



Provider Payment Maximums

Group 1 Open Forum



Agenda

9:30 – 9:55 25 minutes	Introductions & Purpose
9:55 – 10:55 60 minutes	Milliman Rate Study Analysis & Gather Feedback
10:55 – 11:00 5 minutes	Wrap Up: <ul style="list-style-type: none">• Action Item Review• Next Steps

Program timeline



2014

Research on policy options for long-term care

2019

Legislature passes LTSS Trust Act & governor signs into law

2021

Legislature improves coverage for adults with disabilities that onset prior to age 18

2022

Legislature adds pathway to partial benefits for near-retirees; establishes voluntary exemptions for certain groups

2023

July 1
Workers begin contributing

2026

July 1
Benefits become available for qualified, eligible individuals

WA Cares Fund can help

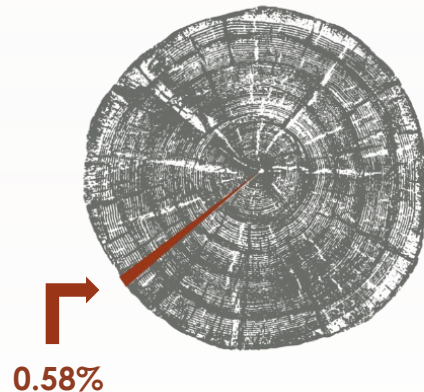
- Earned benefit
- Self-funded by worker contributions
- Works like an insurance program
- Only contribute while you're working
- Everyone covered at same rate regardless of pre-existing conditions
- No copays, no deductibles, and you never have to file a claim

Typical Income:

\$50,091

Typical Contribution:

\$291/year



Contributions

0.58%

Amount workers
contribute from wages



Contributions began

Benefits

\$36,500

Lifetime maximum benefit
(adjusted annually up to
inflation)

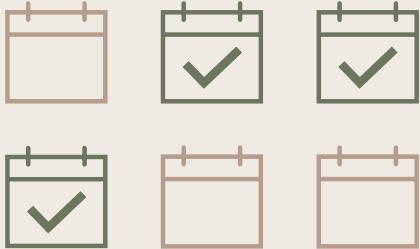


Benefits available

Qualifying for benefits

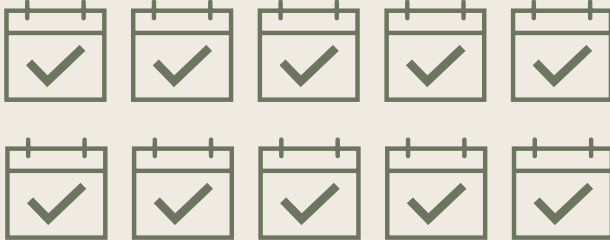
Early access to full benefit

Contributed at least **3 of the last 6 years** at the time you apply for benefits



Lifetime access to full benefit

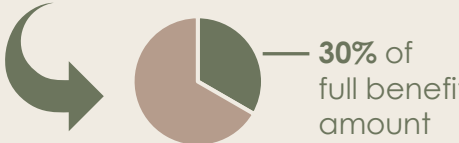
Contributed for a **total of 10 years** without a break of 5+ consecutive years



FOR NEAR-RETIRES

Lifetime access to partial benefit

People born before 1968 earn **10% of benefit amount** for each year worked



To earn benefits, must work at least 500 hours per year (about 10 hours per week)

The benefit is flexible

Up to **\$36,500** for any combination of services and supports, including:



