

NESCSO Technical Assistance Services Contract Update

Presentation to RI
Project Sustainability
Study Commission

July 30, 2019

Project Goal

Provide **technical assistance** to BHDDH in two areas:

Examination of the existing service delivery system for adults with intellectual/developmental disabilities

Development of options to modify:

- the system to deliver those services, and
- the associated reimbursement arrangements

in order to maximize opportunities for people to fully participate in their community

Project Schedule

Deliverables: July – September 2019

- Health Homes Rate Modeling
- Quantitative Analysis
- Analysis of the Fiscal Health of the Service Delivery System
- Provider Engagement (Approach)
- Individual/Family Perspective (Approach)
- Analysis of Impact of additional funding
- Near-Term Investment Options

Deliverables: October – December 2019

- Quantitative Analysis (cont.)
- Provider Engagement (Findings)
- Individual/Family Perspective (Findings)
- Environmental Scan of other States

Deliverables: January – June 2020

- Refine earlier analyses
- Rate Simulation
- Options for Alternative Payment Models

Approach to Understand Individual/Family and Provider Perspective

- Specific Questions Received and Responses
- Current and Future Efforts
- General Findings and Feedback

Review of Audited Financial Statements, Reported Results from Operations
16 agencies with 27 agency audit years (17 from 2017, 10 from 2018)

Profit/Loss

Number of Agency Audit Years (N= 27)	Surplus as Percent of Revenues >3%	Surplus as Percent of Revenues 0% to >2.9%	Deficit as Percent of Revenues 0% to -3%	Deficit as Percent of Revenues >-3%
		5	6	9

Liquidity-Months of Cash at End of Year

Number of Agency Audit Years (N= 24)	Less than 1 month	1 – 2 months	Two or more months
		12	8

Liquidity - Months of Working Capital at End of year

Number of Agency Audit Years (N= 24)	0 to (-2) months	0 – 1 month	1 – 2 months	> 2months
		7	4	9

Existing Service Delivery System: Quantitative Analysis

Analysis of the population of adults with intellectual/developmental disabilities

Size, characteristics, trends

Analysis of the existing service delivery system

Overview of the provider system, characteristics such as provider volume, size, relative share of market, mix of services provided, populations served and fiscal health

Analysis of Current Patterns of Utilization and Expenditures

Distribution of activity and payment within the current system; patterns of utilization; volume and cost; service mix

Evaluation of Current Reimbursement Rates for Care Management, Day Services, Employment Support services

Review of assumptions of rate methodology

Environmental Scan

Other states and programs

Initial Findings

Total DD Services
Claims paid SFY
2018
\$ 216,184,074

Non-Residential
\$ 105,128,619
48.6%

Res
Habilitation/
Res hab Indep
Lvng
\$ 111,055,455
51.4%

Case
Management
\$ 6,917,250
6.580%

Independent
Living/Family
Supports
\$ 25,585,559
24.3%

Employment
Based + Pre-Voc
Training
\$ 4,463,340
4.2%

Transportation
\$ 8,246,162
7.8%

PERS/Assistive
Technology
\$ 7,903
0.0075%

Day Program
\$ 55,388,673
52.7%

Self-Directed
Services
\$ 1,709,795
1.6%

Respite
\$ 2,809,938

Pre-Voc training
T2015
\$ 692,426
15.5%

Job Coaching
T2019
\$ 1,982,370
44.4%

Job Retention
T2023
\$ 656,544
14.7%

Job
Development/
Assessment
T2025
\$ 1,132,000
25.4%

Day Program-
Home Based
T2020
\$ 3,153,349
5.7%

Day Program
Center Based
T2021
\$ 17,671,961
31.9%

Day Program
Community Based
T2021
\$ 32,121,394
58.0%

Day Program
Professional
Supports
T2021
\$ 2,441,969
4.4%

Age Cohort	Average Eligibles						% of SFY19	5-Yr CAGR
	SFY14	SFY15	SFY16	SFY17	SFY18	SFY19		
<21	20	19	18	33	43	51	1%	21%
21-30	1,178	1,238	1,273	1,301	1,362	1,376	32%	3%
31-40	679	727	752	799	851	894	21%	6%
41-50	687	693	666	638	649	633	15%	-2%
51-60	644	665	662	677	673	684	16%	1%
61-70	362	384	394	409	429	440	10%	4%
71-80	131	134	125	143	148	159	4%	4%
81-90	38	42	40	42	51	51	1%	6%
91+	4	4	6	8	8	9	0%	17%
Total	3,744	3,906	3,936	4,052	4,214	4,297	100%	3%

