



FSSA Provider Reimbursement Rate Matrix MAC Meeting – May 2023

Initial Phases of Rate Matrix

Slide from February MAC Meeting

Proposed by FSSA / Included in the Governor's Budget



Medicaid Services	Last Rate Update	Year of Rate Review / Rate Rebasing						
		2023	2024	2025	2026	2027	2028	2029
HCBS - DA Waivers	2020	RR	i	i	i	RR	i	i
HCBS - DDRS Waivers	Various	RR	i	i	i	RR	i	i
HCBS - Home Health Services	2021	RR	i	i	i	RR	i	i
NEMT	1999	RR	i	i	i	RR	i	i
Dental Services	2015	RR	i	i	i	RR	i	i
Physician Services	2015		RR	i	i	i	RR	i

Rate Matrix Updates



- Full Funding approved for Home and Community Based Services (including Home Health)
- Physician / Professional Services Fee Schedule to be set at 100% of Medicare rates (HIP Rate Equalization compliance requirement for 1/1/24)
- Strategic Investments approved for Non-Emergency Medical Transportation and Dental Services
- Rate Indexing approved which will provide rate adjustments between periodic Rate Reviews

Home and Community Based Services - **BUDGET UPDATE**



The biennium budget added \$230.4 M state dollars for SFY 2024 and \$283.2M for SFY 2025.

Estimated Fiscal Impact (\$ millions)				
	State and Federal		State Share	
	SFY 2024	SFY 2025	SFY 2024	SFY 2025
Paid Basis				
DA	\$ 469.6	\$ 576.1	\$ 157.4	\$ 200.1
DDRS	<u>218.0</u>	<u>239.2</u>	<u>73.0</u>	<u>83.1</u>
Total	\$ 687.6	\$ 815.3	\$ 230.4	\$ 283.2
Incurred Basis				
DA	\$ 510.6	\$ 583.7	\$ 172.1	\$ 202.7
DDRS	<u>236.0</u>	<u>239.9</u>	<u>79.5</u>	<u>83.3</u>
Total	\$ 746.6	\$ 823.6	\$ 251.7	\$ 286.1

Final Budget included State and Federal Investment of **\$746.6 - \$823.6** for Waiver Services

Additional State and Federal Funding of **\$79M - \$101M** was approved for Home Health Services

Home and Community Based Services - Rate Increases

Rate calculations reflect a 42.4% change for DA and 23.2% for DDRS



DA Estimated Fiscal Impact %	
Service Type	Impact %
Adult Day Service	14.6%
Adult Family Care	8.1%
Assisted Living Facilities	35.6%
Attendant Care	48.1%
Behavior Management	0.1%
Case Management	41.1%
Day Habilitation	22.9%
Home/Other Modifications	0.4%
Residential Habilitation	35.1%
Respite Care	30.8%
Structured Family Care	42.1%
Transportation	32.6%
All Other	39.9%
Total Estimated Fiscal Impact	42.4%

DDRS Estimated Fiscal Impact %	
Service Type	Impact %
Adult Day Service	32.2%
Behavior Management	1.9%
Case Management	31.9%
Day Habilitation	27.9%
Residential Habilitation	20.5%
Respite Care	46.4%
Structured Family Care	30.3%
Transportation	134.6%
All Other	30.5%
Total Estimated Fiscal Impact	23.2%