Professional care at home or in a facility



Adaptive equipment & technology like hearing or medication reminder devices



Training & paying family member or friend to be your caregiver



Home-delivered meals



Home safety evaluations & environmental modifications like wheelchair ramps



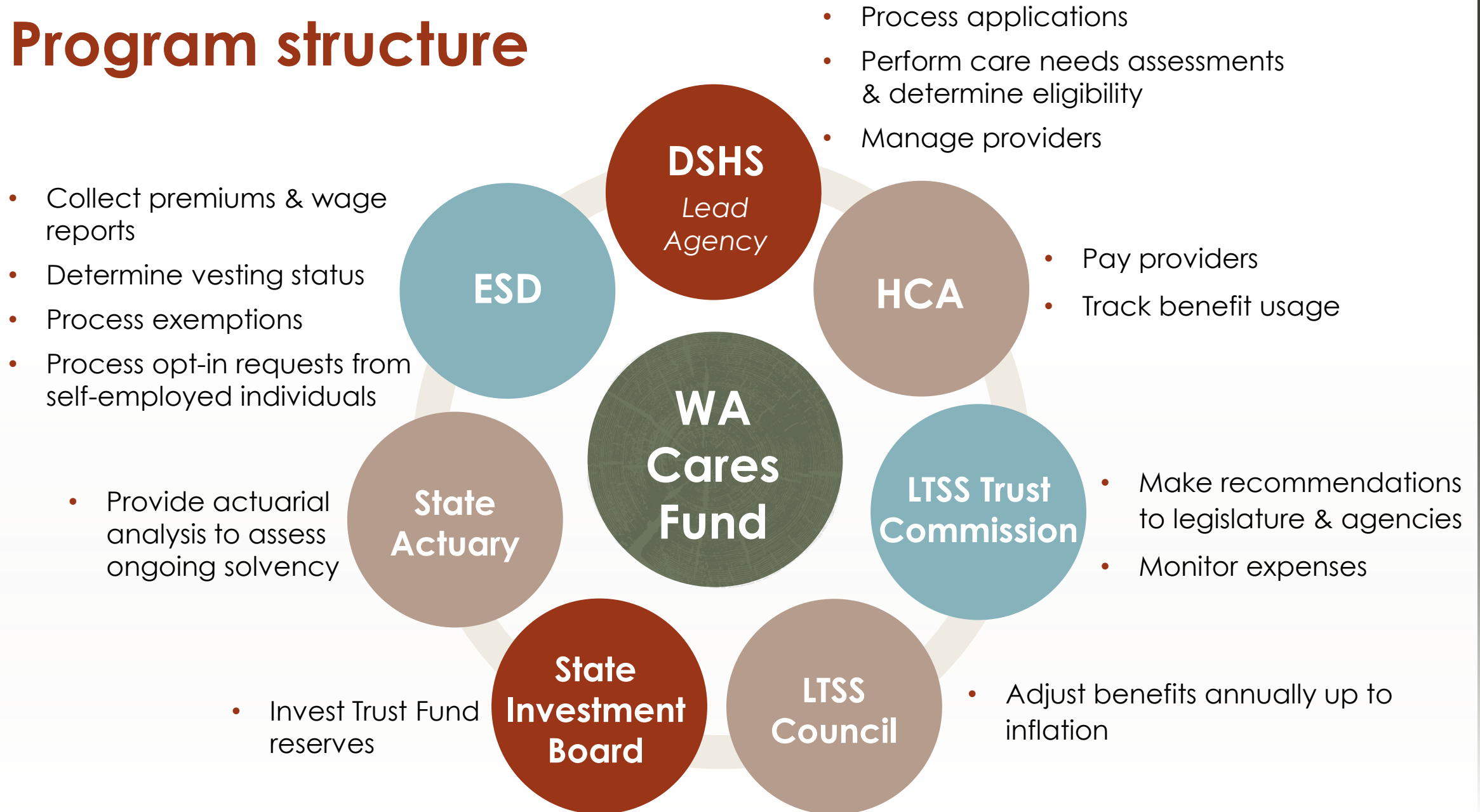
Support & respite for family caregivers



Transportation

Must need help with **3 activities of daily living** like bathing, dressing, eating, medication management

Program structure



LTSS Trust Commission Workgroup

Commission Workgroup Purpose

- Review viable options for the Long-Term Services and Supports Trust Commission's recommendation required in RCW 50B.04.030(c) on the *“establishment of payment maximums for approved services consistent with actuarial soundness which shall not be lower than Medicaid payments for comparable services. A service or supply may be limited by dollar amount, duration, or number of visits. The Commission shall engage affected stakeholders to develop this recommendation.”* The Commission will make formal recommendations to DSHS by January 1, 2025.

Commission Workgroup

- The Commission Workgroup will receive notes from the briefing and open forums to inform their recommendations. The Commission workgroup may wish to consider the following issues in their recommendations:
 - Balance billing to the beneficiary
 - Beneficiary protection from being overcharged
 - Ability for the beneficiary to negotiate rates
 - Ensuring adequate supply of providers
 - Incentives for rural areas or other barriers to access

Stakeholder Open Forum

- **Stakeholder Open Forums** are an opportunity for Milliman and DSHS to share initial results of the rate study by service group. Forums are open to the public. DSHS will use these forums to gather feedback on initial rate study results.

Group 1

- Adult Family Home: A home-like residential setting where two to eight adults live and receive personal care, special care, room, and board.
- Assisted Living Facility: A home or facility where seven or more adults live and receive basic services for their safety and well-being.
- Nursing Home: Any home, place, or institution that provides convalescent or chronic care for three or more patients who are not able to independently care for themselves for a period of more than 24 consecutive hours.

