



Pennsylvania

Department of Human Services

Office of Long-Term Living

CY 2025 Home- and Community Based Services Rate and Wage Study

Commonwealth of Pennsylvania

February 14, 2025

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Section 1

Introduction

The Commonwealth of Pennsylvania (Commonwealth) Office of Long-Term Living (OLTL) performed a rate and wage study for the OLTL fee schedule rates associated with the following home- and community-based service (HCBS) categories: Adult Day, Residential Habilitation, Structured Day Habilitation, Employment and Training Services (Employment), Personal Assistance Services (PAS) - Agency, and PAS - Participant Directed Services (PDS).

These services are delivered through the 1915(c) OBRA Waiver and the Community HealthChoices (CHC) program, which is authorized by concurrent 1915(b) and 1915(c) waivers. The study includes a review of both Fee-For-Service (FFS) and Managed Care (MC) impacts related to these fee schedule rates. While CHC managed care organizations (MCOs) negotiate payment rates with providers separate from the fee schedule, unit costs in the most recent CHC encounter data suggest a close relationship between MCO payment rates and the FFS fee schedule.

To complete the rate and wage study, the following steps were performed:

1. Engaged key stakeholders in the process to gather data and insights as well as ensure that results and assumptions are reasonable.
2. Determined if existing fee schedule rates are adequate by comparing existing rates to rates paid for similar services in other programs in the Commonwealth, rates paid for similar services in other State Medicaid programs, and independently developed market-based provider rate ranges.
3. Estimated fiscal impact of associated rate range recommendations in cases where there are gaps compared to existing rates.

This document is the final summary for review and outlines each step of the study. The following sections provide the details of each step along with key observations resulting from the analysis.

Section 2

Stakeholder Outreach

As a part of the rate and wage study, outreach was conducted with key stakeholders by attending existing meeting series sessions and conducted a survey for providers and common law employers (CLEs), which are the participants that direct their own care under the PDS model. Stakeholder outreach was a primary focus to ensure that those most closely impacted by the fee schedule had an opportunity to have their voices heard and their thoughts considered. Each of the activities performed are described in further detail below.

Stakeholder Meetings

There were several stakeholder meetings including occurrences of the Long-Term Services and Supports (LTSS) Subcommittee meeting and the HCBS provider meeting. The meetings were well attended and included members from OLTL, MCOs, providers, provider advocacy organizations, participants, and participant advocacy groups. Stakeholder meetings were utilized to update attendees on the status of the project and to gather feedback on key topics and concerns of attendees. Stakeholders shared their thoughts regarding existing fee schedule levels, concerns they had about the program, and feedback for OLTL on what they would like to see in the rate and wage study.

While there were many points raised during these discussions, and in written feedback after the meetings, a few themes were consistently raised. We have listed an overview of those topics below.

1. Rate Adequacy

- A. Stakeholders overwhelmingly shared concerns regarding the current fee schedule rates and how long it had been since the fee schedule was rebased. It was frequently raised that inadequate rates lead to inadequate wages for the HCBS workforce in the Commonwealth and an inability to attract and retain qualified staff to deliver high-quality care. Additionally, there were questions around what components were included in existing fee schedule rates, if the rates adequately address the demand for HCBS services, and if the rates are sufficiently structured to reimburse providers for the costs incurred to deliver these services. The results from the rate adequacy analyses are discussed in-depth in Section 3 of this report.

2. Wage Adequacy

- A. Similar to rate adequacy, stakeholders shared a common concern regarding inadequate wages for the HCBS workforce. Particularly, there was interest in ensuring that HCBS wages were competitive with other states' HCBS wages, were competitive with other industries that share the same job candidate pool, reasonably covered the cost of living in the Commonwealth, and supported a well-trained workforce that was able to deliver high-quality services to participants. Section 3 delves further into the findings on rate and wage adequacy.

3. Other Medicaid State Program Comparisons

- A. A comparison to other state Medicaid programs was requested on multiple occasions by stakeholders to ensure that Pennsylvania was competitive, both in rates and wages, compared to neighboring states. The analysis included a comparison to other state Medicaid programs and the details of that analysis, along with its results, can be found in Section 3.

4. Inclusion of Benefit Costs in PAS PDS

- A. A point of clarification that was brought up during stakeholder meetings was the lack of inclusion for the cost of employee benefits in the PAS PDS fee schedule rates. It was confirmed that CLEs do not have the ability to directly provide benefits through PDS Financial Management Service (FMS) vendors, but the previous fee schedule development did include consideration for providing purchasing power to cover benefit costs. Detailed assumption summaries are included in Appendix B of this report that outline the benefit costs that were included in the market-based rate ranges developed for this report.

5. Provider Survey

- A. Stakeholders appreciated the opportunity to share feedback in the survey. However, they did share a range of concerns around the length of time the survey was open, initial response rates, provider training, technical assistance, confidentiality, and ensuring all their relevant questions and concerns were addressed in the survey. In addition, there was a shared interest from stakeholders to ensure that CLEs were included in the survey and that their voices were heard. OLTL was able to leverage multiple meetings across the stakeholder groups to hold training sessions and solicit feedback on the survey as it was being developed. OLTL ensured that all responses were kept confidential and that providers and CLEs had enough time to respond to the survey by increasing the time the survey was open. The survey window and final response rates are discussed below in the Provider and CLE Surveys subsection of Section 2.

6. Regulatory Compliance

- A. Stakeholders voiced concerns regarding compliance with the 2024 CMS final rules and 21st Century Cures Act.^{1 2} These items were considered throughout the rate and wage study and more details on the final outcomes of analyses relating to these two items can be found in Section 5 of this report.

Provider and CLE Surveys

A survey was developed and released for providers and CLEs who deliver the HCBS service categories studied for this project. As mentioned above, feedback was gathered from stakeholders in the development of the survey content.

¹ <https://www.federalregister.gov/documents/2024/05/10/2024-08363/medicaid-program-ensuring-access-to-medicaid-services>

² <https://www.congress.gov/114/plaws/publ255/PLAW-114publ255.pdf>

There were three primary goals of the survey process:

1. Allow an opportunity for providers and CLEs to share their experiences
 - A. Providers and CLEs have a valuable point of view and the survey is an efficient tool to be able to gather feedback from these stakeholders when evaluating rate and wage adequacy.
2. Gather critical data to benchmark against public data for a market-based rate range development
 - A. In addition to gathering critical feedback from providers and CLEs, the survey was also used to gather data to benchmark against the assumptions used for the market-based rate range development. Answers were summarized by service category and descriptive statistics (e.g., mean, range, minimum, maximum) were calculated for each of the numerical questions. These figures were used alongside public data, experience developing HCBS fee schedule rates in other Commonwealth of Pennsylvania programs, experience developing HCBS fee schedule rates in other states, and historical OLTL fee schedule development assumptions to establish the building blocks for the market-based rate ranges described in Section 3.
3. Acquire data related to starting and average wages needed for House Bill (HB) 1300
 - A. Lastly, the survey was utilized to gather the data necessary to support OLTL in responding to HB 1300. HB 1300 requires DHS to provide a report on the average starting wages paid to direct care workers, including the percentage change from January 1, 2019, to January 1, 2023. The results from the HB 1300 analysis, along with the methodology, can be found under the HB 1300 sub-section of Section 5.
4. The first of the two surveys was sent to all HCBS providers of the services covered in this rate and wage study. OLTL developed an online QuestionPro survey tool covering topics including:

Provider Contact Information

Services Delivered

Staff Wages and Benefits Including HB 1300 Reporting

Staffing Levels

Service Delivery Details

Additional Costs and Additional Open-Ended Questions Based on Feedback Provided by Stakeholders.

The second survey, which was targeted to CLEs, was also shared via QuestionPro. This survey was much shorter than the provider survey and primarily contained the provider contact information, additional questions, and HB 1300 wage reporting sections. OLTL was intentional with developing a shorter CLE survey as a majority of the PAS PDS financial data was provided through the FMS vendors. Additionally, insights were leveraged from the 2024 “Recommendations for Improving Self-Direction in Community HealthChoices” report from the Participant-Direction Workgroup which includes the current challenges facing CLEs.³

In efforts to increase participation, OLTL shared the surveys via a press release and their distribution lists as well as requested the FMS vendors send out the CLE survey through their separate communication channels. The survey was originally shared on July 26, 2024 and responses were due by August 23, 2024. After intaking the first round of responses, OLTL received requests from providers and CLEs to re-open the survey. In order to ensure all the voices that wanted to submit were able to, OLTL re-opened the survey from September 30, 2024 to November 15, 2024.

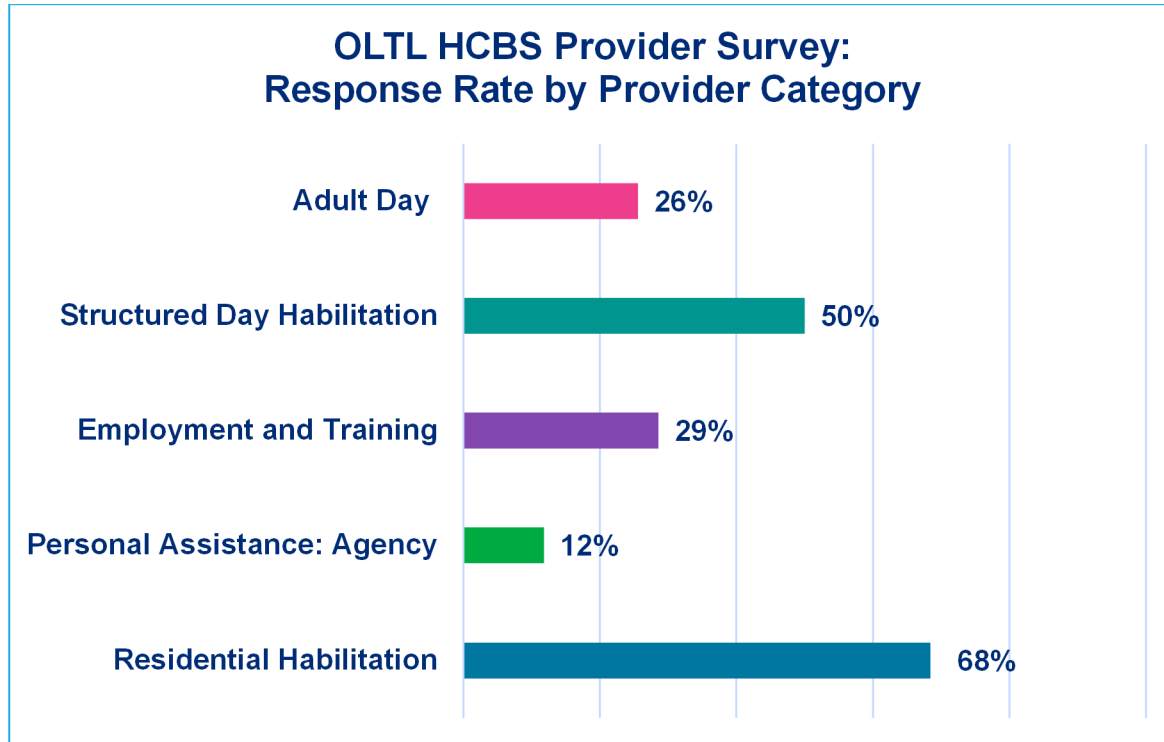
After the second round of responses, there were 1,510 unique provider and CLE survey submissions. While most submissions were CLE submissions, there was significant participation from providers of the non-PDS services. The exhibit below illustrates the increase in responses between the original survey window and the second survey window.

Exhibit 1. HCBS Survey Response Totals

Provider Category	Original Survey Responses (as of August 23, 2024)	Final Survey Responses (as of November 15, 2024)
Adult Day	19	22
Structured Day Habilitation	8	9
Employment and Training	6	6
Personal Assistance: Agency	111	190
Personal Assistance: Participant Directed	237	1,270
Residential Habilitation	12	13
Total	393	1,510

The response rate was calculated by provider category by utilizing unique survey responses and total provider counts from claims data associated with these services. The total unique provider identification numbers (IDs) in survey responses was divided by the total unique provider IDs attached to claims, with the associated procedure code from the fee schedule, in the OLTL State Fiscal Year (SFY) 2022–2023 MC and FFS claims data to determine the response rate for each service category. Since providers were able to submit one survey covering multiple service locations, this is a percentage of unique providers not service locations.

³ https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/healthchoices/hc-services/documents/PDP-FINAL-Report_03152024.pdf

Figure 1. HCBS Provider Survey Response Rates

Section 3

Rate and Wage Study

Comparison to Other Commonwealth Programs

One of the comparisons performed to assess the adequacy of the OLTL HCBS fee schedule rates was comparing the fee schedule to similar services on Pennsylvania's Office of Developmental Programs (ODP) waiver fee schedules. While the populations served in the two programs are different, this comparison can provide helpful insights into reimbursement differences for comparable services.

Each of the ODP waiver fee schedules was reviewed to crosswalk the OLTL services to the best match, or matches, across each of the waivers. Once the services were matched, any services with different unit definitions, staffing levels, or other factors, such as overtime, were adjusted to ensure a reasonable comparison.

ODP was consulted to ensure the analysis used the best comparisons and to understand if there were any differences in the services definitions or regulatory requirements that should be considered when comparing between the two programs.

