



# Provider Payment Maximums

## Group 3 Open Forum

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# Agenda

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10:30 – 10:35 25 minutes	Introductions & Purpose
10:55 – 11:55 60 minutes	Milliman Rate Study Analysis & Gather Feedback
11:55 – 12:00 5 minutes	Wrap Up: <ul style="list-style-type: none"><li>• Action Item Review</li><li>• Next Steps</li></ul>

# WA Cares Fund Program Refresh

## 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

**2024**

Legislature makes benefits portable

**2026**

**July 1**  
Benefits become available for qualified, eligible individuals



# WA Cares Fund can help

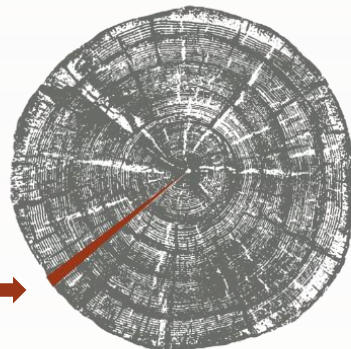
- Earned benefit
- Self-funded by worker contributions
- Works like an insurance program
- Only contribute while you're working
- Everyone covered at same rate regardless of pre-existing conditions
- No copays, no deductibles, and you never have to file a claim

## Typical Income:

\$50,091

## Typical Contribution:

\$291/year



0.58%

## Contributions

0.58%

Amount workers  
contribute from wages



Contributions began

## Benefits

\$36,500

Lifetime maximum benefit  
(adjusted annually up to  
inflation)

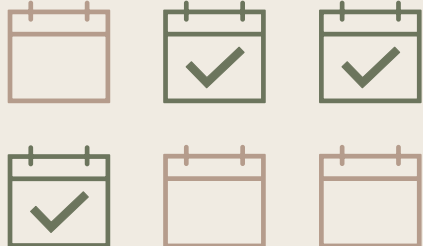


Benefits available

# Qualifying for benefits

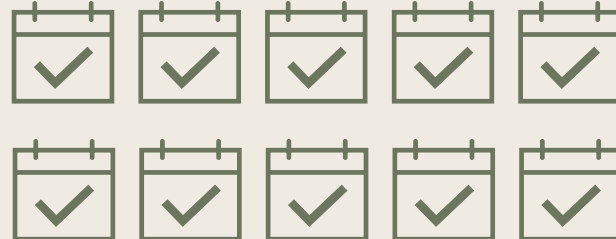
## Early access to full benefit

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



## Lifetime access to full benefit

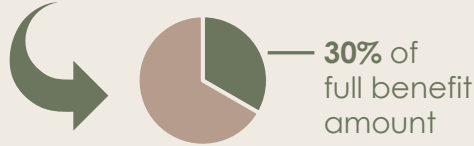
Contributed for a **total of 10 years** without a break of 5+ consecutive years



## 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



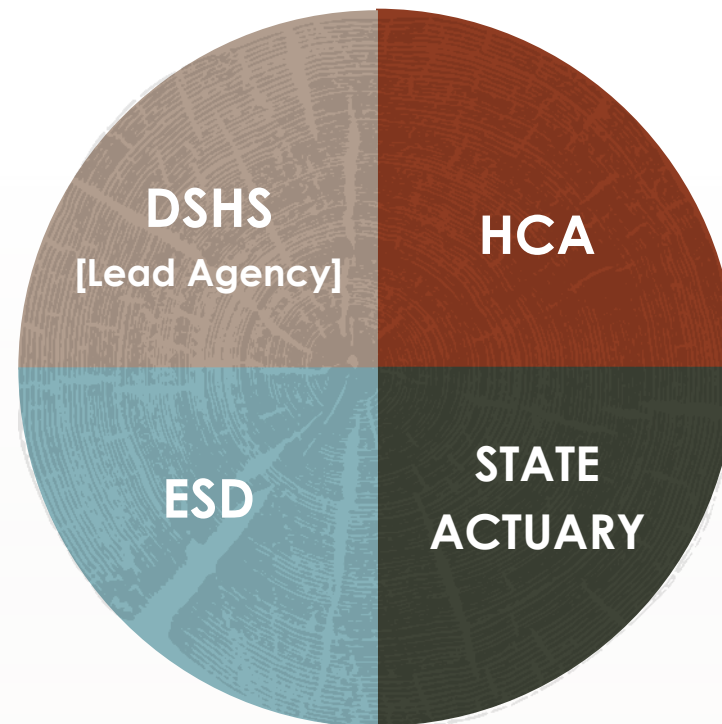
Transportation

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

# Cross agency responsibilities

- Process applications
- Perform care needs assessments & determine eligibility
- Manage providers