Stakeholder Open Forum

Group 1

- Memory Care: Specialty care for Adult Family Home, Assisted Living Facility, and Nursing Home residents who have dementia.
- Respite for Family Caregivers: Short-term care of an individual to temporarily relieve a family caregiver of providing their care.
- In-Home Personal Care: Assistance with activities of daily living and instrumental activities of daily living provided by a paid, related or unrelated, caregiver based on a person's functional disability.
 - Home Care Agencies
 - Individual Providers

Questions To Think About

- Milliman will present their findings for a service and then there will be an opportunity to gather feedback from you all.
- As Milliman is presenting, we would like for you to keep in mind some questions:
 - Is this rate methodology adequate?
 - Is there anything you think wasn't considered?
 - How would these rates impact the long-term care provider network?
 - How would these rates impact beneficiaries transition to other pay sources (i.e., Medicaid, private pay)?

Stakeholder Open Forum

**WA Cares Fund Provider Rate Study
Provider Payment Maximums Group 1**

Annie Gunnlaugsson

Evan Pollock

Chris Giese

MARCH 21, 2024



Agenda

- Overview
- Summary of research
- Next steps

Overview

Overview

Phase 1 Services

- Adult Family Home
- Assisted Living Facility
- Nursing Home
- In-Home Personal Care



Commercial reimbursement for LTSS

- Private-insurance typically not subject to fee schedules or fee maximums
- Costs may vary widely among providers

Considerations related to WA Cares Fund Actuarial Study¹

- Study used average commercial costs by major sites of care
- We tested increasing average costs by 33%
- Impact on premium assessment about \$0.01 per \$100

Summary of research

Disclaimer

All numerical values shown are for discussion only and do not represent final maximum rate recommendations. The following slides are designed to illustrate a potential framework and garner feedback from stakeholders. The content in this presentation should not be relied upon in any way.

Adult Family Home

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Potential Adjustment Factors			Maximum Rate Adj.	Illustrative Rate Range – For Discussion
				Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers		
Seattle- Tacoma- Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		B	\$135	1.05	1.60	0.70 to 1.50	1.05	\$160 to \$345
		C	\$160	1.05	1.50	0.70 to 1.50	1.05	\$175 to \$385
		D	\$180	1.05	1.45	0.70 to 1.50	1.05	\$190 to \$420
		E (high)	\$225	1.05	1.35	0.70 to 1.50	1.05	\$225 to \$490
Other	Other	A (low)	\$115	1.05	1.70	0.70 to 1.50	1.05	\$145 to \$315
		B	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		B	\$135	For each service, we identified illustrative rate ranges using the framework by which the Medicaid rate varies.	0	1.05	1.05	\$160 to \$345
		C	\$160					\$175 to \$385
		D	\$180					\$190 to \$420
		E (high)	\$225					\$225 to \$490
A (low)	\$115	0	1.05					\$145 to \$315
Other	Other	B	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
		Overall Rate Range						

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		B	\$135	1.05	1.60	0.70 to 1.50	1.05	\$160 to \$345
		C	\$160	1.05				\$175 to \$385
		D	\$180	1.05				\$190 to \$420
		E (high)	\$225	1.05				\$225 to \$490
Other	Other	A (low)	\$115	1.05	1.70	0.70 to 1.50	1.05	\$145 to \$315
		B	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

The daily AFH rates used in Medicaid are shown here as a starting point.

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Potential Adjustment Factors			Illustrative Rate Range – For Discussion
				Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	\$150 to \$330
		B	\$135	1.05	1.60	0.70 to 1.50	\$160 to \$345
		C			1.50	0.70 to 1.50	\$175 to \$385
		D			1.45	0.70 to 1.50	\$190 to \$420
		E			1.35	0.70 to 1.50	\$225 to \$490
Other	Other	A			1.70	0.70 to 1.50	\$145 to \$315
		B			1.65	0.70 to 1.50	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	\$205 to \$450
Overall Rate Range							\$145 to \$490

We then apply four adjustments to the Medicaid rates to generate a potential private-pay rate range.