ODP shared several resources that they used in their review:

1. The most recent OLTL OBRA Waiver (effective April 2023)⁴
2. The most recent ODP Consolidated Waiver (effective May 2024)⁵
3. The most recent ODP Adult Autism Waiver (effective November 2023)⁶
4. 55 Pa. Code §6100 (2024), Services for Individuals with an Intellectual Disability⁷
5. 55 Pa. Code §6400 (2024), Community Homes for Individuals with an Intellectual Disability or Autism⁸
6. 55 Pa. Code §52 (2024), Long-term Living Home and Community-based Services⁹
7. ODP Bulletin 00-21-02, Incident Management¹⁰
8. OLTL Bulletin 5-23-02, 51-23-01, 54-23-02, 55-23-02, 59-23-02, Critical Incident Management¹¹

⁴ <https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/healthchoices/documents/2025-obra-amendment.pdf>

⁵ <https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/services/disabilities-aging/documents/developmental-programs/Consolidated-Waiver-Effective-5-1-24.pdf>

⁶ <https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/services/disabilities-aging/documents/proposed-waiver-amendments/adult-autism-waiver-effective-1-1-2025.pdf>

⁷ <https://www.pacodeandbulletin.gov/Display/pacode?file=%2Fsecure%2Fpacode%2Fdata%2F055%2Fchapter6100%2Fchap6100toc.html>

⁸ <https://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/chapter6400/chap6400toc.html>

⁹ <https://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/chapter52/chap52toc.html>

¹⁰ <https://www.paproviders.org/wp-content/uploads/2021/03/Bulletin-00-21-02-Incident-Management.pdf>

¹¹ <https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/docs/publications/documents/forms-and-pubs-oltl/Critical-Incident-Management-Bulletin.pdf>

9. OLTL Home and Community Based Provider Handbook (2014)¹²
10. ODP Individual Support Plan (ISP) Manual for Individuals Receiving Targeted Support Management, Base-Funded Services, Consolidated, Community Living or P/FDS Waiver Services or Who Reside in an ICF/ID (2023)¹³

ODP confirmed that the review did display the closest matches between the two programs. However, ODP did note the following discrepancies between the ODP and OLTL services:

1. ODP highlighted their robust and comprehensive regulations, policies, and procedures as well as the responsibility that those requirements place on enrolled providers. ODP also shared that the selected ODP services have more comprehensive service definitions, additional training and certification requirements for direct support professionals, other staff providing ODP services that are not found in the selected OLTL services, and differences in service limits.
2. Residential Habilitation service requirements are more robust in ODP compared to OLTL. For example, OLTL has a capacity limit of eight individuals where ODP has a limit of four with limited exceptions. ODP residential habilitation also includes integrated services beyond OLTL's service definition requirements such as behavioral support, nutritional consultation, nursing, and transportation. Additionally, ODP requires more extensive provider qualifications including supportive technology professionals, program specialists, and behavioral specialists. Finally, ODP's waivers also exceed the requirements for residential habilitation in OLTL waivers and regulations for multiple items including assessment, health risk screening, documentation, and program staffing.
3. ODP's Older Adult Day Living Center services require that at least one staff person must have specific certifications or degrees to provide enhanced levels of service for participants. The requirements could include the following areas of study or certifications: psychology, education, special education, counseling, social work, gerontology, therapeutic recreation, National Association for the Dually Diagnosed certifications, certified nursing assistant, registered behavior technician, or board-certified assistant behavior analyst. Transportation is also offered during service provision and participants are offered opportunities to receive services in the community, which requires additional program staff time and support.
4. Similar to the requirements for ODP's Older Adult Day Living Centers, ODP requires individuals receiving day habilitation services be offered opportunities to receive services in the community, which requires additional program staff time and support.
5. ODP has more reportable incident categories by regulation and places greater administrative responsibility on providers for incident management.
6. There are known differences between the billing practices of OLTL and ODP waiver services. For example, ODP requires a full 15 minutes of services to be rendered when determining a billable claim whereas OLTL allows providers to round when calculating a billable claim.

¹² <https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/providers/providers/documents/ltc-providers/Provider%20Handbook.pdf>

¹³ <https://palms-awss3-repository.s3.us-west-2.amazonaws.com/Communications/ODP/2024/Attachment+1+-+Individual+Support+Plan+Manual-November+2023+-+5-30-24.pdf>

After comparing the fee schedule rates from the OLTL and ODP waivers, it was found that ODP rates are generally higher than OLTL rates. The magnitude of the difference varies by service category with OLTL rates being 8% lower, on a SFY 2021–2022 weighted average basis. While the differences shared by ODP do indicate that ODP rates should be higher to account for additional requirements placed on ODP’s enrolled providers, the results of the comparison do generally support the benefit to further evaluate the current OLTL fee schedule rates and potentially rebase the studied rates.

For the tables below, OLTL rates represent average home and community-based waiver services fee schedule rates across rating regions, effective January 1, 2022. ODP rate comparisons represent rates for similar services effective in 2022 on the Adult Autism and Intellectual Disability/Autism waiver fee schedules. Any mismatched unit definitions have been adjusted to estimate equivalent rate comparisons. This analysis does not account for billing differences between the OLTL and ODP programs, including the known difference of rounding allowances, as the impact of billing differences is unknown at this time. Additionally, this analysis does not account for any operational differences between the OLTL and ODP programs including the known difference of uncapped facility capacity for OLTL adult daily living providers as compared to ODP’s requirement that newly funded, licensed facilities serve no more than 25 individuals at any one time.

Exhibit 2. ODP Service Comparison Results

OLTL Services				ODP Services		
Service	Procedure Code	Unit	Average OLTL Rate	Service	Program Capacity or Staffing Level	ODP Match Rate
Adult Daily Living	S5102	1 Day	\$ 59.49	Older Adult Day Living Centers	1:1	\$ 89.28
Adult Daily Living- Half Day	S5102 U5	1/2 Day	\$ 29.75	Older Adult Day Living Centers	1:1	\$ 44.64
Adult Daily Living Enhanced	S5102 U4	1 Day	\$ 72.56	Older Adult Day Living Centers	1:1	\$ 89.28
Adult Daily Living Enhanced Half Day	S5102 U3	1/2 Day	\$ 36.28	Older Adult Day Living Centers	1:1	\$ 44.64
Structured Day Habilitation Group	W0104	1 Hour	\$ 34.56	Day Habilitation	<1:3.5 – > 1:1	\$ 25.20
Structured Day Habilitation 1:1	W0105 U4	1 Hour	\$ 19.62	Supplemental Habilitation	1:1	\$ 23.08
Structured Day Habilitation 2:1	W0105 U5	1 Hour	\$ 39.23	Supplemental Habilitation	2:1	\$ 46.16
Employment Benefits Counseling	W1740	15 Minutes	\$ 10.35	Benefits Counseling	1:1	\$ 13.36
Employment- Career Assessment	W1732	15 Minutes	\$ 12.08	Supported Employment-Career Assessment	1:1	\$ 17.91
Employment- Employment Skills Development (1:1)	W1728	15 Minutes	\$ 10.21	Supported Employment-Job Coaching & Support	1:1	\$ 17.91
Employment- Employment Skills Development (1:2 to 1:3)	W1729	15 Minutes	\$ 4.09	Supported Employment-Job Coaching & Support	1:2 to 1:4	\$ 10.72
Employment- Employment Skills Development (1:15)	W1741	15 Minutes	\$ 6.57	Supported Employment-Job Coaching & Support	1:15 (Adj. 1:1)	\$ 11.53
Employment- Job Coaching 1:1 (Follow Along)	W1733 U5	15 Minutes	\$ 10.35	Supported Employment-Job Coaching & Support	1:1	\$ 17.91
Employment- Job Coaching 1:2 to 1:4 (Follow Along)	W1734 U5	15 Minutes	\$ 3.45	Supported Employment-Job Coaching & Support	1:2 to 1:4	\$ 10.72
Employment- Job Coaching 1:1 (Intensive)	W1733 U4	15 Minutes	\$ 10.35	Supported Employment-Intensive Job Coaching	1:1	\$ 18.64
Employment- Job Coaching 1:2 to 1:4 (Intensive)	W1734 U4	15 Minutes	\$ 3.45	Supported Employment-Intensive Job Coaching (Adj.)	1:2-1:4 (Adj. 1:1)	\$ 6.21
Employment- Job Finding	W1735	15 Minutes	\$ 11.90	Supported Employment-Job Finding & Development	1:1	\$ 17.91
PAS (Agency)	W1793	15 Minutes	\$ 5.16	Homemaker/Chore	1:1	\$ 5.68
				Option 2: Companion	1:1	\$ 7.71

OLTL Services				ODP Services		
Service	Procedure Code	Unit	Average OLTL Rate	Service	Program Capacity or Staffing Level	ODP Match Rate
PAS (Consumer)	W1792	15 Minutes	\$ 3.93	Homemaker/Chore (PDS, Avg of w/ and w/o Benefits)	1:1	\$ 3.80
				<i>Option 2: Companion (PDS, Avg of w/ and w/o Benefits)</i>	<i>1:1</i>	<i>\$ 5.69</i>
PAS (Consumer Overtime)	W1792 TU	15 Minutes	\$ 5.89	Homemaker/Chore (Overtime Adj)	1:1	\$ 5.70
PAS (CSLA)	W1793 TT	15 Minutes	\$ 5.25	Homemaker/Chore (CSLA Adj)	1:1	\$ 5.78
Residential Habilitation 1-3	W0100	1 Day	\$ 272.32	Licensed Residential Habilitation with Day (NG 2-3)	3 people	\$ 391.06
Residential Habilitation 1-3 Support 1:1	W0101 U4	1 Hour	\$ 19.79	Supplemental Habilitation	1:1	\$ 23.08
Residential Habilitation 1-3 Support 2:1	W0101 U5	1 Hour	\$ 39.58	Supplemental Habilitation	2:1	\$ 46.12
Residential Habilitation 4-8	W0102	1 Day	\$ 255.33	Licensed Residential Habilitation with Day (NG 2-3)	5-8 people	\$ 282.57
Residential Habilitation 4-8 Support 1:1	W0103 U4	1 Hour	\$ 19.62	Supplemental Habilitation	1:1	\$ 23.08
Residential Habilitation 4-8 Support 2:1	W0103 U5	1 Hour	\$ 39.23	Supplemental Habilitation	2:1	\$ 46.12

Exhibit 3. ODP Rate Comparison Results

OLTL Services				ODP Comparison		
Service	Procedure Code	Unit	OLTL Rate	ODP Rate	OLTL versus ODP	OLTL versus ODP %
Adult Daily Living	S5102	1 Day	\$ 59.49	\$ 89.28	\$ (29.79)	-33.4%
Adult Daily Living- Half Day	S5102 U5	1/2 Day	\$ 29.75	\$ 44.64	\$ (14.90)	-33.4%
Adult Daily Living Enhanced	S5102 U4	1 Day	\$ 72.56	\$ 89.28	\$ (16.72)	-18.7%
Adult Daily Living Enhanced Half Day	S5102 U3	1/2 Day	\$ 36.28	\$ 44.64	\$ (8.36)	-18.7%
Structured Day Habilitation Group	W0104	1 Hour	\$ 34.56	\$ 25.20	\$ 9.36	37.1%
Structured Day Habilitation 1:1	W0105 U4	1 Hour	\$ 19.62	\$ 23.08	\$ (3.46)	-15.0%
Structured Day Habilitation 2:1	W0105 U5	1 Hour	\$ 39.23	\$ 46.16	\$ (6.93)	-15.0%
Employment Benefits Counseling	W1740	15 Minutes	\$ 10.35	\$ 13.36	\$ (3.01)	-22.5%
Employment- Career Assessment	W1732	15 Minutes	\$ 12.08	\$ 17.91	\$ (5.84)	-32.6%
Employment- Employment Skills Development (1:1)	W1728	15 Minutes	\$ 10.21	\$ 17.91	\$ (7.70)	-43.0%
Employment- Employment Skills Development (1:2 to 1:3)	W1729	15 Minutes	\$ 4.09	\$ 10.72	\$ (6.64)	-61.9%
Employment- Employment Skills Development (1:15)	W1741	15 Minutes	\$ 6.57	\$ 11.53	\$ (4.95)	-43.0%
Employment- Job Coaching 1:1 (Follow Along)	W1733 U5	15 Minutes	\$ 10.35	\$ 17.91	\$ (7.56)	-42.2%
Employment- Job Coaching 1:2 to 1:4 (Follow Along)	W1734 U5	15 Minutes	\$ 3.45	\$ 10.72	\$ (7.27)	-67.8%
Employment- Job Coaching 1:1 (Intensive)	W1733 U4	15 Minutes	\$ 10.35	\$ 18.64	\$ (8.29)	-44.5%
Employment- Job Coaching 1:2 to 1:4 (Intensive)	W1734 U4	15 Minutes	\$ 3.45	\$ 6.21	\$ (2.77)	-44.5%
Employment- Job Finding	W1735	15 Minutes	\$ 11.90	\$ 17.91	\$ (6.02)	-33.6%
PAS (Agency)	W1793	15 Minutes	\$ 5.16	\$ 5.68	\$ (0.53)	-9.2%
PAS (Consumer)	W1792	15 Minutes	\$ 3.93	\$ 3.80	\$ 0.13	3.3%

