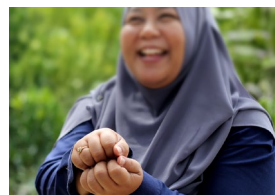


# RATE ADJUSTMENT IMPLEMENTATION: TRANSPORTATION PROVIDERS

February 4, 2022



## Housekeeping



Interpretación en español: haga clic en el globo blanco en la parte inferior de la pantalla con la etiqueta "Interpretation." Luego haga clic en "Spanish" y seleccione "Mute original audio."



ASL interpreters have been "Spotlighted" and live closed captioning is active

This meeting is being recorded



Materials are available at:

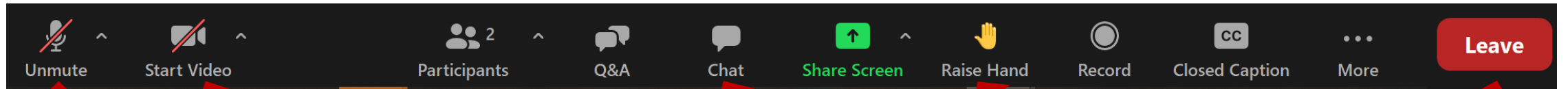
<https://www.dds.ca.gov/initiatives/stakeholder-events/>



Answers to frequently asked questions are available at:

<https://www.dds.ca.gov/rc/vendor-provider/rate-study-implementation/rate-model-implementation-frequently-asked-questions/>

# Zoom Tips



Unmute mic only when it's your turn to speak



- For attendees, your video and microphone will not be available
- You will only see/hear DDS staff and presenters on screen



- Features will vary based on the version of Zoom and device you are using
- Some Zoom features are not available for telephone-only participants

Turn your webcam on/off

All attendees can type questions/comments in the Q&A

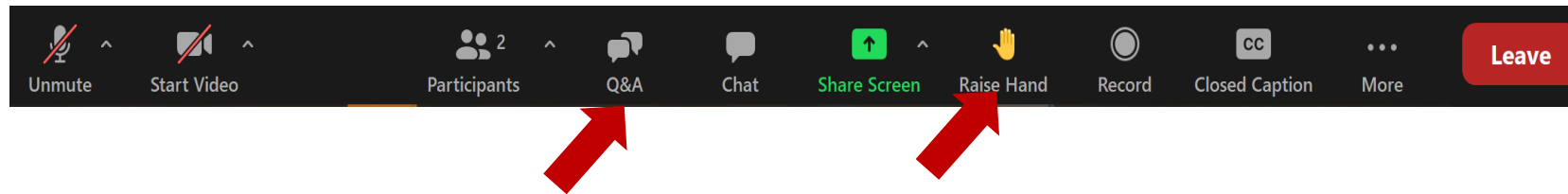
Chat is disabled for attendees

Attendees can raise their hand during the Q&A portion to ask a question live

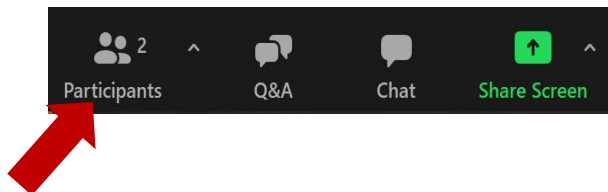
Leave the webinar at the end of the meeting

## Providing Comments

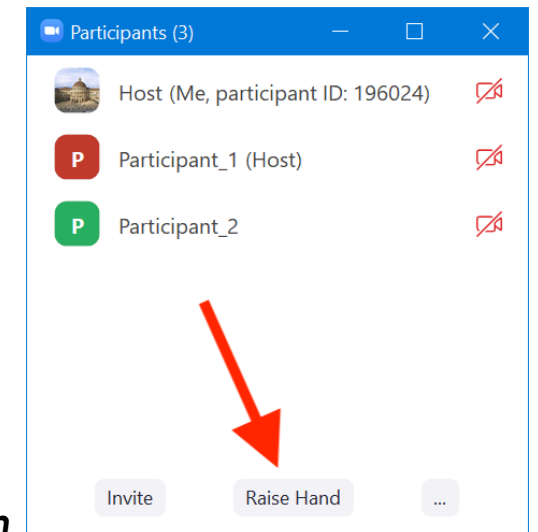
Please use “Q&A” for your questions and comments; if you prefer, you may send your questions/comments to [ratesquestions@dds.ca.gov](mailto:ratesquestions@dds.ca.gov)