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Assessment	Maximum Adjustment	Illustrative Rate Range
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65			\$330
		B	\$135	1.05	1.60			\$345
		C	\$160	1.05	1.50			\$385
		D	\$180	1.05	1.45			\$420
		E (high)	\$225	1.05	1.35			\$490
Other	Other	A (low)	\$115	1.05	1.70			\$315
		B	\$125	1.05	1.65			\$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

The first adjustment reflects that the administrative responsibility for providers may be different under WA Cares relative to Medicaid (e.g., initial "pre-authorization" process)

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
				1.05	1.60	0.70 to 1.50	1.05	\$160 to \$345
				1.05	1.50	0.70 to 1.50	1.05	\$175 to \$385
				1.05	1.45	0.70 to 1.50	1.05	\$190 to \$420
				1.05	1.35	0.70 to 1.50	1.05	\$225 to \$490
Other	Other	B	\$125	1.05	1.70	0.70 to 1.50	1.05	\$145 to \$315
				1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
				1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
				1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

The second adjustment estimates the cost differential between average Medicaid and average commercial rates

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion	
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330	
		B	The third adjustment captures potential variability among providers			1.60	0.70 to 1.50	1.05	\$160 to \$345
		C				1.50	0.70 to 1.50	1.05	\$175 to \$385
		D				1.45	0.70 to 1.50	1.05	\$190 to \$420
		E				1.35	0.70 to 1.50	1.05	\$225 to \$490
A (low)	\$115	1.05				1.70	0.70 to 1.50	1.05	\$145 to \$315
Other	Other	B	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330	
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360	
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400	
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450	
Overall Rate Range								\$145 to \$490	

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)				.70 to 1.50	1.05	\$150 to \$330
		B				.70 to 1.50	1.05	\$160 to \$345
		C				.70 to 1.50	1.05	\$175 to \$385
		D				.70 to 1.50	1.05	\$190 to \$420
		E (high)				.70 to 1.50	1.05	\$225 to \$490
Other	Other	A (low)				.70 to 1.50	1.05	\$145 to \$315
		B				.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

The fourth adjustment provides additional cushion (to the high end of the range only) to provide flexibility for consumers and consider short-term cost trend

Adult Family Home

Potential Adjustment Factors

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		B	\$135	1.05	1.60	0.70 to 1.50	1.05	\$160 to \$345
		C	\$160	1.05	1.50	0.70 to 1.50	1.05	\$175 to \$385
		D	\$180	1.05	1.40	0.70 to 1.50	1.05	\$190 to \$420
		E (high)	\$225	1.05	1.30	0.70 to 1.50	1.05	\$225 to \$490
Other	Other	A (low)	\$115	1.05	1.55	0.70 to 1.50	1.05	\$145 to \$315
		B	\$125	1.05	1.50	0.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.40	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.30	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.20	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

Finally, the illustrative rate range applies all the adjustment factors to the Medicaid rates.

Adult Family Home

			Potential Adjustment Factors				Illustrative Rate Range – For Discussion	
Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers		Maximum Rate Adj.
Seattle-Tacoma-Bellevue	King, Pierce, Snohomish	A (low)	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		B	\$135	1.05	1.60	0.70 to 1.50	1.05	\$160 to \$345
		C	\$160	1.05	1.50	0.70 to 1.50	1.05	\$175 to \$385
		D	\$180	1.05	1.45	0.70 to 1.50	1.05	\$190 to \$420
		E (high)	\$225	1.05	1.35	0.70 to 1.50	1.05	\$225 to \$490
Other	Other	A (low)	\$115	1.05	1.70	0.70 to 1.50	1.05	\$145 to \$315
		B	\$125	1.05	1.65	0.70 to 1.50	1.05	\$150 to \$330
		C	\$145	1.05	1.55	0.70 to 1.50	1.05	\$165 to \$360
		D	\$165	1.05	1.50	0.70 to 1.50	1.05	\$180 to \$400
		E (high)	\$200	1.05	1.40	0.70 to 1.50	1.05	\$205 to \$450
Overall Rate Range								\$145 to \$490

Opportunity for Feedback

- Is this rate methodology adequate?
- Is there anything you think wasn't considered?
- How would these rates impact the long-term care provider network?
- How would these rates impact beneficiaries transition to other pay sources (i.e., Medicaid, private pay)?

