to be considered." So again, the 90%, I agree, it's higher than I would have anticipated. That was driven off the Provider Survey results. So that's kind of the consensus that we got based upon the survey data that we received.

So once again, what I encourage folks to do is to submit information about the current attendance rate for your programs. As specific as you can be, is, I think, really helpful. Show me how many people were scheduled, each day, per month, and how many people actually attended and how long they were there. So right now, we're working off the information we got through the Provider Survey, and it implied a 90% attendance rate.

Someone is doing math on me. They're asking, "When it comes to travel time, it doesn't match with the amount of hours you have for mileage. If you give one hour per week, but give 150 miles for travel reimbursement, then the assumption is they travel 150 miles an hour. That's a fast car." Yes, it would be a fast car, but that's not what we're assuming. So travel mileage actually incorporates both the time and the train members, because that's not billable. But it also includes time where your transporting members, and that is billable time. So that's why it doesn't line up.

The productivity, that one hour per week, is only for the non-billable travel, but incorporated into that 150 miles is both unbillable travel as well as time where you're transporting a member for say, Home Support Quarter-Hour, and you're getting paid for that time. So we're not building in any fast car assumptions.

Another excellent question here that the details haven't been worked out, "If there's a four-person home, and one consumer leaves to go to a three-bedroom home." Just like on the community-only Community Support program, I know there's some details that need to be filled in about the approval process for the home size, whether or not that's based upon capacity or based upon actual occupancy. What happens when someone leaves? Now, in the short-term, we have an absence factor built in. So we have 350 day assumption. So if someone is, say, hospitalized or goes home for the weekend, no, the billing will not switch over to the three-person immediately. So that's the kind of short-term answer. If someone permanently moves out of the home, those details, I think, still need to be worked out in terms of is the home going to be reauthorized as a three-person home or not? Again, any suggestions that folks have in this regard, or the way you think it ought to be stretched, I think, would be most welcome.

I think this is referring to Agency Home Support, "On some of the tiers levels, there's only one staff person on the overnights. However, we have homes that we're required to have additional staff by the fire marshal. How could this be accommodated in the model? Would this be concerning extraordinary circumstances?" So there are a couple answers that are specific to the question.

One is, I know that conversations with some of the provider representatives are saying whether or not there ought to be additional flexibility in terms of what the fire marshal is doing. I just want to throw that out there first before I throw out what the potential alternatives are, if there is no such flexibility to be had.

And yes, so there would be a couple ways to address it. Potentially, you can use the Extraordinary Agency Home Support, and that would be paying for an additional awake staff. Alternatively, we consider building in a stipend that's sort of great to have an additional sleep staff, which would be less. So you'd have one awake staff, one asleep staff. So a couple ways to address it. Certainly, this is not the first time I've heard the fire marshal requirements. I think everyone's aware of that. We're still working through whether or not there's any way to adjust, and if there's not, then we'll have to go back to the model and figure out a way to accommodate it.

"Do you take into account occupational therapy into any of the rate model costs?" So the answer is kind of. What we're really looking at, first and foremost, is a comparison to the current wage levels and then what we're building into the rate model. So as folks see across the board, we're building in significantly favored wages than what is currently being paid.

And when we asked what's currently being paid, that was to be inclusive of all cash compensation. So we asked what's the total compensation paid to staff and how many hours do they work, and the instructions made it clear that that includes overtime pay and bonuses, for example, anything that's cash that employees are getting. So the rate that we've built into the rate model is higher than what folks are currently getting, which is inclusive of overtime.

But no, we're not making any further adjustments to the BLS to say a portion of everyone's workweek is associated with overtime. And we feel comfortable with that because we recognize that right now it's a significant premium over where folks currently are, and the last thing I'll just reiterate is a point that I made when I kind of started the presentation, which is all the assumptions are considered to be kind of averages. Providers aren't bound to live within the averages, but just bound to live within the bottom line rate.

So on wages, for example, for Home Support Quarter-Hour is $12.51, I would guess that no one at an agency is making the exact same amount of money. But when folks start the job, they're probably making less. Some who have more experience, they're making more. That's also overtime extension, so there's a whole lot that goes in and makes the wage variable for cost staff.

Again, my short answer, as opposed to that longer one, is we don't make adjustments to the BLS numbers for overtime, but we do compare our costs to what the providers reported, which does include overtime, and we're comfortable that we are currently, or at least covering, more than covering what current costs are, which is inclusive of overtime.