During the Q&A portion of this meeting we will take live questions – please use “Raise Hand” to comment



You may need to click on “Participants” and a new window will open where you can “Raise Hand”



**\*Questions not answered live will be used for an FAQ document on rate adjustment implementation**

## BACKGROUND & TIMELINE

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## VENDOR RATE STUDY

- Comprehensive study of vendor payment rates (ABX 2-1)
- Proposed standardized rates (based on detailed rate models) within each Regional Center for most services
- Given the significant variability in existing negotiated rates, fiscal impact varies by vendor and some have rates that exceed the applicable proposed rate
- Rate study included recommendations to simplify and standardize services (including consolidation of service codes)
- Goal to make service codes more reflective of the level and types of services provided
- For services without regulations, the rate study included the expectations on which the rate models are based

## AB 136 RATE REFORM

- Enhanced person-centered, outcomes-based system
- Quality incentive program
- Phased implementation of rate models

## AB 136 RATE ADJUSTMENT TIMELINE

April 1, 2022

- 25 percent of difference between March 31, 2022 rate and applicable rate model

July 1, 2023

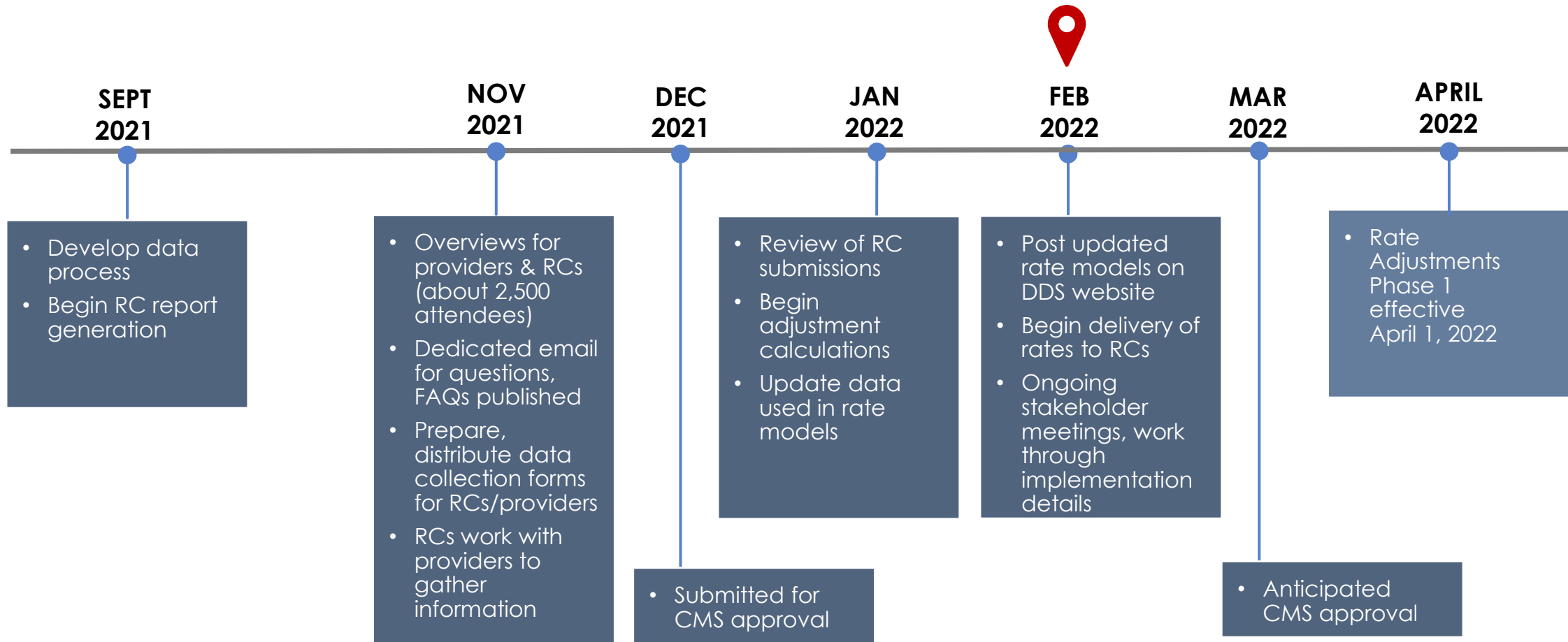
- 50 percent of difference between March 31, 2022 rate and applicable rate model