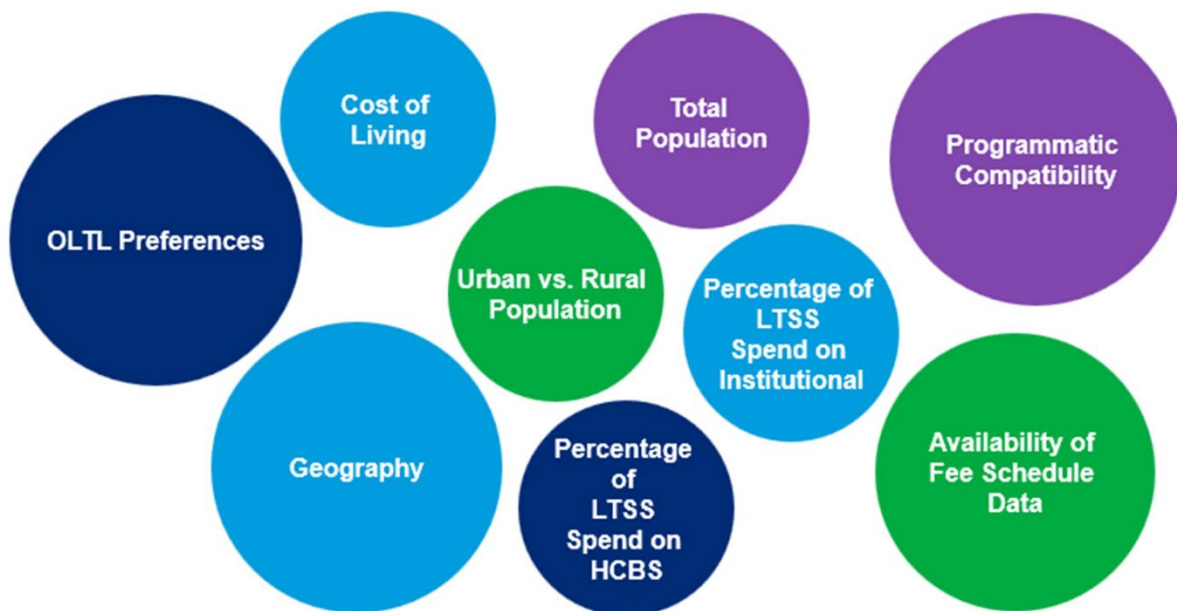
OLTL Services				ODP Comparison		
Service	Procedure Code	Unit	OLTL Rate	ODP Rate	OLTL versus ODP	OLTL versus ODP %
PAS (Consumer Overtime)	W1792 TU	15 Minutes	\$ 5.89	\$ 5.70	\$ 0.19	3.2%
PAS (CSLA)	W1793 TT	15 Minutes	\$ 5.25	\$ 5.78	\$ (0.53)	-9.2%
Residential Habilitation 1-3	W0100	1 Day	\$ 272.32	\$ 391.06	\$ (118.74)	-30.4%
Residential Habilitation 1-3 Support 1:1	W0101 U4	1 Hour	\$ 19.79	\$ 23.08	\$ (3.29)	-14.3%
Residential Habilitation 1-3 Support 2:1	W0101 U5	1 Hour	\$ 39.58	\$ 46.12	\$ (6.54)	-14.2%
Residential Habilitation 4-8	W0102	1 Day	\$ 255.33	\$ 282.57	\$ (27.24)	-9.6%
Residential Habilitation 4-8 Support 1:1	W0103 U4	1 Hour	\$ 19.62	\$ 23.08	\$ (3.46)	-15.0%
Residential Habilitation 4-8 Support 2:1	W0103 U5	1 Hour	\$ 39.23	\$ 46.12	\$ (6.89)	-14.9%

Weighted Average:	-8.0%
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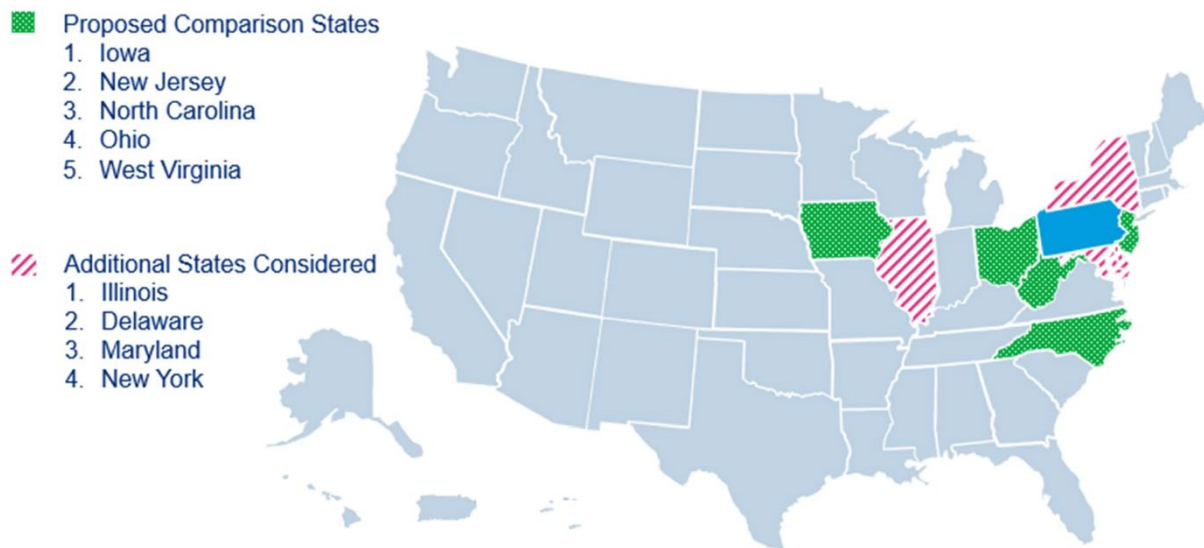
Comparison to Other State Medicaid Programs

A comparison of OLTL's HCBS fee schedule to five other state Medicaid programs was completed in order to gain additional insights into rate and wage adequacy. Many states were evaluated as potential candidates by analyzing similarities and differences with the Commonwealth of Pennsylvania. The key criteria evaluated for state selection can be seen in Figure 2 below.

Figure 2. Criteria for Evaluating Comparison States



The initial scan across the nation resulted in a preliminary list of nine states, as shown in Figure 3 below.

Figure 3. Comparison States for Consideration

To narrow down the list to five states for analysis, states were assessed as to the best fit based on similar HCBS services to those being studied, comparable cost of living indices, percentage of long-term services and supports (LTSS) spending on HCBS versus institutional, total population, and mix of urban versus rural population. Most importantly, a comparison state must have had availability of public fee schedule data to perform the analysis. Outliers, such as small population totals seen in Iowa and West Virginia or high proportion of urban population mix seen in New Jersey, were reviewed in conjunction with other evaluation metrics to determine if a state should or should not be included.

Below, Figures 4–13 illustrate the metrics that were used in determining the comparison states and provide context for the comparisons presented in this section.^{14 15 16 17 18 19 20 21 22 23 24 25 26}

¹⁴ <https://www.census.gov/newsroom/press-kits/2022/2022-national-state-population-estimates.html>

¹⁵ <https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

¹⁶ <https://www.kff.org/other/state-indicator/health-insurance-coverage-population-0-64/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

¹⁷ <https://www.kff.org/other/state-indicator/children-0-18/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

¹⁸ <https://www.kff.org/other/state-indicator/adults-19-64/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

¹⁹ <https://www.kff.org/medicaid/state-indicator/share-of-medicare-population-covered-under-different-delivery-systems/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

²⁰ <https://www.dol.gov/agencies/whd/mw-consolidated>

²¹ <https://www.kff.org/other/state-indicator/distribution-by-age/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

²² <https://www.bls.gov/oes/>

²³ <https://www.kff.org/medicaid/state-indicator/managed-care-penetration-rates-by-eligibility-group/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

²⁴ <https://meric.mo.gov/data/cost-living-data-series>

²⁵ <https://www.medicare.gov/medicaid/long-term-services-supports/downloads/lts-expenditures2020.pdf>

²⁶ <https://www.census.gov/programs-surveys/geography/guidance/geo-areas/urban-rural.html>

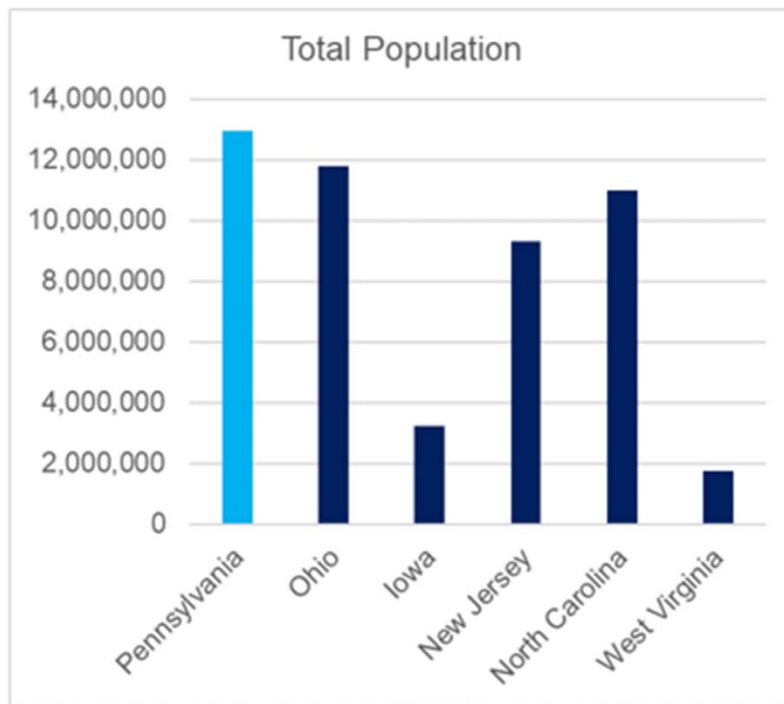
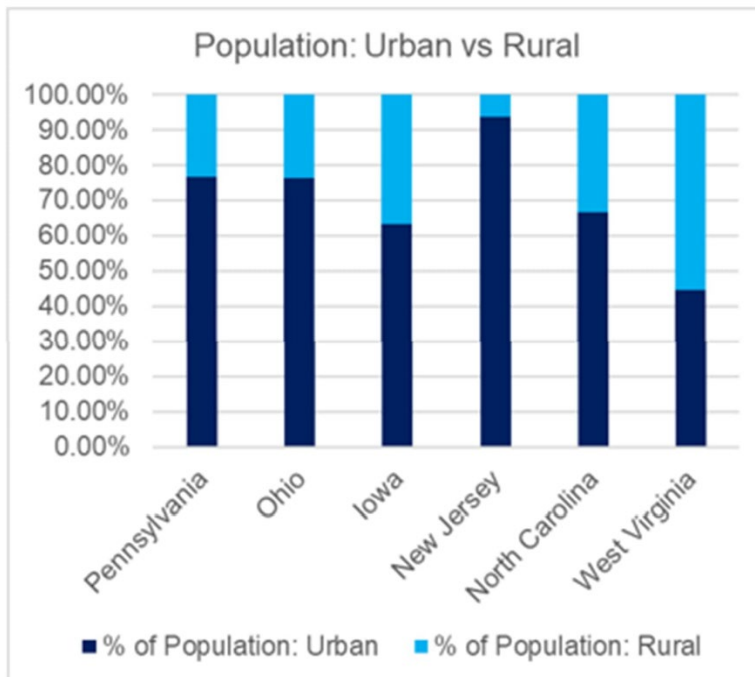
Figure 4. Comparison State Population Totals**Figure 5. Comparison State Populations: Urban versus Rural**

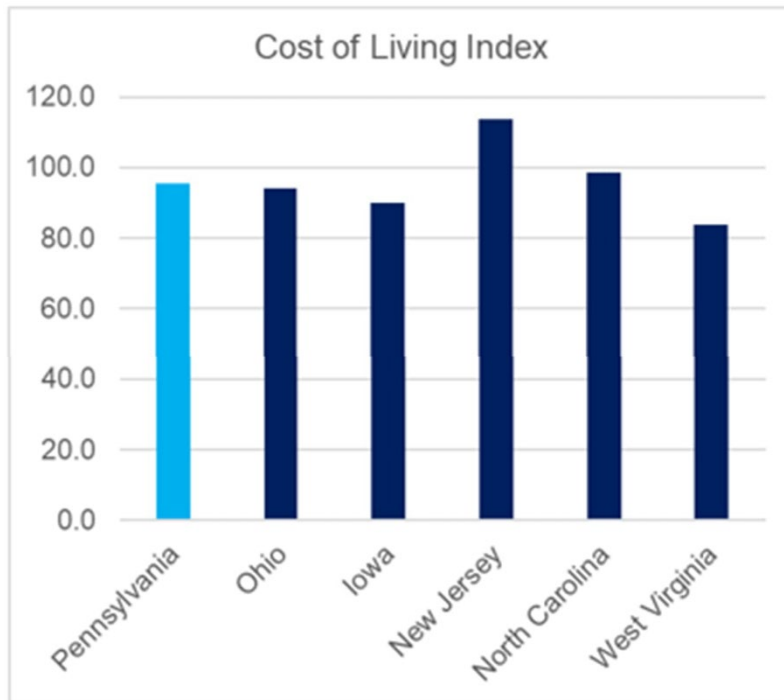
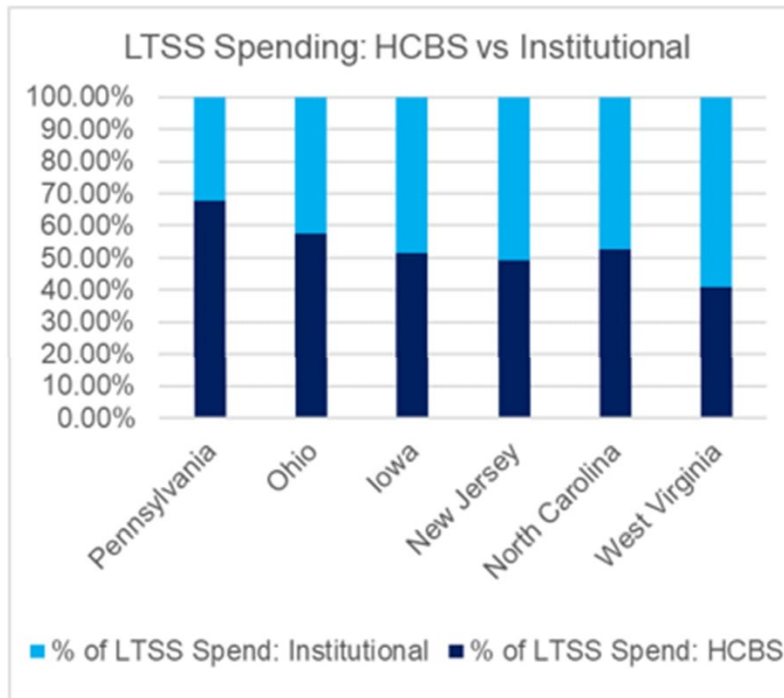
Figure 6. Comparison State Cost of Living Indices**Figure 7. Comparison State LTSS Spending: HCBS versus Institutional**