"What will the criteria be for the one-to-one Community Support scenario?" I'm not sure, one more time, criteria, if we're talking about with program design or which folks will be eligible to receive it. So I'll try to answer both. The second question, in terms of folks eligible to receive it, right now, what we're currently envisioning is that it would be open to anybody, but as you're going to see on Monday, there are going to be individualized budgets, and because the one-on-one rate is higher than, say, the group rates, if somebody wants one-on-one services, they're going to get fewer hours.

Like with all things, there are trade-offs. If folks want a lot of support, it's going to be for the group-based rates. If they want a lot more one-on-one time, it's going to be fewer hours. So again, the conflict here is to support person-centeredness, to give folks the flexibility to design the services that they want within the budgets that they have, similar to what we're asking of providers. They have a bottom line rate they have to manage within. We're making some assumptions, just like we are with the individualized budgets, so folks can deviate from those in a way that makes the most sense for them.

In terms of the program itself, I think this one, and again, there are details that have to be worked out for this community-only concept, but I think this one is somewhat simpler than the community-only group programs in that the primary criteria here is it has to be one-on-one. It has to be out in the community. So again, as with everything else, I know there's work to be done on the service definition side to make sure the code is clear on exactly what it's requiring and what it's paying for.

"When you established the rate model, did you look at the reduction in hours for Community Support, and how that will impact the number of hours of support?" I'm not sure what that's referring to, because there's not a reduction hours for Community Support proposed. If you look at the individualized budgets, again, on that Monday conference call, everyone's going to have at least, I think, 22 hours, and the current limit is like 21.5. And then some folks, their budgets still may be at 30 hours per week. So there aren't any hours being reduced, so I'm not entirely clear on what this question is referring to.

And the other thing that I'll point out, that I've heard anecdotally, is that some providers are already delivering Community Support services in excess of the weekly limits, and they're simply not billing for it. So under what's being proposed, the caps are being eliminated. There's no more 21.5-hour a week cap. So those billable hours that are currently being poured down will immediately become billable once this system were in place.

"Currently we support several individuals who require one-to-one or two-to-one support. Will these be considered extraordinary circumstances if they cannot go safely with less staffing?" I don't have a quick answer for that. The rate models clearly do not envision a one-to-one rate, particularly in the facility. So there are processes being contemplated for an extraordinary review. But what that group, the internal committee is permitted to do is going to be somewhat limited in scope. Again, I don't have an answer for you on that question right now. I would encourage you to submit that in writing and it can be considered.

"There are holiday pay differentials that I do not see incorporated into the rates. Also, in this industry, the turnover is significant and training is more than an hour per week." So I think I've tried to address both of these. In terms of the training, I told you how we arrived at that number, and I think everyone's open to sharing from you all additionally about the assumptions that are being made. That's the point of having this process.

And in terms of the holiday pay, yes, we built holidays in as a day off, but I recognize that some folks, say, delivering Agency Home Supports, are working time and a half on those days. But I will give the same answer that I gave as it relates to overtime. Where we asked the current compensation levels, we were asking what that to be inclusive of overtime or shift differential holiday pay or anything else. So the wages that we built in are still far above what's currently being paid, after all those costs are accounted for.

"Where exactly do we go to see how to apply for Extraordinary Agency Home Supports, and what qualifies for these?" I'm almost positive that that document is online. I don't have the website on my fingertips, but if you go to the OADS home page, it says something about materials available for review, and then you actually have to click through a couple of more links. But you will actually get there, and then there's a proposed changes to regulations as it relates to SIS scale assessments, extraordinary needs, and what that committee's permitted to do. I'm almost positive that document's online. If you start at their home page, you should be able to get there within a minute or so.

"Will auths go to a yearly model versus six months?" I don't know the answer to that question. I think I do, but I'm not trying to guess.

"Vehicle capital cost and salvage value is not realistic. Not as an average life of six and a half to ten years." Again, I appreciate the comments. If you want to provide any documentation about your current fleet of vehicles, that would be worthwhile in terms of how much they cost to acquire, how many miles are currently on them, and when you received them. I think that information would be helpful. Again, for some of the stuff, not so much the disposition value, but at least the acquisition costs, that's driven off of the Provider Survey to a pretty significant degree.

"Staffing ratios will be reduced significantly in some circumstances. How does the system share the results in increased risks that goes with this new model? This will also impact community access for some, which seems to be contrary to what the new focus is on." I understand the points that are being made. I'm going to defer on that particular question. Obviously, that's on a programmatic basis where I think there probably needs to be more time to talk that through. So again, understand the question, and encourage you to put it in writing so it can be given the full response that it deserves.