Overall Rate Increase for Home Health Services is 32%

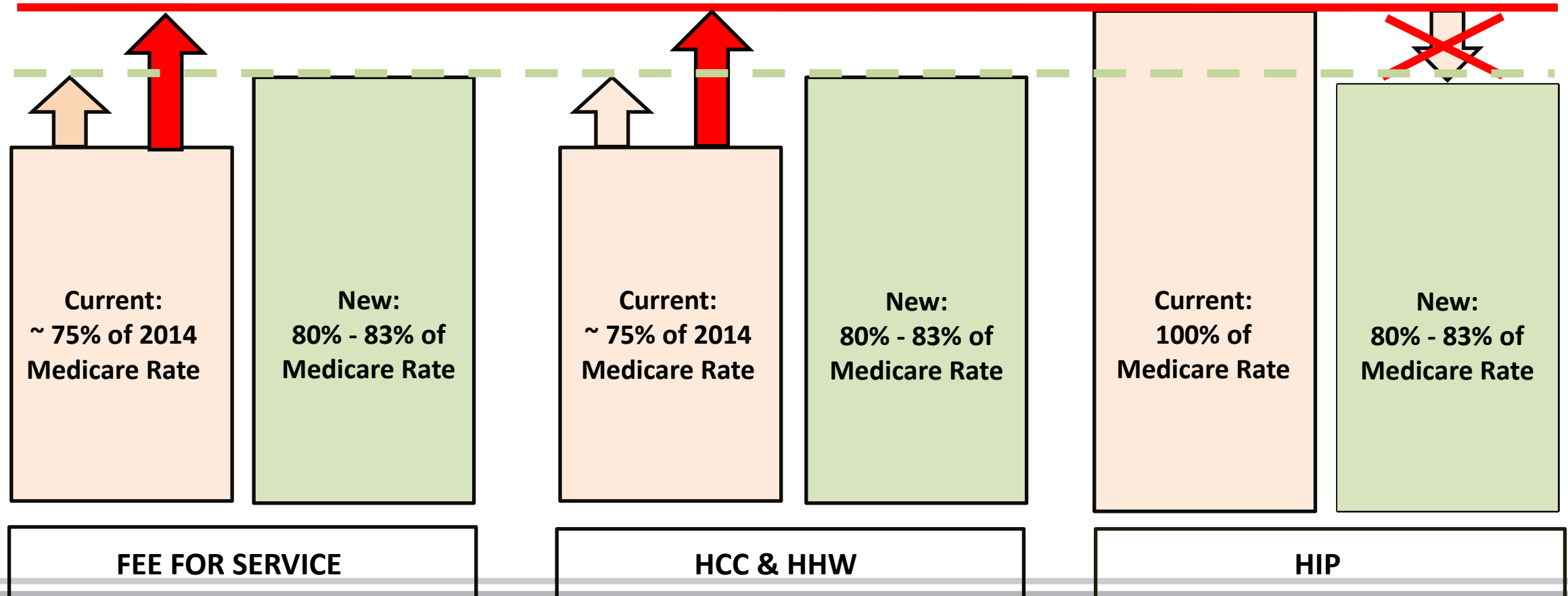
HIP Rate Equalization Project

Physician/ Professional Reimbursement Rate Changes *Excluding Maternity and Behavioral Health Services*



BUDGET UPDATE

All Physician/ Professional Services to be Paid at 100% of Medicare



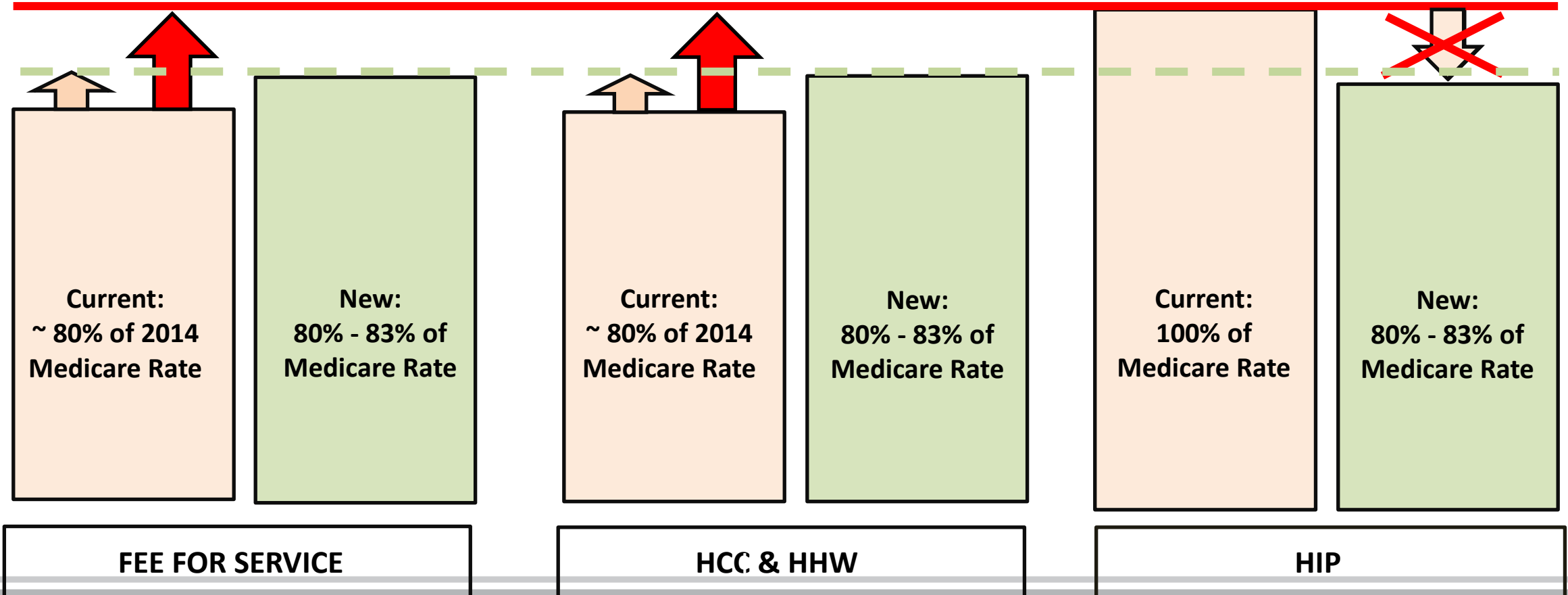
HIP Rate Equalization Project

Physician/ Professional Reimbursement Rate Changes *Behavioral Health Services*



BUDGET UPDATE

All Physician/ Professional Services to be Paid at 100% of Medicare



Rate Matrix Updates - Next Steps



- Meetings with HCBS Providers being held in late May / early June to share proposed rates
- Waiver Amendments to be submitted to CMS in June/July (target of 7/1/23 retroactive effective date)
- Submit rate methodology for Physician / Professional Services to CMS for Minimum Fee Schedule to be effective 1/1/24 for Fee For Service and Managed Care Programs
- Rate increase for Non-Emergency Medical Transportation Services to be submitted to CMS with 7/1/23 effective date
- Working with Dental Association to determine how Strategic Investment in Dental Services will be incorporated into dental rate rebasing / HIP Rate Equalization for 1/1/24 effective date