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- Collect premiums and wage reports
  - Determine vesting status
  - Process exemptions
  - Process requests from self-employed individuals opting in



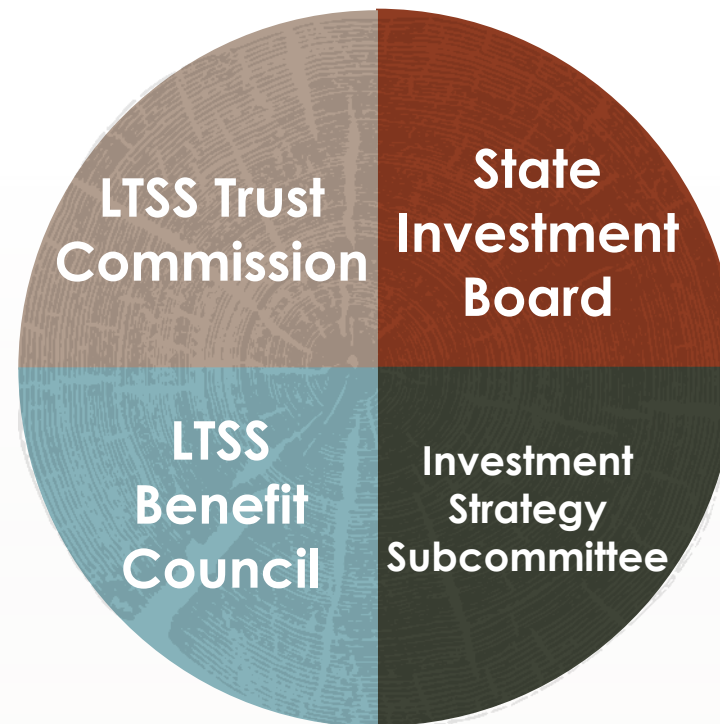
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- Pay providers
  - Track benefit usage

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- Provide actuarial analysis to assess ongoing Trust Fund solvency

# Program Oversight

- Make recommendations to the legislature and administering agencies
- Monitor expenses

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- Adjust benefits annually up to inflation



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- Invest Trust Fund reserves

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- Monitor investments
  - Provide guidance and advice to the State Investment Board



# LTSS Trust Commission Workgroup

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## 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:
  - Maximum rates as payment in full
  - 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 Engagement

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- There are two avenues DSHS staff will use to gather feedback for the Commission:
- **Briefings** are an opportunity for providers to have initial conversations with DSHS and Milliman on important factors that drive rates for services. *Briefings* are scheduled by service group and held with a small group of providers.
- **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.

# Minimum Provider Qualifications Workgroup

Group 1	Group 2	Group 3	Group 4
<ul style="list-style-type: none"><li>• Adult Family Home</li><li>• Assisted Living</li><li>• In-Home Personal Care</li><li>• Nursing Home</li></ul>	<ul style="list-style-type: none"><li>• Adaptive Equipment and Technology</li><li>• Environmental Modifications</li><li>• Home Delivered Meals</li><li>• Personal Emergency Response Systems</li></ul>	<ul style="list-style-type: none"><li>• Adult Day Services</li><li>• Eligible Relative Care</li><li>• Transportation</li><li>• Respite for Family Caregivers</li></ul>	<ul style="list-style-type: none"><li>• Care Transition Coordination</li><li>• Dementia Support/Memory Care</li><li>• Education and Consultation &amp; Services that Assist Paid and Unpaid Family Members</li><li>• Home Safety Evaluation</li><li>• Professional Services</li></ul>

# Stakeholder Briefing

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## **Adult Day Services**

- Adult Day Health: provide supervised daytime programs including skilled nursing and rehabilitative therapy services, which included PT/OT, to beneficiaries who need assistance throughout the day.
- Adult Day Care: provide supervised daytime programs to support families by providing care and meaningful activities to beneficiaries who need assistance or supervision throughout the day.

**Transportation**: Transportation services are to support beneficiaries transporting to and from the grocery store, medical appointments, social services, and recreational activities. Typical Transportation services include but not limited to trip or mileage reimbursement, bus passes, taxi scripts and ferry tickets.