July 1, 2025

- Full implementation of rate models with two payment components
  - Base rate equaling 90 percent of the rate model
  - Quality incentive program component of up to 10 percent of the rate model



# APRIL 2022 RATE ADJUSTMENT



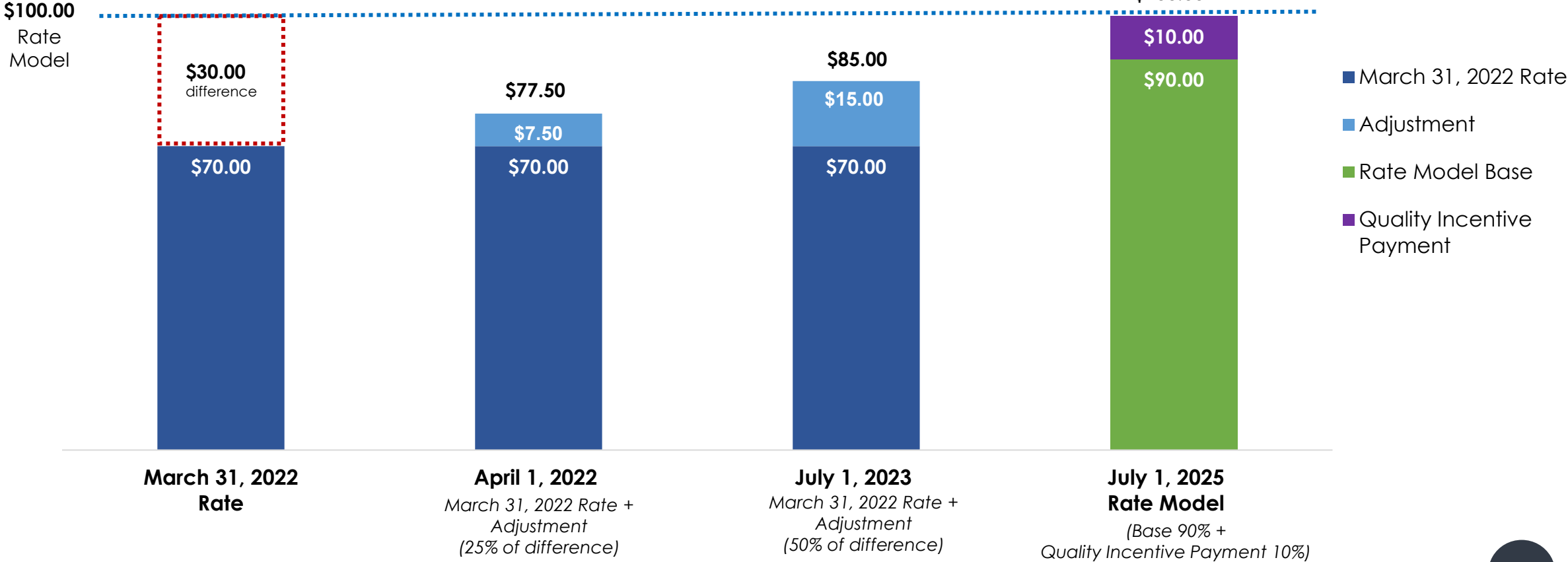
# RATE ADJUSTMENTS EXAMPLE



July 1, 2022

June 30, 2025

Quality Incentive Payments are additive to provider rates



## PROCESS FOR DETERMINING BENCHMARK RATES FOR TRANSPORTATION

- 
- Collect data to align with the rate models to establish a per trip rate

- 
- Regional centers received a service detail collection form for each provider; regional centers are working with their providers to complete the forms

- 
- Instructions for completion are located [here](#)

# APRIL 2022 RATE ADJUSTMENTS

## No changes to billing/authorizations required in April 2022

- If a provider has hourly, daily, monthly, route, trip, or mileage rates, regional centers can continue to use those units
- July 2025 goal to standardize through shared definitions of service & staffing qualifications

## Current rates will be compared to benchmark rate models to calculate rate adjustment

- Need information to determine the effective trip rate for reimbursements that are now hourly, daily, monthly, route-based, or and mileage rates, to determine the rate adjustment

## FOR THE APRIL 2022 RATE ADJUSTMENT



No changes in service code or program design



No changes to billing units (hours, days, etc.)



No rates will be reduced

## INTRODUCTIONS

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- Known as HMA-Burns
- Conducted the vendor rate study delivered in March 2019
- Performed detailed analysis of current rates and purchase of service data to develop Alternative Nonresidential Services rates
- Assisting DDS in rate model implementation authorized by AB 136

**BURNS & ASSOCIATES**  
A DIVISION OF  
**HEALTH MANAGEMENT ASSOCIATES**

## BACKGROUND SPECIFIC TO TRANSPORTATION SERVICES

- Significant variability in Transportation (875/880) reimbursement practices across regional centers and vendors – hourly, daily, monthly, route, trip, and mileage rates
- Rate study proposed per trip rates for Transportation services