Population Size by Age and by Year

	Average Eligibles						% of	5-Yr
	SFY14	SFY15	SFY16	SFY17	SFY18	SFY19	SFY19	CAGR
PART A/B	2,183	2,272	2,275	2,326	2,398	2,457	57%	2.4%
PART C	249	250	244	242	249	255	6%	0.5%
Full Duals	2,431	2,522	2,519	2,569	2,647	2,712	63%	2.2%
PART A ONLY	59	58	58	61	62	53	1%	-2.1%
PART B ONLY	29	28	26	25	27	28	1%	-0.8%
Partial Duals	88	86	84	86	90	81	2%	-1.6%
Sub Medicare	2,519	2,608	2,604	2,655	2,737	2,793	65%	2.1%
NonDual	1,224	1,298	1,333	1,397	1,478	1,504	35%	4.2%
Total	3,744	3,906	3,936	4,052	4,214	4,297	100%	2.8%

"Active" BHDDH P550 03-I/DD Average Eligible Individuals...by Setting

	Average Eligibles				
	SFY15	SFY16	SFY17	SFY18	SFY19
F - Family Support	1,416	1,466	1,510	1,558	1,642
L - Lic Grp Home	1,045	1,048	1,039	1,020	1,003
I – Independent	443	472	484	495	504
S - Shared Living	253	286	330	359	369
R - RICLAS	183	166	146	137	125
U - Unlic Grp Home	156	102	90	86	76
Other	2	3	3	3	3
Total	3,499	3,543	3,602	3,659	3,721
L, R, U Residential	1,384	1,316	1,275	1,243	1,204
	39.6%	37.1%	35.4%	34.0%	32.4%

O88-BHDDH DD AGENCIES	Incurred SFY					
	2015	2016	2017	2018	3-Yr Trend	% of Total
T2015 - Prevocational Training	\$607,622	\$565,635	\$582,370	\$692,426	4.5%	1.2%
T2019 - Job Coaching	\$1,926,771	\$2,034,254	\$1,840,690	\$1,982,370	1.0%	3.3%
T2020 – Day Program (Home-based)	\$2,671,316	\$2,657,256	\$2,746,949	\$3,153,349	5.7%	5.3%
T2021 – Day Program	\$42,388,225	\$45,404,175	\$48,333,357	\$52,235,324	7.2%	87.3%
Center	\$17,677,698	\$18,608,783	\$19,125,027	\$17,671,961	0.0%	29.5%
Community	\$22,757,237	\$24,654,186	\$27,097,956	\$32,121,394	12.2%	53.7%
Prof Supports	\$1,953,289	\$2,141,206	\$2,110,374	\$2,441,969	7.7%	4.1%
T2023 – Job Retention	\$227,864	\$267,315	\$418,123	\$656,544	42.3%	1.1%
T2025 - Job Devel/Assess	\$240,315	\$340,022	\$525,646	\$1,132,000	67.6%	1.9%
Total	\$48,062,112	\$51,268,659	\$54,447,135	\$59,852,013	7.6%	100.0%
		6.7%	6.2%	9.9%		

Example of information to BHDDH as a result of the rate review, with reference to Proposed Category II Change to Rhode Island's Global Consumer Choice Section 1115 Demonstration Waiver Effective July 1, 2011 Appendix B

Will your assessment address the costs associated with provider services?

Approach to Disseminating and Sharing Information

Questions and Comments from Commission Members