# Stakeholder Briefing

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## **Respite for Family Caregivers:**

- Residential Facility: Respite Care is a short-term specialty service offered by residential and in-home care providers that allows family caregivers time for self-care. Respite Care may be provided by an Adult Family Home, Assisted Living Facility, Nursing Home, or Home Care Agency. Respite Care provided in a licensed residential care setting can only be provided to non-resident beneficiaries.
- Home Care Agency: Respite Care is a short-term specialty service offered by in-home care providers that allows family caregivers time for self-care. Respite Care may be provided in a beneficiary's home by a Home Care Agency.
- Individual Provider: Respite services will be used to relieve a paid or unpaid family caregiver who is caring for a beneficiary. Its purpose is to provide reprieve to the primary caregiver for a couple of hours up to a couple of weeks, if needed. A fully trained and credentialed Individual Provider (IP), employed with the Consumer Directed Employer, could be hired to provide this service. They would provide in-home personal care services, ADLs and IADLs, to the beneficiary, as directed by the beneficiary.

# Questions To Think About

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- Milliman will present their findings 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 beneficiary choice?
  - How would these rates impact the provider network?
  - How could these rates mitigate fraud or overcharging for services?

# Stakeholder Open Forum

## WA Cares Fund Provider Rate Study Provider Payment Maximums Group 3

Annie Gunnlaugsson, FSA, MAAA

Evan Pollock, FSA, MAAA

Chris Giese, FSA, MAAA

JULY 15, 2024



# Overview



# Phase 3 Services – Brief Description

## Adult Day Services

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Adult Day Health centers provide supervised daytime programs including skilled nursing and rehabilitative therapy services to beneficiaries who need assistance throughout the day.

Adult Day Care centers provide supervised daytime programs to support families by providing care and meaningful activities to beneficiaries who need assistance or supervision throughout the day.

## Respite for Family Caregivers

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Respite care gives the primary caregiver a break from the caregiving duties by paying another trained caregiver to provide short-term support ranging from a couple of hours to self-care to a couple of weeks to take a much-needed vacation.

## Eligible Relative Care

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A parent, adult child, or spouse of a beneficiary is an eligible relative who can be paid to provide in-home personal care without becoming a fully trained and certified home care aide. Eligible relatives still have some training requirements to support the health and safety of their family member.

## Transportation

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Transportation services are to support beneficiaries who have no other means of transferring to and from the grocery store, medical appointments, social services, and recreational activities.

# Rate Considerations

- Our research focused on gathering two sets of rates currently charged today:
  - Medicaid rates
  - Commercial rates charged privately – we focus on “average” range
- WA Cares may want to set rates differently than Medicaid or Commercial rates for several reasons, such as:
  - Administrative needs under WA Cares
  - Differences in covered services
  - “Cushion” to cover multi-year rates or outlier cases
    - For commercial rates, our research focuses on “average” range of rates, rather than outlier cases

# 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 summarize research on current rates and garner feedback from stakeholders. The content in this presentation should not be relied upon in any way.



# Adult Day Services

- Adult Day Care provides core services such as personal care, social services, routine health monitoring, general therapeutic activities, general health education, meals and snacks, etc.
- Adult Day Health provides skilled nursing and/or rehabilitative therapy services in addition to the core services of adult day care
- Commercial rate research includes both Adult Day Care and Adult Day Health costs

Medicaid Rates	
Description	Medicaid Rate
Adult Day Care	\$68 to \$79 per day
Adult Day Health	\$106 to \$125 per day
<b>Overall</b>	<b>\$68 to \$125 per day</b>

Commercial Rates	
Description	Commercial Rate
Adult Day Services	\$75 to \$325 per day

# Adult Day Services

- Do observed rates align with expectations and experience?
- What characteristics should WA Cares Fund maximum rate vary by? For example:
  - Geography
  - Adult Day Care vs. Adult Day Health
  - Specific services provided
- To what extent should maximum allowable rate range be set beyond observed maximum rate for Medicaid or Commercial?
- Is there anything else Milliman or the Workgroup should be considering related to rates for Adult Day Services?

# Respite for Family Caregivers

- Commercial respite rates were reviewed relative to rates from other relevant service categories (which are included in table below) and found to be similar.
- Certain facilities may charge extra for temporary assisted-living visits or offer discounts for a longer stay.