I said before, I didn't quite understand the question that was asked about the benefit rates. And it's an e-mail back to me in terms of how they arrived at the number. And they think perhaps I made an error on the formula. I'm not going to have you sit through me doing math here on the phone, but I received that comment. I will take a look at it, and if there is an error, that will be corrected.

"Can you revisit the 56 hours of awake time? I understand that they need to be awake during the scheduled shift. However, how does that work if you have one that's considered a 24-hour block shift in a residential home where they sleep there? Can you re-utilize these 56 hours during the day for second, third, et cetera, staffing?"

So to my mind, what's going to be required is folks delivering 95% of the hours that are built into the rate model, based upon the mix of consumers in the home and the home size. If you are providing those hours and have a sleep staff -- and in order to be compliant with the 95% threshold, they have to be awake. So if you have people working a 24-hour shift and they're sleeping for 8 hours, I don't think that would be prohibited, but you cannot count those hours to achieving that 95% compliance factor.

"Is behavioral consultation allowed with service being delivered in a home or community? For example, a BCBA must conduct assessments while the person is receiving services." So I believe I understand the question, that there's the observation that's taking place while someone else is saying the agency or Community Support program. And the question is whether or not that's billable time. That's an excellent question. Off the top of my head, I don't recall. I believe that it is, but again, this is just -- I encourage you to submit that in writing so you get a formal response on that.

"From the survey packets, if the consumer is not attending their hours, responsibility will fall on the agency for support hours, which is not funded there. Any discussion suggestions on how to address this?" Well, again, I think I tried to make this point before. I know it's taking me a while to get through this list of questions that I'm sure was submitted before I mentioned this.

Yes, I know that there are mechanisms built into to accommodate what ought to be relatively unique and unusual -- not unusual, but infrequent circumstances. So that's what the

Extraordinary Agency Home Support is for. What I will say is that I believe that there is a very strong expectation that it's going to be a lot less frequent than it is today.

I have a utilization packet out there on the website with all the other materials, which is exceedingly dense and probably all but impossible to understand if you don't have someone walking you through it. But that shows that right now, it's a very fine number of folks in Agency Home Support that aren't receiving any outside activities, like 30 or 40%. I don't remember the exact number, but it's at least 30%, if not 40%. So yes, I think there will be -- Extraordinary Agency Home Support will be used for circumstances where folks need additional hours in the home based upon their unique needs. But I just will reiterate that I think the expectation that will be a lot less than 30% or 40% of the current folks living in those settings.

Last question, just related to the source files themselves for the materials. No, as a rule, I don't send out the underlying file for this. You have it in the PDF. I tried to walk through the calculations as I was going through it. If you're trying to recreate it and have any questions, feel free to ask me.

Now, a couple people shared some kind words with me. I do appreciate that. I don't have any other questions up on my screen right now, and if you submitted a question that you don't think I addressed, please send it again. I might have missed it. I'm going to keep the line open for the next 5 minutes, because that's what we committed to doing. But right now, I don't see anything else on the tray, so I'll keep it open. If I get more questions, I'll respond to those. Otherwise I'm going to hang up in 15 minutes.

It looks like folks are dropping off like flies. Again, comments are being accepted through September the 1st. OADS@Maine.gov. Certainly everything that we talked about today, I encourage you to submit, again, so we can give you a formal response and tell you if changes are being made to the rate models. In response, I appreciate everyone's participation today. And really, this is a very value-added process. We take the comment period very seriously, so we certainly encourage you to submit these comments so we can make sure the assumptions make sense and are implementable on the ground. Thanks again.

For those still on the line, I got a question on whether or not you need to re-send comments, enter questions submitted here. What I'll say is I'm copying all the questions we received today, and we'll incorporate these, I think, in the public comment. But I would encourage you to submit it all to the website, the e-mail address, the OADS@Maine.gov. And in particular, because as much as you can include with that in terms of additional justification or support for whatever your position is, that would be helpful, and obviously the comments here today were just short and more question-oriented.

"Training is not enough," for example. I understand the point is that you're making, but it would really be more useful for you to say, "Training's not enough, because these are the training we deliver to our staff in the first year and in subsequent years," and tell me what it is specifically that you propose that we change.

So again, I will save all the comments I've received here, and will include that as part of the comment period, but I do think that it's useful to also submit it through the website so you can also provide additional support or suggestions on precisely what you'd like to see changed.

For those of you still listening, I now have 12 noon.  I haven't received any more comments, so I'm going to hang up the line, and thank you again for your participation.