Figure 8. Pennsylvania State Profile

State Profile — Pennsylvania

U.S. Census Bureau Region — Northeast

Total Population: 12,961,683

Source: United States Census Bureau (2023)

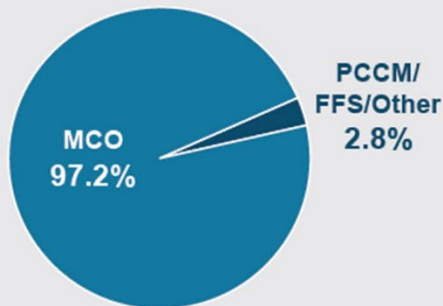


Demographic	Health Insurance Coverage Type				
	Employer	Medicare	Medicaid	Other Coverage	Uninsured
Total Population	51.0%	16.6%	21.5%	5.5%	5.4%
Elderly 65+	7.0%	78.2%	13.6%	0.7%	0.5%
Adults 19-64	65.4%	1.9%	17.8%	7.9%	7.0%
Children 0-18	51.5%	N/A	38.7%	4.5%	5.3%

Source: KFF - State Health Facts (2022)

Medicaid Program Delivery Systems

Enrollment by Delivery System



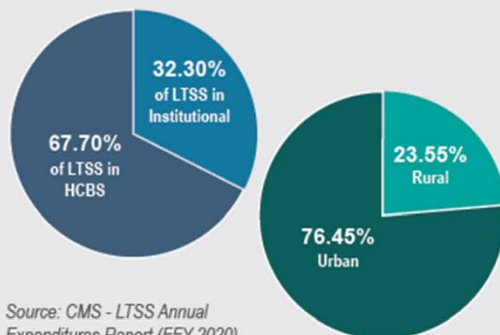
Source: KFF - State Health Facts (2022)

Managed Care Enrollment by Eligibility Group



Source: KFF - State Health Facts (2022)

Population Statistics



Source: CMS - LTSS Annual Expenditures Report (FFY 2020), United States Census Bureau (2020)

Minimum Wages, Median Wages, and Cost of Living

State Minimum Wage	\$ 7.25
Cost of Living Index	95.60
All Occupations	\$22.81
Healthcare Practitioners and Technical Occupations	\$37.92
Healthcare Support Occupations	\$16.05

Source: U.S. Bureau Of Labor Statistics - State Occupational Employment And Wage Estimates (May 2023), U.S. Department of Labor (2024), MERIC - Cost of Living Index (2024)

Figure 9. Iowa State Profile

State Profile — Iowa

U.S. Census Bureau Region — Midwest

Total Population: 3,207,004

Source: United States Census Bureau (2023)

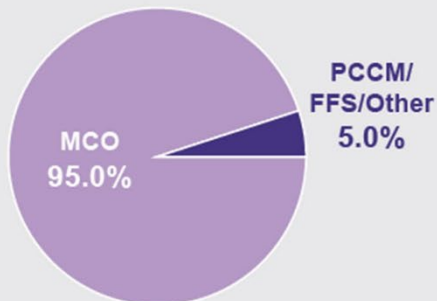


Demographic	Health Insurance Coverage Type				
	Employer	Medicare	Medicaid	Other Coverage	Uninsured
Total Population	53.4%	15.9%	20.6%	6.0%	4.1%
Elderly 65+	5.3%	83.1%	10.7%	0.4%	0.5%
Adults 19-64	67.7%	1.3%	16.8%	8.5%	5.7%
Children 0-18	55.3%	N/A	37.2%	4.3%	3.2%

Source: KFF - State Health Facts (2022)

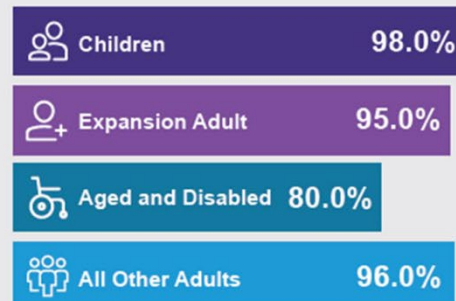
Medicaid Program Delivery Systems

Enrollment by Delivery System



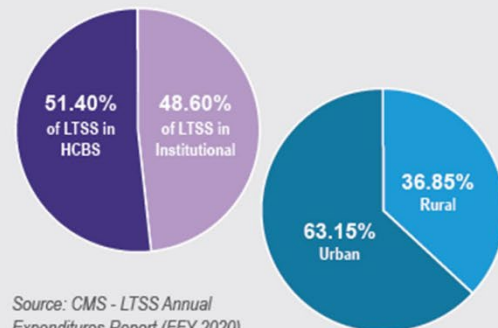
Source: KFF - State Health Facts (2022)

Managed Care Enrollment by Eligibility Group



Source: KFF - State Health Facts (2022)

Population Statistics



Source: CMS - LTSS Annual Expenditures Report (FFY 2020), United States Census Bureau (2020)

Minimum Wages, Median Wages, and Cost of Living

State Minimum Wage	\$ 7.25
Cost of Living Index	90.10
All Occupations	\$22.34
Healthcare Practitioners and Technical Occupations	\$32.59
Healthcare Support Occupations	\$17.73

Source: U.S. Bureau Of Labor Statistics - State Occupational Employment And Wage Estimates (May 2023), U.S. Department of Labor (2024), MERIC - Cost of Living Index (2024)

Figure 10. New Jersey State Profile

State Profile — New Jersey

U.S. Census Bureau Region — Northeast

Total Population: 9,290,841

Source: United States Census Bureau (2023)

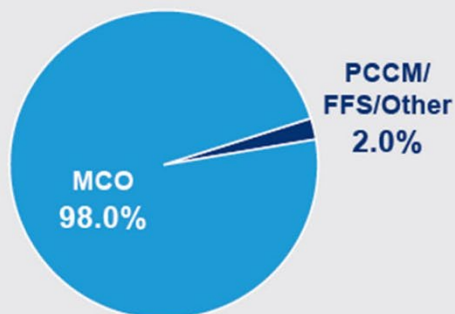


Demographic	Health Insurance Coverage Type				
	Employer	Medicare	Medicaid	Other Coverage	Uninsured
Total Population	54.6%	14.0%	18.4%	6.1%	6.9%
Elderly 65+	9.7%	75.6%	13.2%	0.3%	1.2%
Adults 19-64	66.7%	1.5%	14.2%	8.0%	9.6%
Children 0-18	56.9%	N/A	33.6%	5.6%	3.9%

Source: KFF - State Health Facts (2022)

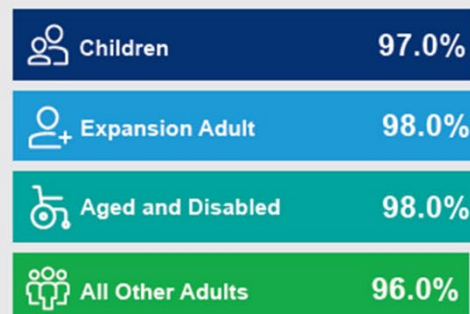
Medicaid Program Delivery Systems

Enrollment by Delivery System



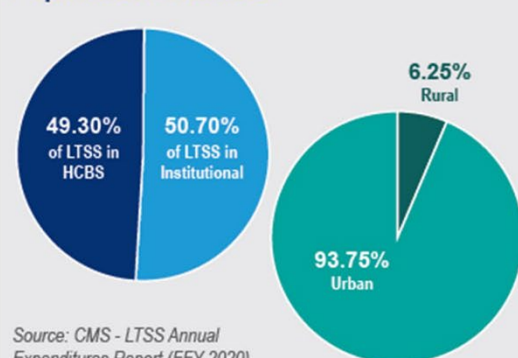
Source: KFF - State Health Facts (2022)

Managed Care Enrollment by Eligibility Group



Source: KFF - State Health Facts (2022)

Population Statistics



Source: CMS - LTSS Annual Expenditures Report (FFY 2020), United States Census Bureau (2020)

Minimum Wages, Median Wages, and Cost of Living

State Minimum Wage	\$15.13
Cost of Living Index	113.70
All Occupations	\$26.38
Healthcare Practitioners and Technical Occupations	\$46.23
Healthcare Support Occupations	\$18.33

Source: U.S. Bureau Of Labor Statistics - State Occupational Employment And Wage Estimates (May 2023), U.S. Department of Labor (2024), MERIC - Cost of Living Index (2024)

Figure 11. North Carolina State Profile

State Profile — North Carolina

U.S. Census Bureau Region — South

Total Population: 10,835,491

Source: United States Census Bureau (2023)

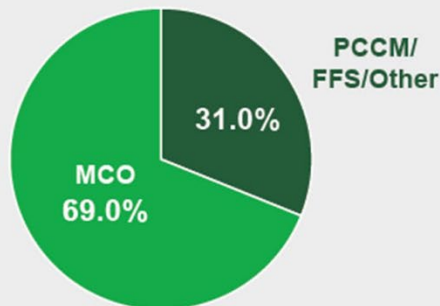


Demographic	Health Insurance Coverage Type				
	Employer	Medicare	Medicaid	Other Coverage	Uninsured
Total Population	46.5%	15.7%	18.6%	9.8%	9.4%
Elderly 65+	5.3%	82.1%	11.6%	0.4%	0.5%
Adults 19-64	59.4%	2.1%	12.0%	12.7%	13.8%
Children 0-18	44.8%	N/A	41.0%	9.3%	4.9%

Source: KFF - State Health Facts (2022)

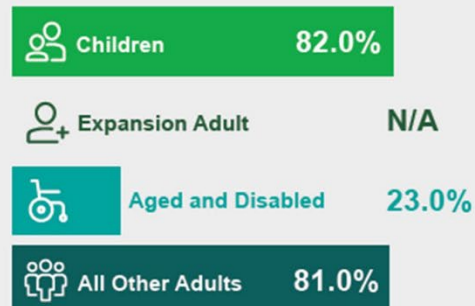
Medicaid Program Delivery Systems

Enrollment by Delivery System



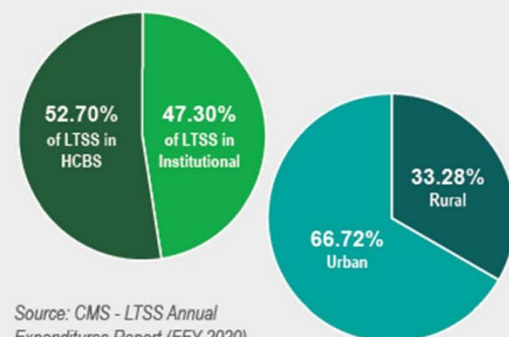
Source: KFF - State Health Facts (2022)

Managed Care Enrollment by Eligibility Group



Source: KFF - State Health Facts (2022)

Population Statistics



Source: CMS - LTSS Annual Expenditures Report (FFY 2020), United States Census Bureau (2020)

Minimum Wages, Median Wages, and Cost of Living

State Minimum Wage	\$ 7.25
Cost of Living Index	98.50
All Occupations	\$21.85
Healthcare Practitioners and Technical Occupations	\$36.70
Healthcare Support Occupations	\$16.96

Source: U.S. Bureau Of Labor Statistics - State Occupational Employment And Wage Estimates (May 2023), U.S. Department of Labor (2024), MERIC - Cost of Living Index (2024)

Figure 12. Ohio State Profile

State Profile — Ohio

U.S. Census Bureau Region — Midwest

Total Population: 11,785,935

Source: United States Census Bureau (2023)

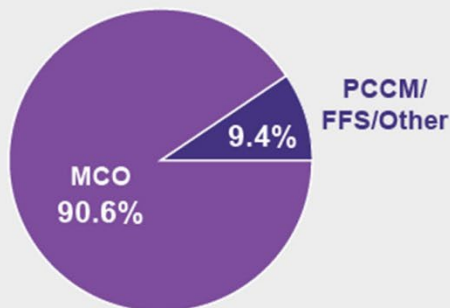


Demographic	Health Insurance Coverage Type				
	Employer	Medicare	Medicaid	Other Coverage	Uninsured
Total Population	51.4%	16.3%	21.3%	5.2%	5.8%
Elderly 65+	6.3%	82.2%	10.6%	0.4%	0.4%
Adults 19-64	64.5%	2.2%	18.4%	7.0%	7.9%
Children 0-18	53.8%	N/A	36.9%	4.7%	4.6%

Source: KFF - State Health Facts (2022)

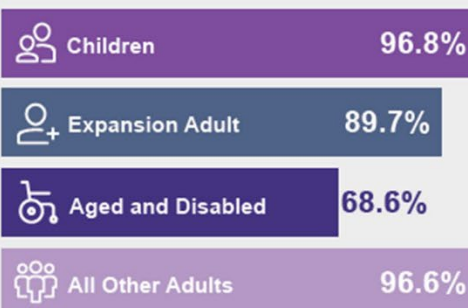
Medicaid Program Delivery Systems

Enrollment by Delivery System



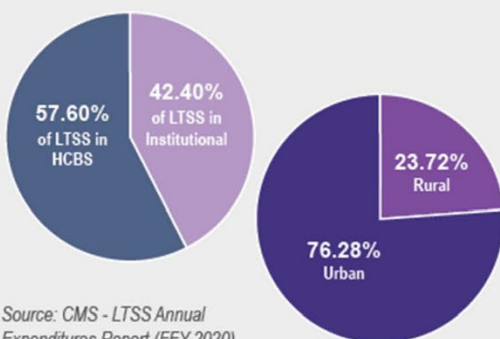
Source: KFF - State Health Facts (2022)