Assisted Living Facility

Metro Area	Counties	Acuity	Average 2024 Medicaid Rate (daily)	Potential Adjustment Factors				Illustrative Rate Range – For Discussion
				Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	
Seattle- Tacoma- Bellevue	King, Pierce, Snohomish	A (low)	\$115	1.05	1.90	0.60 to 1.80	1.05	\$135 to \$420
		B	\$130	1.05	1.80	0.60 to 1.80	1.05	\$145 to \$450
		C	\$155	1.05	1.65	0.60 to 1.80	1.05	\$160 to \$490
		D	\$165	1.05	1.60	0.60 to 1.80	1.05	\$165 to \$505
		E (high)	\$200	1.05	1.50	0.60 to 1.80	1.05	\$190 to \$575
Other	Other	A (low)	\$105	1.05	2.00	0.60 to 1.40	1.05	\$130 to \$315
		B	\$120	1.05	1.85	0.60 to 1.40	1.05	\$140 to \$330
		C	\$140	1.05	1.75	0.60 to 1.40	1.05	\$155 to \$365
		D	\$150	1.05	1.70	0.60 to 1.40	1.05	\$160 to \$380
		E (high)	\$185	1.05	1.55	0.60 to 1.40	1.05	\$180 to \$430
Overall Rate Range								\$130 to \$575

Opportunity for Feedback

- Is this rate methodology adequate?
- Is there anything you think wasn't considered?
- How would these rates impact the long-term care provider network?
- How would these rates impact beneficiaries transition to other pay sources (i.e., Medicaid, private pay)?

Nursing Home

Potential Adjustment Factors

Metro Area	Acuity	Average 2024 Medicaid Rate (daily)	Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers	Maximum Rate Adj.	Illustrative Rate Range – For Discussion
Seattle-Tacoma-Bellevue	Average	\$380	1.05	1.05	0.65 to 3.00	1.05	\$275 to \$580
Spokane-Spokane Valley	Average	\$340	1.05	1.05	0.80 to 1.15	1.05	\$300 to \$445
Vancouver	Average	\$365	1.05	1.05	0.95 to 1.05	1.05	\$380 to \$440
Kennewick-Richland	Average	\$320	1.05	1.05	0.95 to 1.20	1.05	\$335 to \$440
Olympia-Tumwater	Average	\$350	1.05	1.05	0.90 to 1.10	1.05	\$345 to \$440
Bremerton-Silverdale	Average	\$335	1.05	1.05	0.85 to 1.10	1.05	\$315 to \$420
Yakima	Average	\$335	1.05	1.05	0.95 to 1.10	1.05	\$350 to \$420
Bellingham	Average	\$340	1.05	1.05	0.90 to 1.15	1.05	\$335 to \$445
Mount Vernon-Anacortes	Average	\$340	1.05	1.05	0.90 to 1.05	1.05	\$335 to \$410
Wenatchee	Average	\$310	1.05	1.05	0.90 to 1.15	1.05	\$335 to \$445
Overall Rate Range							\$275 to \$580

Opportunity for Feedback

- Is this rate methodology adequate?
- Is there anything you think wasn't considered?
- How would these rates impact the long-term care provider network?
- How would these rates impact beneficiaries transition to other pay sources (i.e., Medicaid, private pay)?

In-Home Personal Care

Metro Area	Counties	Acuity	2024 Medicaid Rate (hourly) *	Potential Adjustment Factors			Maximum Rate Adj.	Illustrative Rate Range – For Discussion
				Non-Direct Care Service / Labor	Direct Care Service / Labor	Variability Among Providers		
Statewide	Statewide	Average	\$40	1.05	1.00	0.80 to 1.10	1.10	
Overall Rate Range								\$35 to \$50

* Reflects a Medicaid rate for Home Care Agency of \$39.88 per hour.

Opportunity for Feedback

- Is this rate methodology adequate?
- Is there anything you think wasn't considered?
- How would these rates impact the long-term care provider network?
- How would these rates impact beneficiaries transition to other pay sources (i.e., Medicaid, private pay)?

Next steps

Next steps

The research presented will inform maximum allowable rates

The framework presented does not consider outlier / ETR costs or minimum rate range bounds (informed by Medicaid rates)

We will consider feedback shared today by stakeholders and incorporate, if applicable





Thank you

Annie Gunnlaugsson

annie.gunnlaugsson@milliman.com

Evan Pollock

evan.pollock@milliman.com

Chris Giese

chris.giese@milliman.com



Wrap Up

- Action Item Review
- Next Steps:
 - Our next open forum will be held on May 16th from 1:00 pm – 2:30 pm
 - We will be discussing Group 2 services which include:
 - Adaptive Equipment
 - Assistive Technology
 - Vehicle Modifications
 - Environmental Modifications
 - Home Delivered Meals
 - Personal Emergency Response Systems (PERS)



Thank you!

Feedback about the Provider Payment Maximums Open Forums?
Contact Sarah Cleland at Sarah.Cleland@dshs.wa.gov

Questions about the WA Cares Fund program?
Contact the WA Cares Fund Customer Care Team at WACares@dshs.wa.gov