Medicaid Rates - Respite	
Description	Medicaid Rate
Respite Care – Adult Family Home	\$20 per hour, up to \$176 per day
Respite Care – Nursing Home	\$112 per hour
Respite Care – Consumer Directed Employer	\$36 per hour
Respite Care – Home Care Agency	\$39 per hour

Commercial Rates – Relevant Services	
Description	Commercial Rate
Adult Family Home	\$145 to \$465 per day
Assisted Living Facility	\$130 to \$550 per day
Nursing Home	\$275 to \$550 per day
In-Home Personal Care	\$35 to \$45 per hour
Adult Day Services	\$75 to \$325 per day

# Respite for Family Caregivers

- Do observed rates align with expectations and experience?
- To what extent should maximum allowable rate range be set beyond observed maximum rate for Medicaid or Commercial?
- Is there anything else Milliman or the Workgroup should be considering related to rates for Respite for Family Caregivers?



# Transportation

- Under Medicaid, transportation is reimbursed on a per-mile basis at the IRS standard mileage rate.
- Under Commercial, this may work similarly (i.e., for medical transportation vendors) or reimbursed on a per-trip basis (i.e., for rideshare vendors).

Medicaid Rates	
Description	Medicaid Rate
Transportation	\$0.67 per mile

Commercial Rates	
Description	Commercial Rate
Transportation (NEMT Vendor)	\$35-\$50 pickup and \$3-\$5 per mile, plus additional costs for wait time, hospital discharge, vehicle type, after hours)
Transportation (Rideshare)	<ul style="list-style-type: none"> <li>Average price of a 6 mile rideshare in WA: \$25-\$28</li> <li>Average price of a 6 mile rideshare in Seattle: \$35-\$38</li> <li>UberHealth: \$13-\$36, varies by geography</li> </ul>



# Transportation

- Do observed rates align with expectations and experience?
- How should rate structure be defined (e.g., per mile, per trip, per time increment)?
- What cost components or additional fees should be considered in the maximum rate (e.g., wait time, hospital discharge, vehicle upgrade, after hours, etc.)?
- How should rates vary (e.g., by geography)?
- Is there anything else Milliman or the Workgroup should be considering related to Transportation rates?



# Next steps

## Next steps

The research presented will inform maximum allowable rates

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

Research on Medicaid and Commercial rates will be used to develop Maximum Allowable Rates by service category for WA Cares Fund



# Caveats and limitations

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This information is intended for the internal use of the Washington State Department of Social and Health Services (DSHS) and it should not be distributed, in whole or in part, to any external party without the prior written permission of Milliman, subject to the following exception:

- This presentation shall be a public record that shall be subject to disclosure to the State Legislature and its committees, persons participating in legislative reviews and deliberations, and parties making a request pursuant to the Washington Public Records Act

We do not intend this information to benefit any third party even if we permit the distribution of our work product to such third party.

In preparing this information, we relied on information provided by DSHS and publicly available data, which we accepted without audit. However, we did review this information for general reasonableness. Our results and conclusions may not be appropriate if this information is not accurate.

Annie Gunnlaugsson, Chris Giese, and Evan Pollock are actuaries for Milliman. They are members of the American Academy of Actuaries, and they meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



# Thank you

**Annie Gunnlaugsson**

[annie.gunnlaugsson@milliman.com](mailto:annie.gunnlaugsson@milliman.com)

**Evan Pollock**

[evan.pollock@milliman.com](mailto:evan.pollock@milliman.com)

**Chris Giese**

[chris.giese@milliman.com](mailto:chris.giese@milliman.com)



# Opportunity for Feedback

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- Is this rate methodology adequate?
- Is there anything you think wasn't considered?
- How would these rates impact beneficiary choice?
- How would these rates impact the provider network?
- How would these rates mitigate fraud or overcharging?



# Wrap Up

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- Action Item Review
- Next Steps:
  - Our next open forum will be held on September 18<sup>th</sup> from 10:00 am – 11:30 am
  - We will be discussing Group 4 services which include:
    - Care Transition Coordination
    - Dementia Supports
    - Memory Care
    - Education and Consultation
    - Services that Assist Paid and Unpaid Family Members
    - Home Safety Evaluation
    - Professional Services



# Thank you!

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Feedback about the Provider Payment Maximums Open Forums?  
Contact Sarah Cleland at [Sarah.Cleland@dshs.wa.gov](mailto: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](mailto:WACares@dshs.wa.gov)