Managed Care Enrollment by Eligibility Group



Source: KFF - State Health Facts (2022)

Population Statistics



Source: CMS - LTSS Annual Expenditures Report (FFY 2020), United States Census Bureau (2020)

Minimum Wages, Median Wages, and Cost of Living

State Minimum Wage	\$10.45
Cost of Living Index	94.00
All Occupations	\$22.45
Healthcare Practitioners and Technical Occupations	\$37.26
Healthcare Support Occupations	\$17.07

Source: U.S. Bureau Of Labor Statistics - State Occupational Employment And Wage Estimates (May 2023), U.S. Department of Labor (2024), MERIC - Cost of Living Index (2024)

Figure 13. West Virginia State Profile

State Profile — West Virginia

U.S. Census Bureau Region — South

Total Population: 1,770,071

Source: United States Census Bureau (2023)

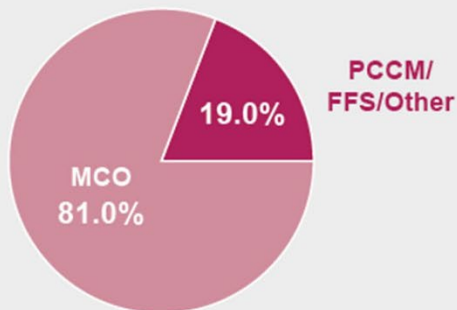


Demographic	Health Insurance Coverage Type				
	Employer	Medicare	Medicaid	Other Coverage	Uninsured
Total Population	43.1%	18.8%	28.2%	4.0%	5.9%
Elderly 65+	5.4%	79.6%	14.2%	0.4%	0.4%
Adults 19-64	56.6%	3.2%	25.5%	5.7%	9.0%
Children 0-18	44.1%	N/A	49.8%	3.3%	2.8%

Source: KFF - State Health Facts (2022)

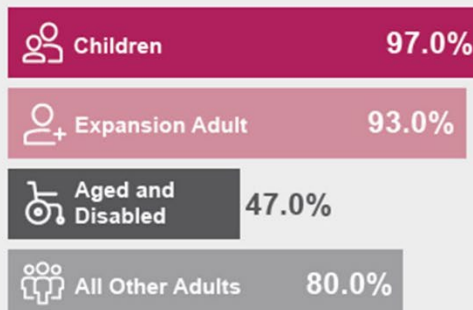
Medicaid Program Delivery Systems

Enrollment by Delivery System



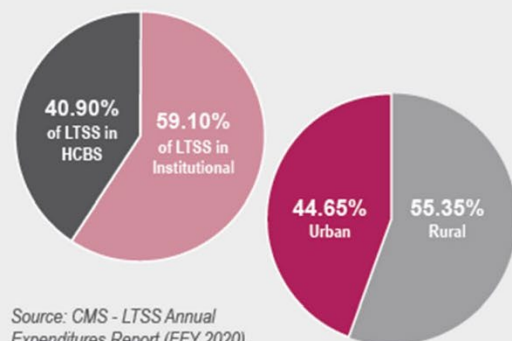
Source: KFF - State Health Facts (2022)

Managed Care Enrollment by Eligibility Group



Source: KFF - State Health Facts (2022)

Population Statistics



Source: CMS - LTSS Annual Expenditures Report (FFY 2020), United States Census Bureau (2020)

Minimum Wages, Median Wages, and Cost of Living

State Minimum Wage	\$ 8.75
Cost of Living Index	83.80
All Occupations	\$19.12
Healthcare Practitioners and Technical Occupations	\$31.33
Healthcare Support Occupations	\$14.46

Source: U.S. Bureau Of Labor Statistics - State Occupational Employment And Wage Estimates (May 2023), U.S. Department of Labor (2024), MERIC - Cost of Living Index (2024)

Fee schedules were collected for comparable HCBS waiver programs in the five selected states in order to compare payment rates by service and identify any key observations.

The OLTL HCBS fee schedule, effective January 1, 2022, from Pennsylvania's website was utilized. The fee schedules closest to January 1, 2022 for the best comparable waiver programs serving aged and disabled populations were reviewed in each comparison state. The selected comparison fee schedules for each state are listed below:

- **Iowa:** The comparison relied upon Iowa's HCBS waiver fee schedules as of July 1, 2024.²⁷
- **New Jersey:** New Jersey's Calendar Year 2022 Medicaid fee-for-service fee schedules was evaluated.²⁸
- **North Carolina:** The Community Alternatives Program for Disabled Adults and Community Alternatives Program Consumer-Directed Services fee schedules, both effective July 1, 2023, were utilized.²⁹
- **Ohio:** Ohio's PASSPORT HCBS fee schedules as of July 1, 2022 were used.³⁰
- **West Virginia:** OLTL's fee schedule was compared to West Virginia's HCBS fee schedule as of May 1, 2023.³¹

For any cases where a 2022 fee schedule was not available, trend factors were applied to ensure the comparison fee schedules were on the same time period basis as the OLTL fee schedule. Trend factors were calculated using CMS-published Home Health Agency Market Basket data.³²

Given that each state has unique HCBS waiver programs, we expect that the covered services and service definitions are different across states. Thus, not every comparison state has a perfect comparable fee schedule to Pennsylvania's services. Furthermore, underlying differences in program design or service definitions may skew the comparison and possible conclusions. This information should be viewed as one data point among the others evaluated in this report and not a definitive determination of adequacy or inadequacy.

After review of the fee schedule data a crosswalk was developed to identify services in each of the five comparison states that are the same or similar to those in the OLTL HCBS fee schedule. All service categories studied had at least two state comparisons with the exceptions of residential and structured day habilitation services. Additionally, since each state's rate structure and unit definitions can be different, each comparison rate was standardized using the same unit definition to make the service comparison compatible.

Below, Exhibit 4. illustrates the results of the comparison analysis by state and service category.

²⁷ <https://hhs.iowa.gov/programs/welcome-iowa-medicaid/policies-rules-and-regulations/covered-services-rates-and-payments/fee-schedules>

²⁸ <https://www.njmms.com/RateInformation.aspx>

²⁹ https://ncdhhs.servicenow.com/fee_schedules

³⁰ <https://medicaid.ohio.gov/resources-for-providers/billing/fee-schedule-and-rates/schedules-and-rates>

³¹ <https://dhhr.wv.gov/bms/Programs/WaiverPrograms/ADWProgram/Pages/ADW-Rates.aspx>

³² <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data>

Exhibit 4. Other State Medicaid Program Comparison Summary

Service Category	Percentage of Total Payments	Iowa	New Jersey	North Carolina	Ohio	West Virginia
Adult Day	0.8%	126.2%	83.1%	149.7%	77.4%	88.3%
Employment and Training Services	0.0%	91.9%	113.1%	0.0%	0.0%	0.0%
Personal Assistance	98.1%	96.5%	93.8%	92.3%	83.6%	115.4%
Residential Habilitation	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Structured Day Habilitation	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Weighted Average	100.0%	95.7%	92.7%	91.7%	82.7%	113.9%
Cost of Living Index		90.1	113.7	98.5	94.0	83.8

As seen above, it was found that the OLTL HCBS fee schedule rates are, on average, 95.4% of the respective comparison state rates. However, individual service categories and state comparisons deviate from the weighted average result. Considering that this is a comparison of services that may have different underlying utilization, service standards, and rate calculation assumptions, these results are as expected. While the exact drivers for any differences across comparison states are unknown, Figures 4-14 include additional detail on potential state-to-state differences that could lead to rate differences including population statistics, wages, cost of living index, and Medicaid program systems.

Notably, as mentioned previously, this analysis is shown on a 2022 basis and many states continue to update their fee schedule rates. If OLTL fees schedule rates are not updated for inflation or rebased to capture market changes, any observed deficiencies could worsen over time.

A few service-specific insights from the comparison include:

1. OLTL adult day rates are higher than Iowa and North Carolina, but lower than New Jersey, Ohio, and West Virginia.
2. OLTL employment and training rates are higher than New Jersey but lower than Iowa.
3. OLTL personal assistance rates are consistently lower than the comparison states with the exception of West Virginia. However, as noted previously, West Virginia just increased personal assistance rates as of October 1, 2024.

4. No services in the five comparison states could be reasonably matched to OLTL's residential or structured day habilitation services. Therefore, no additional conclusions can be drawn for those two service categories.

Comparison to Independently Developed Market-Based Rate Ranges

Methodology

Benchmark rate ranges were developed for the specified HCBS categories using a market-based methodology, which is consistent with the expectations communicated by Centers for Medicare & Medicaid Services (CMS) to states for 1915(c) waiver program reimbursement. These benchmark ranges were then compared to existing fee schedule levels to determine the adequacy of the fee schedule in place during the development of this study. Knowledge of the waiver services, expectations for service delivery as outlined in the service definitions, available data for key cost components, and historical service assumptions used for previous OLTL provider rate development informed the process described below:

1. Identify the key cost components for each service based on the service definitions outlined in the waivers.
2. Gather Pennsylvania-specific wage data.
3. Conduct research to update assumptions.
4. Model benchmark rate ranges and compare to existing fee schedule rates.

Each of these steps is described in more detail below.

Step 1: Identify Key Cost Components

First, each service definition was reviewed to understand the key requirements of the services, including provider qualifications, licensing requirements, staffing requirements, and other general information related to delivery of each service. Previous assumptions that were used historically to develop the fee schedule rates for these services were also leveraged.

The general cost components for rate development are as follows:

- Staff wages (direct care workers, supervisors, other program staff)
- Employee-related expenses (ERE) (health insurance, taxes, worker's compensation, etc.)
- Paid-time-off (PTO)
- Other program-related costs (training, transportation, administrative costs, etc.)

Step 2: Gather Pennsylvania-Specific Wage Data

The Bureau of Labor Statistics (BLS) were used as the primary source of wages for the calendar year (CY) 2025 HCBS rate and wage study. The most recent compensation data available from BLS (i.e., May 2023) was compiled, which includes wages representative of those paid statewide for specific occupation classifications in the Commonwealth. Based on the service definitions, previous assumptions, and assumptions for similar services for ODP

waiver rates, it was determined the appropriate types of staff, occupations, and education levels required for each service to develop an hourly wage range. Many services include multiple levels of staff for service delivery, supervision, and oversight activities.

Therefore, the wage assumptions include consideration for direct care workers, supervisors, and other program staff (where applicable).

The BLS compensation data was trended to the midpoint of the study period to ensure that any anticipated wage growth between the BLS survey period and study period is appropriately considered in rate development. In addition, an annualized trend of 4.5% for 26 months to account for expected wage inflation was applied. The assumption of annualized trend was developed based on recent years of wage increases for the specific BLS occupations used and broader market benchmarks such as BLS employment cost index (ECI) projections.

In order to build a range of reasonable wages, the 25th percentile BLS wage for the lower bound, 50th percentile, or median, for the midpoint, and the 75th percentile for the upper bound was used. See Appendix B for the wages used to develop the lower bound of the market-based rate ranges.

Step 3: Conduct Research to Update Assumptions

In this step, research was conducted to obtain the most recent information available for specific cost components. Below are the details on the assumption categories evaluated for this study:

ERE and Paid Time Off (PTO)

The ERE amounts included in the benchmark rates represent the employer's share of the costs for these items. It was ensured, where possible, data was used that was specific to the United States' Northeast region and the social and human services industry. The following ERE components as a part of the rate development process were considered:

- Health insurance (Medical, Dental, and Vision)
 - The BLS employer costs for employee compensation (ECEC) in addition to the BLS ECI to determine reasonable health benefit cost and trend factors were reviewed.
- Federal Insurance Contribution Act (FICA)
 - Available resources from the Internal Revenue Service (IRS) to assess potential employer FICA liabilities, which includes Social Security and Medicare Withholding were reviewed.
- Federal Unemployment Tax Act (FUTA) and State Unemployment Tax Act (SUTA)
 - Available resources from the IRS and U.S. Department of Labor to assess potential employer FUTA liabilities. In addition, for SUTA, resources produced by Pennsylvania's office of unemployment compensation were reviewed.

- Workers' compensation, Short-term and long-term disability, life insurance, retirement benefits, and supplemental pay
 - In order to develop assumptions related to expected employer costs for the categories listed above, the data published in the BLS ECEC were analyzed. The supplemental pay category includes consideration for overtime, premium pay, shift differentials, and nonproduction bonuses.

In addition to ERE, the offset of productivity due to time off including holidays, vacation, sick days, and training for both new and existing staff was considered. PTO assumptions are generally consistent with previous OLTL HCBS rate setting and align with national resources on average private industry employee paid time off benefits as quoted in the BLS employee benefits survey.

See Appendix B for a full summary of the ERE and PTO assumptions by service.

Other Assumptions

The following other relevant assumptions that contribute to service delivery and the cost to provide the HCBS categories in this study were identified:

- **Full-Time (FT) and Part-Time (PT) Staff Split:** Assumptions regarding FT and PT staffing percentages to appropriately apply ERE and PTO based on service staff mix.
- **Productivity:** Adjustments to account for non-billable staff time. Non-billable staff time considers the portion of each workday that is spent on usual and required activities related to service delivery, but represent activities that are not billable to the Commonwealth by the direct care worker or provider agency. The non-billable activities vary by service, but typically account for activities when the participant is not present, and may include documentation, training, meetings, or travel time.
- **Staffing Ratios:** Staffing ratios were assessed for the number of direct care workers to waiver participants, the number of supervisors to direct care workers, and the number of additional staff to waiver participants such as directors or additional program aides. These assumptions vary by service and are typically based on program and licensing requirements outlined in the service definition or indicated by OLTL.
- **Transportation:** Expenses related to participant transportation, if required by service definitions, and staff travel expenses that are necessary as part of the service delivery model.
- **Occupancy:** Costs associated with general occupancy expenses, such as office space used for the delivery of the service (where applicable).
- **Service-Related Supplies:** Accounts for the cost of service-related materials or equipment that the provider would be required to have in order to deliver the service. These costs vary by service but could include items such food, bathing supplies, or personal protective equipment.
- **Training Costs:** Expenses related to training and certification requirements as outlined in the service definitions and regulations.