  - For the purposes of the rate study, a trip is one-way transport of one individual
    - If four individuals are transported from their home to their day program and then back home at the end of the day, that would be eight trips
      - Four individuals each received two one-way trips
- Although current rates do not need to be converted to trip rates in April, a current effective per-trip rate is required to calculate the appropriate rate increase

## PROCESS

- Service detail collection form requests information to determine effective trip rate
  - For hourly and mileage rates, the form asks for the number of units (e.g., miles) per trip
  - For other unit types, the form asks for the number of trips per unit (e.g., trips per month)
- Forms were distributed to Regional Centers in December
  - Regional Centers are working with vendors to complete the forms
- Instructions to complete the forms can be found on the [DDS website](#)



## EXAMPLE – MILEAGE RATE OF \$2.44

- Determine the average length of a trip (in miles) & report in Column K: Average Units per Trip
  - If the rate is billed on a per-person basis (that is, a claim is submitted for each individual served at the full mileage rate), report the average number of miles billed for an individual for a one-way trip
  - That is, if an individual typically receives round trip transportation each day and the provider bills 16 miles for that individual, 8 miles per trip would be reported
- The effective per-trip rate is \$19.52 ( $\$2.44 \times 8$  miles per trip)
- HMA-Burns will compare to benchmark rate to determine April 2022 rate adjustment

## EXAMPLE – HOURLY RATE OF \$28.68

- Determine the average length of a trip (in hours) and report in Column K: Average Units per Trip
  - If the rate is billed on a per-person basis (that is, a claim is submitted for each individual served at the full hourly rate), report the average number of hours billed for an individual for a one-way trip
  - That is, if an individual typically receives round trip transportation each day and the provider bills 1.5 hours, 0.75 hours per trip would be reported
- The effective per-trip rate is \$21.51 ( $\$28.68 \times 0.75$  hours per trip)
- HMA-Burns will compare to benchmark rate to determine April 2022 rate adjustment

