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State of Nevada
**Department of Health and
Human Services**

ID Waiver Cost Study Results

Division of Health Care Financing and Policy

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Cost Study

- Burns and Associates, a division of Health Management Associates, conducted a cost study between September 2020 and June 2021 under an RFP from DHCFP.
- The goals of the study were to administer a provider survey, analyze the survey results, and develop the proposed rates under an independent rate model.
- Rates were developed for Urban and Rural Regions
 - Differences in the rates are mostly due to distances and travel times.
 - BLS data did not show significant variation between Urban and Rural wages.





Survey Participation

- The survey period was mid-February through mid-March 2021.
- 16 of the 88 (18.2%) ID Waiver providers responded to the survey.
- These providers accounted for 47.1% of expenditures during State Fiscal Year 2020.



Rate Setting Pieces

- Wages
 - Staff Wages
 - Staff benefits
- Productivity Adjustments
 - Travel Time
 - Recordkeeping and Reporting
 - Supervision Time
 - Administrative Time
 - Training
 - Paid Time Off

Rate Setting Pieces (Continued)

- Mileage
 - Number of Miles Traveled per Week
 - Amount per Mile
- Administration and Program Support
 - Program Support Funding per Day
 - Administration Percentage



Survey Results – Wages – Staff Wages

Service	Provider Survey*	Rate Models
Residential Support – Intermittent	\$11.36	\$13.90
Residential Support – 24-Hour	\$11.05	\$13.90
Residential Support – Host Homes (Agency Staff: Recruiters/ Supervisors/ Trainers)	\$23.96 / \$26.38 / \$29.30	\$25.73
Day Habilitation (Individual / Group)	\$11.21/ \$11.28	\$13.90
Prevocational	\$11.51	\$13.90
Career Planning	N/A	\$27.14
Supported Employment (Ind.) – Job Coaching	\$13.31**	\$18.07
Supported Employment (Ind.) – Job Development		\$23.35
Supported Employment (Group)	N/A	\$18.07
Behavioral Consultation – Bachelor’s	\$25.36	\$32.10
Behavioral Consultation – Master’s	\$34.85	\$43.10
Non-Medical Transportation	\$11.79	\$13.90

* Based on weighted average without outliers, excluding staff with supervisory responsibilities.

**The survey did not differentiate between job coaching and job development wage levels.

Survey Results – Wages – Staff Benefits

- \$502.97 per month for health insurance.
 - US DHHS Medical Expenditure Panel Survey, Private Sector in Nevada
- \$50.00 per month for other benefits
- Benefits were calculated as a percentage of the wage.
- An Hourly Staff Cost before Productivity was calculated by multiplying the based wage from the previous slide by 1 plus the benefits percentage.
 - For example, if the benefits percentage was 25% and the standard wage was \$10 an hour. The Hourly Staff cost before Productivity would be \$12.50.
- Paid time off was accounted for in the Productivity Adjustments section of the rate calculation.



Survey Results – Productivity Adjustments

- 25 Paid Days Off, equivalent to 3.85 hours per week.
- Training
 - 50 annual hours for training, except for training for master's and bachelor's level behavioral consultation providers.
 - 40 annual hours of training for master's and bachelor's level behavioral consultation providers.
- 45 minutes weekly for supervision, staff meeting, or other employer time.
- Travel time was calculated using participant and provider addresses.
 - Rural travel assumptions were set at 2.5 times the urban assumptions.
- Other Productivity Adjustments such as Missed Appointments were also included in the Model.



Survey Results – Mileage

- Mileage is based on an analysis of participant and provider addresses.
- Rural Mileage is two and a half times the Urban milage.
- The rate per mile is \$0.56 per mile.



Survey Results – Administration and Program Support

- Administrative rates were set at 10% for all services except Supplemental Residential Support.
- Administrative rates were set at 5% for Supplemental Residential Support.
- Program Support costs are funded at \$20 per day except for Day Habilitation Community services.
- Program Support costs are funded at \$25 per day for Day Habilitation Community services.

Proposed Rates

Service	Urban Rate	Rural Rate
Residential Support Services – Intermittent	\$8.05	\$9.56
Residential Support Management – Bachelor’s	\$14.31	\$16.04
Residential Support Management – Non-Bachelor’s	\$10.82	\$12.29
Supplemental Residential Support Services	\$6.50	\$6.50
Day Habilitation, Individual, Facility	\$7.80	\$8.35
Day Habilitation, Individual, Community	\$8.38	\$9.49
Career Planning	\$13.95	\$15.98
Prevocational, Individual	\$7.80	\$8.35
Supported Employment, Individual, Job Coaching	\$9.71	\$11.43
Supported Employment, Individual, Job Development	\$13.23	\$15.15
Behavioral Consultation, Training, and Intervention – Bachelor’s	\$17.72	\$25.61
Behavioral Consultation, Training, and Intervention – Master’s	\$22.60	\$32.16

Proposed Rates with Tiers - Urban

Service	Tier I	Tier II	Tier III
Residential Support Services – 24 Hour, 3 or Fewer Beds	\$254.64	\$311.54	\$360.75
Residential Support Services – 24 Hour, 4 Beds	\$231.97	\$274.92	\$332.73
Residential Support Services – Host Homes	\$154.63	\$174.06	\$193.49

- The Residential Support Services Rates were calculated using 365 days and then were rescaled to 344 days.
 - For example, if the daily rate was calculated to be \$86. An annual total cost of $365 \times \$86 = \$31,390$ would be calculated. The \$31,390 would then be divided by 344, to get a final rate of \$91.25.

Service	1:8 Staffing Ratio	1:5 Staffing Ratio	1:2 Staffing Ratio
Day Habilitation, Group, Facility	\$2.52	\$3.13	\$5.60
Day Habilitation, Group, Community	\$2.88	\$3.55	\$6.25
Prevocational, Group	\$2.52	\$3.13	\$5.60
Supported Employment, Group	\$2.43	\$3.17	\$6.19



Proposed Rates with Tiers - Rural

Service	Tier I	Tier II	Tier III
Residential Support Services – 24 Hour, 3 or Fewer Beds	\$266.43	\$323.33	\$372.53
Residential Support Services – 24 Hour, 4 Beds	\$238.37	\$281.34	\$332.73
Residential Support Services – Host Homes	\$163.62	\$183.06	\$202.49

- The Residential Support Services Rates were calculated using 365 days and then were rescaled to 344 days.
 - For example, if the daily rate was calculated to be \$86. An annual total cost of $365 \times \$86 = \$31,390$ would be calculated. The \$31,390 would then be divided by 344, to get a final rate of \$91.25.

Service	1:8 Staffing Ratio	1:5 Staffing Ratio	1:2 Staffing Ratio
Day Habilitation, Group, Facility	\$2.73	\$3.40	\$6.16
Day Habilitation, Group, Community	\$3.23	\$4.05	\$7.37
Prevocational, Group	\$2.73	\$3.40	\$6.16
Supported Employment, Group	\$2.64	\$3.44	\$6.75



Proposed Rates – Non-Medical Transportation

	Under 15 Miles	15 – 30 Miles	30 – Plus Miles
One Participant	\$23.77	\$57.44	\$91.11
Two to Four Participants	\$8.87	\$20.09	\$31.31
Five or More Participants	\$5.14	\$10.75	\$16.37



Questions?





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