- **Administrative Costs:** Costs associated with general administrative expenses such as management, equipment and supplies, recruitment, information technology, human resources, billing, finance and accounting, legal, and other program-related costs necessary for program operations. The administration assumption aligns with historical CMS expectations regarding acceptable levels for this cost component.
- **Annual Service Days and Full-Time Hours:** Total annual service days and full-time hours of direct care workers are used to estimate the total number of units delivered in a year for a given direct care worker or team delivering a service.
- **Group Size or Program Capacity:** Similar to service days and full-time hours, group size and program capacity assumptions are used to estimate the total number of units delivered in a year for a given direct care worker or team delivering a service.
- **Staff Turnover:** Staff turnover, or the percentage of staff that leave or are terminated in a year, is used to estimate the total number of training hours needed to deliver a service as new staff need to receive additional training beyond the annual training assumed for all existing staff.
- **Cluster Shared Living Arrangement (CSLA) Factor:** The CSLA factor is used to calculate the PAS Agency CSLA rate for the OLTL HCBS fee schedule. For the benchmark rate ranges, the factor was set equal to the historical relativity of the non-CSLA and CSLA PAS agency rates.
- **Adult Daily Living Enhancement Factor:** Similar to the CSLA factor, the adult daily living enhancement factor is used to calculate the enhanced adult daily living rates and was set equal to the historical relativity of the non-enhanced and enhanced adult daily living rates.
- **Overtime Factor:** The overtime factor for PAS PDS was set to the required overtime pay (i.e., one and one-half (1½) times the regular rate of pay) under the Pennsylvania Minimum Wage Act or Fair Labor Standards Act.³³
- **Regional Factors:** Regional factors are used to convert the statewide fee schedules into each of the four FFS rate regions. Regional factors were set equal to historical relativities of BLS occupation wages used in rate development.

Step 4: Model the Rate Ranges and Compare to Existing Fee Schedule Rates

Once the assumptions for each service were finalized, provider rate models were utilized to estimate benchmark rate ranges for CY 2025. The rate ranges were developed for each service at the region-specific level but aggregated for the purposes of this study to a statewide level of detail.

³³ <https://www.pa.gov/agencies/dli/resources/compliance-laws-and-regulations/labor-management-relations/labor-law/overtime-and-tipped-worker-rules-in-pa.html>

Statewide benchmark rate ranges were compared to the most recent statewide average fee schedule rates as published on January 1, 2022.³⁴ See the results section below for details on the resulting rate ranges and conclusions from the comparison to the existing OLTL fee schedule.

Results

Upon comparing the benchmark rate ranges to existing fee schedule rates, it was found that there is a meaningful gap in the current fee schedule rates compared to market data that was referenced for this rate and wage study. Included below is a snapshot of the difference between the lower bound benchmark rate, which represents the 25th percentile of BLS wages, and existing fee schedule rates on a statewide basis. Only the lower bound is included in this report as the lower bound is very close to the estimated waiver neutrality breaking point, which OLTL is required to maintain. More details on waiver neutrality can be found in Section 5 of this report.

Exhibit 5. Market-Based Benchmark Rate Comparison Results Summary

Service Category	Difference from CY 2022 OLTL HCBS Fee Schedule to Benchmark Rate Range Lower Bound
Adult Day	19%
Employment and Training Services	35%
Personal Assistance — Agency	23%
Personal Assistance — PDS	12%
Residential Habilitation	44%
Structured Day Habilitation	22%
Weighted Average	22%

Given the comparisons to benchmark rates, it appears that revisions to the rates studied for this report would be appropriate. The tables below show detailed results from the benchmark rate comparison.

³⁴ https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/providers/documents/long_term_care_providers/OLTL%20HCBS%20Rates%201.1.2022.pdf

Exhibit 6. Adult Daily Living Rate Range Summary

Region	Service	Procedure Code and Modifiers	Unit	Lower Bound	Previous Rate	Previous Rate to Range	Previous Rate to Lower Bound
Statewide	Adult Daily Living	S5102	1 Day	\$ 70.91	\$ 59.49	Below LB	19%
Statewide	Adult Daily Living Half Day	S5102 U5	1/2 Day	\$ 35.46	\$ 29.75	Below LB	19%
Statewide	Adult Daily Living Enhanced	S5102 U4	1 Day	\$ 86.51	\$ 72.56	Below LB	19%
Statewide	Adult Daily Living Enhanced Half Day	S5102 U3	1/2 Day	\$ 43.26	\$ 36.28	Below LB	19%

Exhibit 7. Employment and Training Services Rate Range Summary

Region	Service	Procedure Code and Modifiers	Unit	Lower Bound	Previous Rate	Previous Rate to Range	Previous Rate to Lower Bound
Statewide	Employment Benefits Counseling	W1740	15 Minutes	\$ 14.28	\$ 10.35	Below LB	38%
Statewide	Employment- Career Assessment	W1732	15 Minutes	\$ 15.26	\$ 12.08	Below LB	26%
Statewide	Employment- Employment Skills Development (1:1)	W1728	15 Minutes	\$ 13.52	\$ 10.21	Below LB	32%
Statewide	Employment- Employment Skills Development (1:2 to 1:3)	W1729	15 Minutes	\$ 5.41	\$ 4.09	Below LB	32%
Statewide	Employment- Employment Skills Development (1:15)	W1741	15 Minutes	\$ 8.70	\$ 6.57	Below LB	32%
Statewide	Employment- Job Coaching 1:1 (Follow Along)	W1733 U5	15 Minutes	\$ 14.28	\$ 10.35	Below LB	38%
Statewide	Employment- Job Coaching 1:2 to 1:4 (Follow Along)	W1734 U5	15 Minutes	\$ 4.76	\$ 3.45	Below LB	38%
Statewide	Employment- Job Coaching 1:1 (Intensive)	W1733 U4	15 Minutes	\$ 14.28	\$ 10.35	Below LB	38%
Statewide	Employment- Job Coaching 1:2 to 1:4 (Intensive)	W1734 U4	15 Minutes	\$ 4.76	\$ 3.45	Below LB	38%
Statewide	Employment- Job Finding	W1735	15 Minutes	\$ 14.28	\$ 11.90	Below LB	20%

Exhibit 8. PAS Agency, CSLA Rate Range Summary

Region	Service	Procedure Code and Modifiers	Unit	Lower Bound	Previous Rate	Previous Rate to Range	Previous Rate to Lower Bound
Statewide	PAS (Agency)	W1793	15 Minutes	\$ 6.33	\$ 5.16	Below LB	23%
Statewide	PAS (CSLA)	W1793 TT	15 Minutes	\$ 6.44	\$ 5.25	Below LB	23%

Exhibit 9. PAS PDS Rate Range Summary

Region	Service	Procedure Code and Modifiers	Unit	Lower Bound	Previous Rate	Previous Rate to Range	Previous Rate to Lower Bound
Statewide	PAS (Consumer)	W1792	15 Minutes	\$ 4.38	\$ 3.93	Below LB	12%
Statewide	PAS (Consumer Overtime)	W1792 TU	15 Minutes	\$ 6.57	\$ 5.89	Below LB	12%

Exhibit 10. Residential and Structured Day Habilitation Rate Range Summary

Region	Service	Procedure Code and Modifiers	Unit Definition	Lower Bound	Previous Rate	Previous Rate to Range	Previous Rate to Lower Bound
Statewide	Residential Habilitation 1-3	W0100	Per Diem	\$ 390.60	\$ 272.32	Below LB	43.4%
Statewide	Residential Habilitation 1-3 Support 1:1	W0101 U4	Per Hour	\$ 31.13	\$ 19.79	Below LB	57.3%
Statewide	Residential Habilitation 1-3 Support 2:1	W0101 U5	Per Hour	\$ 62.27	\$ 39.58	Below LB	57.3%
Statewide	Residential Habilitation 4-8	W0102	Per Diem	\$ 350.84	\$ 255.33	Below LB	37.4%
Statewide	Residential Habilitation 4-8 Support 1:1	W0103 U4	Per Hour	\$ 31.13	\$ 19.62	Below LB	58.7%
Statewide	Residential Habilitation 4-8 Support 2:1	W0103 U5	Per Hour	\$ 62.27	\$ 39.23	Below LB	58.7%
Statewide	Structured Day Habilitation Group	W0104	Per Hour	\$ 41.34	\$ 34.56	Below LB	19.6%
Statewide	Structured Day Habilitation 1:1	W0105 U4	Per Hour	\$ 31.13	\$ 19.62	Below LB	58.7%
Statewide	Structured Day Habilitation 2:1	W0105 U5	Per Hour	\$ 62.27	\$ 39.23	Below LB	58.7%

Section 4

Estimated Fiscal Impact

In addition to engaging stakeholders and reviewing the adequacy of the fee schedule rates for studied services, the fiscal impact associated with moving to the lower bound of the benchmark rate range was projected. SFY 2022–2023 FFS and MC encounter data was summarized and utilized, in conjunction with other available data, to calculate the following items:

- **Baseline Reimbursement Levels** — Units and paid amounts reported in the SFY 2022–2023 claims data were used to understand the current utilization and unit cost for each service category. Claims data was limited to the procedure codes and modifiers listed for each studied service in the OLTL fee schedule.
- **Population Changes** — The summarized baseline reimbursement levels were adjusted for projected population growth from SFY 2022–2023 to CY 2025. At a statewide level, this adjustment represents a 30% increase to dollars and units in the encounter data.
- **CY 2025 Lower Bound Increase** — The costs were then increased to align with the projected fee schedule increase associated with the benchmark rate range lower bound.
- **Fiscal Impact Estimate** — The fiscal impact estimate utilizes the estimated total dollars after the increase compared to the baseline reimbursement levels observed in the claims data.

See Exhibit 11 below for the estimated fiscal impact of moving to the lower bound benchmark rates.

Exhibit 11. Lower Bound Fiscal Impact Estimate

Service Category	SFY 2022–2023 CHC Managed Care (MC) Claims Data		Estimated CY 2025 Fee Schedule Increase	Estimated CY 2025 Fiscal Impact (30% Usership Growth)	Proportion of Total Impact
	Total Dollars	Total Units			
Adult Day	\$52,222,172	722,473	19%	\$13,057,314	0.7%
Employment and Training Services	\$762,188	90,941	35%	\$343,919	0.0%
Personal Assistance — Agency	\$6,055,464,715	1,143,453,925	23%	\$1,788,250,858	94.6%
Personal Assistance — PDS	\$356,117,337	89,716,920	12%	\$53,935,484	2.9%
Residential Habilitation	\$50,343,218	533,244	44%	\$28,640,977	1.5%
Structured Day Habilitation	\$19,134,986	580,220	22%	\$5,577,501	0.3%
Total	\$6,534,044,615	1,235,097,723	22%	\$1,889,806,053	

Service Category	SFY 2022–2023 Fee-For-Service (FFS) Claims Data		Estimated CY 2025 Fee Schedule Increase	Estimated CY 2025 Fiscal Impact (30% Usership Growth)	Proportion of Total Impact
	Total Dollars	Total Units			
Adult Day	\$41,002	684	19%	\$10,252	0.1%
Employment and Training Services	\$373,931	51,380	35%	\$168,727	1.0%
Personal Assistance — Agency	\$45,316,509	8,715,669	23%	\$13,382,505	82.7%
Personal Assistance — PDS	\$17,284,375	4,489,979	12%	\$2,617,792	16.2%
Residential Habilitation	\$-	-	44%	\$-	0.0%
Structured Day Habilitation	\$-	-	22%	\$-	0.0%
Total	\$63,015,818	13,257,712	20%	\$16,179,276	

Service Category	SFY 2022–2023 Total (MC + FFS) Claims Data		Estimated CY 2025 Fee Schedule Increase	Estimated CY 2025 Fiscal Impact (30% Usership Growth)	Proportion of Total Impact
	Total Dollars	Total Units			
Adult Day	\$52,263,174	723,157	19%	\$13,067,566	0.7%
Employment and Training Services	\$1,136,119	142,321	35%	\$512,646	0.0%
Personal Assistance — Agency	\$6,100,781,225	1,152,169,594	23%	\$1,801,633,363	94.5%
Personal Assistance — PDS	\$373,401,712	94,206,899	12%	\$56,553,276	3.0%
Residential Habilitation	\$50,343,218	533,244	44%	\$28,640,977	1.5%
Structured Day Habilitation	\$19,134,986	580,220	22%	\$5,577,501	0.3%
Total	\$6,597,060,433	1,248,355,435	22%	\$1,905,985,329	

FFY 2025 FMAP	55.09%
Federal Dollars	\$1,050,000,000
State Dollars	\$856,000,000

Notes:

1. The summary above represents a draft initial fiscal impact estimate related to rebasing select OLTL HCBS fee schedule rates at the Lower Bound of the rate range. These estimates are not final and are subject to revision.
2. The fiscal impact estimate calculated above utilizes estimated percentage increases based on draft fee schedule results compared to existing fee schedule levels. These percent increases are applied to the claims data from both the CHC managed care and FFS programs for SFY 2022–2023.
3. Draft fiscal impact estimates include consideration for 30% CHC usership growth between SFY 2022–2023 and CY 2025. This is consistent with current draft CHC waiver projections.
4. Current waiver cost neutrality calculations estimate a breaking point of \$1.95 billion when comparing HCBS and nursing facility costs per user. Per CMS requirements, OLTL must maintain cost per user neutrality between the Waiver Population and the Nursing Facility Population as a part of the CHC waiver. Increases to the fee schedule should be kept well below the current waiver breaking point estimate or nursing facility rates should be increased at a rate in which cost neutrality is maintained.