## EXAMPLE – MONTHLY INDIVIDUAL RATE OF \$526.32

- Determine the typical number of one-way trips provided per month per claim and report in Column L: Average Trips per Unit
  - If the rate is billed on a per-person basis, report the number of one-way trips per month, for example 34 one-way trips
- The effective per-trip rate is \$15.48 ( $\$526.32 / 34$  one-way trips)
- HMA-Burns will compare to benchmark rate to determine April 2022 rate adjustment

## EXAMPLE – MONTHLY CONTRACT RATE OF \$3,368.02

- Determine the typical number of one-way trips provided per month for all individuals served under the contract rate and report in Column L: Average Trips per Unit

Person	Round Trips	One-Way Trips
1	22	44
2	19.5 (e.g., one day the individual had alternative transportation home)	39
3	22.5 (e.g., one day the individual had alternative transportation home)	45
4	15	30
5	21	42
<b>Total</b>		<b>200</b>

- The effective per-trip rate is \$16.84 ( $\$3,368.02 / 200$  one-way trips)
- HMA-Burns will compare to benchmark rate to determine April 2022 rate adjustment

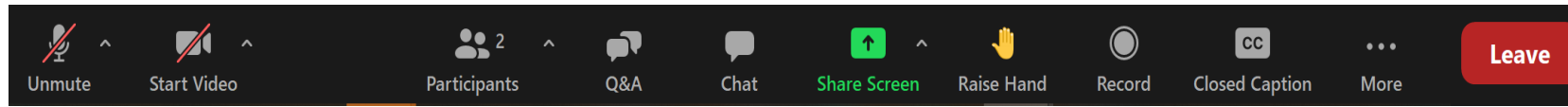
## EXAMPLE – DAILY INDIVIDUAL RATE OF \$30.98

- Determine the typical number of one-way trips provided per day per claim and report in Column L: Average Trips per Unit
  - If the rate is billed on a per-person basis, report the number of one-way trips per claim
  - That is, if an individual typically receives round trip transportation each day, 2 one-way trips would be reported
- The effective per-trip rate is \$15.49 ( $\$30.98 / 2$  one-way trips)
- HMA-Burns will compare to benchmark rate to determine April 2022 rate adjustment

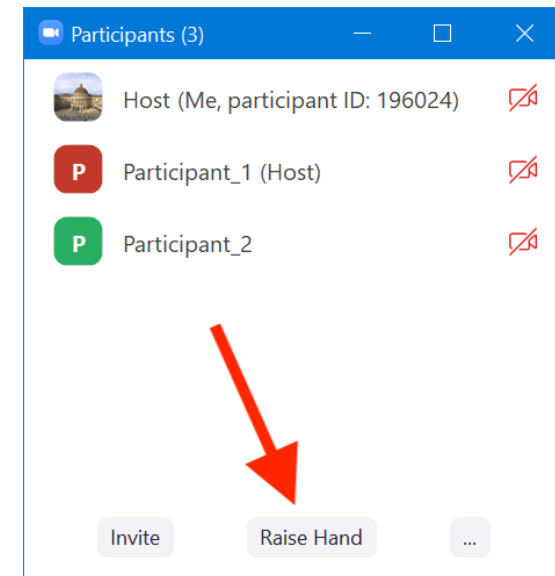
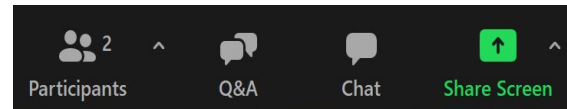
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## Q & A

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Dedicated email: [ratesquestions@dds.ca.gov](mailto:ratesquestions@dds.ca.gov)

Questions not answered live will be added to the [FAQs](#) on rate adjustment implementation

## NEXT STEPS

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