Section 5

Additional Considerations

OLTL and stakeholders discussed many topics during the rate and wage study. Included below are details on additional considerations that were reviewed throughout the project. These topics range from the process to regularly assess fee schedule rates to nuances of the various services studied.

Waiver Neutrality

Per Centers for Medicare & Medicaid Services requirements, OLTL must maintain cost per user neutrality between the HCBS Waiver Population and the Nursing Facility Population as a part of the 1915(c) CHC waiver. Increases to the HCBS fee schedule must be kept below the current waiver breaking point estimate to maintain required neutrality compared to current nursing facility per user costs.

Process to Review and Revise State Medicaid Fee Schedules

Each Medicaid program in Pennsylvania, from HealthChoices to the waivers of the Office of Developmental Programs (ODP), has a fee schedule. While many of the services are administered through managed care within the Commonwealth, managed care contracts often align to established state fee schedules as a guide for provider reimbursement in their contract. While many services on the fee schedule have been updated over the years, not all service rates have been systematically re-evaluated to reflect the rising cost of providing care. This has led to some fee schedules remaining stagnant for a decade or more, and the reimbursement from managed care to providers following accordingly.

Under federal regulation, provider rates must be: “consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area.”³⁵ Additionally, CMS guidance outlines that each “state should have a monitoring process to ensure that these requirements are met.”³⁶

Across the country, states have taken different approaches to comply with these requirements. In some cases, states have biennially, annual, or even semi-annual fee schedule review or revision processes. In other cases, states have not updated fee schedule rates for several years, even a decade or more like in the case of some fees in the Commonwealth, and do not have a consistent process to review and revise fee schedules on

³⁵ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/rate-setting-methodology.pdf>

³⁶ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/rate-sufficiency.pdf>

a regular basis. Below are a few examples of fee schedule review and revisions requirements throughout the nation:

1. Massachusetts

- A. Massachusetts must, under state law, conduct rate setting annually for institutional providers and biennially for non-institutional providers.³⁷

2. Rhode Island

- A. Rhode Island law requires reimbursement rates for home health, hospice, home care, and home delivered meals to be increased on an annual basis.^{38 39}
- B. In July 2022, the Rhode Island Office of the Health Insurance Commissioner (OHIC) was required, by amendment to its enabling statute, to conduct a review of all social and human services programs to provide a comprehensive review of these programs and develop a biennial assessment and review process that results in recommended adjustments to social and human service program reimbursement rates.⁴⁰

3. Maine

- A. A recent statutory change, known as the “Rate Reform Statute,” requires an annual cost of living adjustment (COLA) for a specific list of services, which include some HCBS categories. This COLA was effective July 1, 2024, and is equal to an increase of 2.54% above the currently established rate(s). This COLA increase is proportional to the percentage increase in the Maine minimum wage as determined by the Maine Department of Labor.⁴¹

4. Arizona

- A. Arizona statute 36-2959 requires an annual study of the adequacy and appropriateness of Medicaid reimbursement rates for developmental disabilities services in both the long-term care and state-only programs. This must include a recommendation for annual inflationary costs. Furthermore, the statute requires a complete rate study no less than once every five years.⁴²

A lack of a set schedule to review and adjust fee schedules can lead to provider rates that fall behind health care cost inflation. This can potentially create situations where provider rates do not allow enough funding for providers serving Medicaid members to be competitive in the market. This impacts their ability to recruit and retain high-quality staff, ensure service access for existing Medicaid beneficiaries, take on new members, or even continue participation in the program. On a practical note, the longer a state waits to update a given fee schedule, the larger the eventual increase is going to be. This becomes more difficult to manage from a budget perspective as a 15% or 20% increase to a specific budget line item

³⁷ <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXVII/Chapter118E/Section13D>

³⁸ <https://webserver.rilegislature.gov/Statutes/>

³⁹ <https://webserver.rilegislature.gov/BillText22/HouseText22/H7123Aaa.pdf>

⁴⁰ <https://webserver.rilegislature.gov/Statutes/TITLE42/42-14.5/42-14.5-3.htm>

⁴¹ <https://legislature.maine.gov/statutes/22/title22sec3173-J.pdf>

⁴² <https://www.azleg.gov/viewdocument/?docName=https%3A/www.azleg.gov/ars/36/02959.htm>

is harder to balance compared to a 2% or 3% increase that is expected annually or biennially.

As mentioned earlier in this report, fee schedules hold significant implications not only for states that reimburse services on a primarily fee-for-service basis, but also states that predominantly deliver Medicaid through managed care. MCOs often take note of, or even contract at a percentage of, fee schedules set by the state. Fee schedule rates need to reflect current market costs to reimburse fee-for-service providers at a fair rate and to facilitate a fair payment process between MCOs and providers. Stagnant fee schedules, which fail to reflect ongoing changes in health care costs and evolving service delivery, significantly impact provider revenue and, consequently, provider willingness to serve the Medicaid program. This inadvertently narrows the range of available health care services for all Medicaid members through restricted provider networks. Adjusting fee schedules better guides the MCOs, more adequately compensates providers already participating in the program, and can entice additional providers to contract, which can increase the opportunities for Medicaid eligible individuals to access high-quality services.

States can utilize different methodologies for their fee schedule reviews and rate revisions. In fact, CMS guidance encourages states to be creative in their reviews and leverage different approaches. CMS provides a few approved processes for rate sufficiency reviews⁴³ as seen below. For this rate and wage study, steps 1, 2, and 5 were performed.

1. Analyze and incorporate feedback from stakeholders
2. Benchmark waiver rates to rates for comparable services
3. Collect evidence from Quality Improvement Strategy (QIS)
4. Measure changes in provider capacity
5. Benchmark rate assumptions to available data

In addition, CMS also allows for various rate revision methodologies such as a rate adjustment, rate rebase, bundled rate recalibration, or rate methodology redesign. Notably, CMS guidance states that a rate adjustment is not a replacement for a rate sufficiency review and a waiver amendment is required for rate changes. In agreeance with the assertion that a rate adjustment is not a replacement for a sufficiency review, a September 2023 report from Rhode Island's OHIC found that "Despite the existence of a statutory inflation update for home care, OHIC's review of reimbursement rates revealed that current reimbursement rates are not in line with the wage/salary expectations that are included in the Independent Rate Model (IRM). This analysis demonstrates the importance of evaluating reimbursement rates anew using a ground up methodology."⁴⁴ CMS outlines each of their approved rate revision methods listed above as follows^{45 46}:

- A. **Rate Adjustment:** The state revises the rates based on budgetary, programmatic and/or other legislative changes.

⁴³ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/rate-sufficiency.pdf>

⁴⁴ <https://ohic.ri.gov/sites/g/files/xkgbur736/files/2023-09/Social%20and%20Human%20Service%20Programs%20Review%20-%20Final%20Report.pdf>

⁴⁵ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/rate-setting-methodology.pdf>

⁴⁶ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/rate-sufficiency.pdf>

- B. **Rate Rebase:** The state maintains both the existing waiver service definitions and methodology but adjusts the individual inputs that comprise the rate with new data.
- C. **Bundled Rate Recalibration:** In the case of bundled service rates, recalculate the bundled rate when the services and/or mix of services changes.
- D. **Rate Methodology Redesign:** The state develops a new rate setting methodology or completely reevaluates the existing methodology.

Lastly, a topic that has come up in conversations, with OLTL and stakeholders, is the interval in which a state does rate reviews and fee schedule revisions. CMS has included in previous guidance that rate reviews must be done at least every five years.⁴⁷ Reviewing fee schedules, or at the very least trending forward by an inflationary factor on a more frequent basis, is an effective way to capture market changes. Additionally, if a state wanted to minimize the resources of reviewing all fee schedule rates at the same time, it could opt to review certain portions of the fee schedule on a rotating basis in a “batch” style system. If a state were to pursue this style of rate review, inflationary adjustments for rates that are not rebased in a given year would minimize any unintended misalignment of fee schedule rates, such as what could cause incentives to providers to deliver one service type over another.

While there are a number of different review steps that a state could take, or intervals to establish its review and revision schedule, or methodologies for rate changes, it is advised that each state set up a regular schedule to review fee schedule rates and make reasonable and necessary revisions based on the findings.⁴⁸ A strategic plan for fee schedule review and updates allows for rate revisions more closely aligned with budgetary allocations.

Participant Directed Services

PDS is a subset of HCBS services that are delivered in a participant-directed model as outlined in Appendix E of 1915(c) waiver applications. A fee development approach for PAS PDS that is similar to the traditional agency fee development, with exceptions as applicable was used. For example, certain cost components included in agency rate development are not applicable to the PDS model such as considerations for supervisory staff or administrative costs. A detailed summary of the assumptions utilized to develop PDS rates is included in Appendix B.

Additionally, OLTL modeled two scenarios for PAS PDS:

1. Increase to \$15 per hour
 - A. OLTL inquired about the impact of moving PAS PDS rates or direct care wages to \$15 per hour. Existing fee schedule rates for PAS PDS are already very close to \$15 per hour. An approximately 1% increase would be needed to get the statewide average to \$15 per hour resulting in a \$3.5 million fiscal impact. While the majority of the PAS PDS rate is the direct worker wage, there are additional considerations included when calculating the benchmark rate ranges as seen in the assumption summaries in Appendix B. Therefore, in order to get the underlying PAS PDS direct

⁴⁷ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/addressing-fiscal-challenges-jun-2022.pdf>

⁴⁸ <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/rate-sufficiency.pdf>

care worker wages to \$15, the overall rate would be \$18 resulting in a \$71 million fiscal impact.

2. Paid Sick Leave Benefits –

- A. OLTL also inquired about the impact of adding in paid sick leave benefits to the PAS PDS rate ranges equal to the requirements for the City of Philadelphia. In Philadelphia, “Employees can earn 1 hour of sick leave for every 40 hours they work. A maximum of 40 sick leave hours may be earned in a calendar year. Sick leave may be used after an employee has worked a minimum of 90 days. It can be requested verbally or in writing and must be paid at the worker’s normal rate.”⁴⁹ The addition of paid sick leave benefits to the PAS PDS rate ranges would be a 4%, or \$17 million fiscal impact, at the lower bound.

Regulatory Compliance

As discussed in the stakeholder engagement section, concerns were raised regarding compliance with the 2024 CMS final rules and 21st Century Cures Act. Each of those items are addressed below:

1. 2024 CMS Final Rules

- A. While there are many provisions of the 2024 CMS final rules, the analysis focused on the 80% direct care worker compensation requirements. These are understood to be the most impactful change for HCBS provider rates and that the market-based benchmark rate ranges comply with the new requirement. The personal assistance agency and CSLA rates are the only applicable services included in this study. For each of those services, direct care worker compensation represents 85% of the total rate.

2. 21st Century Cures Act

- A. The benchmark rate ranges include consideration for administrative costs as seen in Appendix B with sufficient consideration to cover costs of compliance with the 21st Century Cures Act such as Electronic Visit Verification. We were able to verify the included levels of costs were reasonable based on survey responses and CMS guidance on administrative cost considerations for provider rate development.

HB 1300

Wage data was gathered to assist OLTL in responding to HB 1300 which requires DHS to provide a report that includes:

“(A) The average wages paid to direct care workers and direct support professionals under each applicable program.

⁴⁹ <https://www.phila.gov/media/20200413150709/Paid-sick-leave-English-20200409-rev.pdf>

(B) Whether starting wages for direct care workers and direct support professionals increased from January 1, 2019, through January 1, 2023, including the percentage increase.”⁵⁰

The data including questions related to wages in the OLTL HCBS rate and wage study survey was gathered. The survey asked for average calendar year (CY) 2023 direct care worker wages in addition to starting wages for January 1, 2019, and January 1, 2023. As described earlier in the report, the survey was only limited to the services covered in this study. Therefore, the wages gathered for HB 1300 only include those services. The survey explicitly requested wage submissions exclude overtime, shift differentials, or any other bonuses. Wages below the minimum wage of the Commonwealth of Pennsylvania for their respective years were labeled as “invalid” and excluded from all data sets.

In order to address the lack of quantitative data (e.g., starting wages) received in PAS PDS survey submissions, claims data was reviewed for CY 2019 and CY 2023 with runout through December 31, 2023. These unit costs are being used a proxy for PAS PDS wages for these time periods. While the unit costs are primarily composed of wages paid to the PAS PDS direct care workers, they are not explicitly the average wage paid. Claims data for CY 2019 and CY 2023 were filtered to procedure codes W1792 and W1792 TU, which correspond to Consumer and Consumer Overtime on the OLTL Fee Schedule. Paid amounts and units for both years were divided to calculate an average 15 minute unit cost, which was then converted into a cost per hour.

For all other services in the study, valid inputs were used to calculate average CY 2023 wages as well as starting wages during the two snapshot periods (i.e., January 1, 2019, and January 1, 2023). An overall percentage increase and an annualized percentage increase were both calculated. The overall percentage increase represents the raw percentage change in average starting wages from 2019 to 2023 while the annual percentage increase represents the increase that occurred each year between the snapshot periods. This is calculated by annualizing the change across the four years between 2019 and 2023. For example, the Adult Day Annual Percentage Change was calculated as follows: $(1 + 26.2\%)^{\frac{1}{4}} - 1 = 6.0\%$.

Using the methodology and data described above, the following results were calculated to assist OLTL in responding to HB 1300.

Average Starting and Overall Wages⁵¹ by Rate Study Service

Service	Average Starting Wages as of:		Overall Percentage Change	Annual Percentage Change	Average CY 2023 Base Wages
	January 1, 2019	January 1, 2023			
Adult Day	\$12.53	\$15.82	26.2%	6.0%	\$17.08
Structured Day Habilitation	\$14.48	\$18.11	25.1%	5.8%	\$20.55
Employment and Training	\$14.02	\$17.17	22.5%	5.2%	\$19.78

⁵⁰ <https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=H&billTyp=B&billNbr=1300>

⁵¹ Wages exclude overtime, differentials, or other bonuses.

Service	Average Starting Wages as of:		Overall Percentage Change	Annual Percentage Change	Average CY 2023 Base Wages
	January 1, 2019	January 1, 2023			
Personal Assistance: Agency	\$11.45	\$13.53	18.1%	4.3%	\$15.69
Residential Habilitation	\$12.44	\$16.34	31.4%	7.1%	\$20.32
All	\$11.78	\$14.14	20.0%	4.7%	\$16.37

PAS PDS 2019 versus. 2023 Unit Cost

Calendar Year	Unit Cost ⁵²	Cost per Hour
2019	\$3.74	\$14.97
2023	\$3.99	\$15.97
Overall Percentage Change	6.7%	N/A
Annual Percentage Change	1.6%	N/A

⁵² Claims with runout through December 31, 2023.

Appendix A

Provider and CLE Surveys

OLTL HCBS Provider Survey	
<p>The Office of Long-Term Living (OLTL) is conducting a review of payment rates for the following Home and Community-Based Services (HCBS): Adult Day, Structured Day Habilitation, Employment and Training, Personal Assistance (Agency), Personal Assistance (Participant Directed), and Residential Habilitation.</p>	
<p>Please complete the survey for the Calendar Year (CY) 2023 period, which spans January 1, 2023 through December 31, 2023, unless it is otherwise specified.</p>	
<p>For any providers that delivered multiple service categories during that period, please fill out this survey <u>separately for each service category</u> you delivered.</p>	
<p>For any providers that did not deliver any of the service categories listed above, please disregard this survey.</p>	
<p>This survey is one component of the targeted rate review and is intended to collect current provider cost data and general feedback on the challenges of providing these services. The information collected in this survey will be used to inform development of a benchmark rate range to evaluate current payment rates. In addition to results from this survey, the review will be informed by payment rates by managed care organizations (MCOs) in OLTL claims data, recent legislative policies, department expectations, and other data obtained from publicly available sources.</p>	
<p>The information collected for this survey will be used for the purposes of this rate study and to meet the requirements of House Bill 1300 from the 2023–2024 Pennsylvania General Assembly regular session. Any information provided will remain confidential and proprietary and will only be shared publicly through high level summaries that do not include provider level detail.</p>	
<p>Please complete and submit the survey on or before Friday, August 23, 2024.</p>	
<p>OLTL appreciates your time and this valuable feedback. Thank you!</p>	

Section 1: Provider Demographics	Please provide the following information related to your organization:	
	a. Provider Name:	
	b. Provider ID:	
	c. Service Location ID:	
	d. Address:	
	e. City:	
	f. State:	
	g. ZIP:	
	h. Primary Contact Person for Survey:	
	i. Primary Contact Telephone Number:	
j. Primary Contact Email Address:		

Section 2: Service Categories	Please provide the following information related to service categories delivered for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	a. Select one service category you delivered from the options listed below:	
	1. Adult Day (e.g., S5102 [U3-U5]) 2. Structured Day Habilitation (e.g., W0104, W0105 [U4-U5]) 3. Employment and Training (e.g., W1728, W1732, W1733 [U4-U5], W1735, W1740) 4. Personal Assistance: Agency (e.g., W1793 [TT]) 5. Personal Assistance: Participant Directed (e.g., W1792 [TU]) 6. Residential Habilitation (e.g., W0100, W0101 [U4-U5], W0102, W0103 [U4-U5])	
	For any providers that delivered multiple service categories above: Please fill out this survey separately for each service category you delivered. <i>(e.g., a provider that delivers residential habilitation and structured day habilitation services would fill out two surveys where one contains information related to their delivery of residential habilitation services and the other contains information related to their delivery of structured day habilitation services).</i>	
	For providers that only delivered Personal Assistance (Participant Directed) Services in CY 2023: Please fill out only sections 1, 2, 3, and 5 .	
For any providers that do not deliver any of the service categories above: Please disregard this survey.		

Section 3: Personal Assistance (Participant Directed)	Please provide the following information related to Personal Assistance (Participant Directed) Services for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	a. What was the average percentage increase to base wages per hour provided to Direct Care Workers (DCWs) during the reporting period? <i>(DCW is defined as an individual providing the hands-on services to the participant. Base wage excludes overtime, differentials, or other bonuses.)</i>	
	b. Please provide any additional information you would like to share regarding the delivery of Personal Assistance (Participant Directed) Services.	

Section 4: Staff Wages	Please provide the following information related to staff wages for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	a. What was the average base wage per hour paid to DCWs during the reporting period? <i>(DCW is defined as an individual providing the hands-on services to the participant. Base wage excludes overtime, differentials, or other bonuses.)</i>	
	b. What was the average overall wage per hour paid to DCWs during the reporting period? <i>(DCW is defined as an individual providing the hands-on services to the participant. Overall wage includes overtime, differentials, or other bonuses.)</i>	
	c. What was the average base wage per hour paid to Front Line Supervisors (FLSs) during the reporting period? <i>(FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties. Base wage excludes overtime, differentials, or other bonuses.)</i>	
d. What was the average overall wage per hour paid to FLSs during the reporting period? <i>(FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties. Overall wage includes overtime, differentials, or other bonuses.)</i>		

Section 5: House Bill 1300	In addition to supporting the HCBS rate study, OLTL is collecting data on starting DCW wages to fulfill the reporting requirements of House Bill 1300 from the 2023–2024 Pennsylvania General Assembly regular session. Please provide the starting base DCW wage per hour as of the two dates listed below.	
	<i>(DCW is defined as an individual providing the hands-on services to the participant. Base wage excludes overtime, differentials, or other bonuses.)</i>	
	a. January 1, 2019:	
	b. January 1, 2023:	

Section 6: Staff Benefits	Please complete the following table related to staff benefits:	
	Question	
	a. Is this benefit offered to all staff? Or is it limited to full-time staff or any other subset of staff? If limited to a subset of staff, please specify who the benefit is offered to.	
	b. Annual agency cost per Full-Time Equivalent (FTE) for these benefits. <i>(This should be calculated as the total agency cost of providing these benefits divided by the total number of FTEs employed and qualified for these benefits, including those that are offered the benefit and elect not to receive it.)</i>	

Health Insurance (Incl. Dental and Vision)	Retirement Benefits	Short Term Disability	Long Term Disability	Worker's Compensation Insurance

	Please provide the following information related to staff benefits for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	c. Average annual paid vacation days per employee.	
	d. Average annual number of paid holidays per employee.	
	e. Average annual paid sick days per employee.	
	f. Average annual days of onboarding training per new employee.	
	g. Average annual days of ongoing training per employee.	
	h. Total number of worker's compensation claims.	
	i. Average cost per worker's compensation claims.	

Section 7: Staffing	Please provide the following information related to staffing for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	<p>a. Average number of DCW Full Time Equivalents (FTEs) employed and contracted (as applicable)* during reporting period.</p> <p><i>(For purposes of this question, DCW is defined as an individual providing the hands-on services to the participant. FTEs are generally expected to be equal to 2,080 hours per year.)</i></p> <p><i>*(Contracted staff are NOT allowed/applicable for Personal Assistance Services [PAS] agency providers.)</i></p>	
	<p>b. Average number of FLSs FTEs employed and contracted (as applicable)* during reporting year.</p> <p><i>(For purposes of this question, FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties. 2,080 hours per year equals FTE.)</i></p> <p><i>*(Contracted staff are NOT allowed/applicable for PAS agency providers.)</i></p>	
	<p>c. Average percentage of all agency individuals directly supporting the delivery of services employed and contracted (as applicable)* during the reporting period that were considered full-time (as defined by the number of hours by the provider).</p> <p><i>*(Contracted staff are NOT allowed/applicable for PAS agency providers. Generally, individuals are considered full-time at 30 or more hours per work week.)</i></p>	
	<p>d. Average ratio of FLS FTE per DCW FTE.</p> <p><i>(For purposes of this question, FLS is defined as an individual supervising DCWs and often engaging in direct support as part of their duties) (e.g., 1:20)</i></p>	

	<p>e. Average ratio of DCW per Participant.</p> <p>(For purposes of this question, DCW is defined as individual providing the hands-on services to the participant) (e.g., 1:5)</p>	
	<p>f. Percentage of staff turnover during the reporting period.</p> <p>(i.e., Number of staff that left the organization during the reporting period divided by total number of employees) (e.g., 30%)</p>	
	<p>g. Are there any additional staff directly supporting the delivery of services that are not billing their time such as a clinical director or nursing support? If yes, please include both the titles of the staff and their ratio of FTE to DCW FTE.</p> <p><i>(i.e., Staff that are directly related to the deliver of services beyond DCWs and FLSs that should be considered when evaluating provider costs) (e.g., 1 clinical director for every 50 DCW)</i></p>	

Section 8: Service Delivery	Please provide the following information related to service delivery for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	a. Average group size for any services delivered below during the reporting period. Please list "1" if the service was delivered in a non-group setting.	
	Adult Day - S5102 - Full Day	
	Adult Day - S5102 U5 - Half Day	
	Adult Day - S5102 U4 - Full Day Enhanced	
	Adult Day - S5102 U3 - Half Day Enhanced	
	Structured Day Habilitation - W0104 - Group	
	Structured Day Habilitation - W0105 U4 - 1:1	
	Structured Day Habilitation - W0105 U5 - 2:1	
	Employment and Training Services - W1740 - Benefits Counseling	
	Employment and Training Services - W1732 - Career Assessment	
	Employment and Training Services - W1728 - Skills Development (1:1)	
	Employment and Training Services - W1729 - Skills Development (1:2 - 1:3)	
	Employment and Training Services - W1741 - Skills Development (1:15)	
	Employment and Training Services - W1733 U5 - Job Coaching 1:1 (Follow Along)	
	Employment and Training Services - W1734 U5 - Job Coaching 1:2 - 1:4 (Follow Along)	
	Employment and Training Services - W1733 U4 - Job Coaching 1:1 (Intensive)	
	Employment and Training Services - W1734 U4 - Job Coaching 1:2 - 1:4 (Intensive)	
	Employment and Training Services - W1735 - Job Finding	
	Personal Assistance - W1793 - Agency	
	Personal Assistance - W1793 TT - CSLA	
	Residential Habilitation - W0100 - 1-3	
	Residential Habilitation - W0101 U4 - 1-3 Supp 1:1	
	Residential Habilitation - W0101 U5 - 1-3 Supp 2:1	
	Residential Habilitation - W0102 - 4-8	
	Residential Habilitation - W0103 U4 - 4-8 Supp 1:1	
	Residential Habilitation - W0103 U5 - 4-8 Supp 2:1	
	b. Average percentage of a DCW's daily shift spent on billable activities.	
(i.e., Percentage of a given working day in which a DCW is billing.) (e.g., 75%)		

	<p>c. Non-billable activities expected during a DCW's daily shift with corresponding percentages.</p> <p><i>(i.e., Percentage of a given working day in which a DCW is NOT able to bill and description of the task.) (e.g., Travel 15%, Administrative work 10%)</i></p>	
	<p>d. For Residential Habilitation Providers Only: Average vacancy percentage for the reporting period.</p> <p><i>(i.e., How many beds were empty, etc) (e.g., 5%)</i></p>	
	<p>e. For Adult Day, Day Habilitation and Employment Providers Only: Average percentage of participant 'no-shows' for the reporting period.</p> <p><i>(i.e., How many days or appointments missed during the reporting period?) (e.g., 5%)</i></p>	

Section 9: Additional Costs	Please provide the following information related to additional costs for Calendar Year 2023 (January 1, 2023 - December 31, 2023):	
	a. Average agency cost per DCW for all trainings and certifications excluding wages paid during training hours. (e.g., \$425 per employee per year equals \$50 for Cardiopulmonary resuscitation [CPR] + \$200 for Commonwealth mandated training + \$125 for agency required onboarding/training + \$50 cultural competency training.)	
	b. Annual agency cost for transportation excluding wages paid during transportation. (e.g., \$20,904 per year equals \$0.67 per mile * 30 miles a week * 52 weeks * 20 DCWs)	
	c. Percentage of total expenses attributable to indirect costs that are related to patient care. (Indirect costs include but are not limited to: administrator salary and benefits, office staff salaries and benefits, office supplies, rent for administrative office, property or liability insurance, accounting, licensure, background checks, electronic verification visit (EVV), health screenings, and legal services. Please refer to 2102.2 and 2102.3 in Chapter 21 of the Centers for Medicare & Medicaid Services [CMS] Provider Reimbursement Manual if you are unclear on if a cost is related to patient care.)	
	d. As it relates to the indirect cost of EVV, which EVV system does your agency use? [Drop Down Options]: 1. EVV - HHA State System 2. HHA Exchange Enterprise 3. Our Own Agency System 4. Don't Know	
	e. As it relates to the indirect costs described in 9c and 9d, please provide additional information on the specific costs that your agency incurs. [text or upload document that describes these items]	

	<p>f. Percentage of total expenses attributable to direct care supply costs that are related to patient care?</p> <p>(Direct care supply costs include but are not limited to: personal protective equipment (PPE), safety or mobility devices, food, and basic equipment. Please refer to 2102.2 and 2102.3 in Chapter 21 of the CMS Provider Reimbursement Manual if you are unclear on if a cost is related to patient care.)</p>	
	<p>g. As it relates to the direct care supply costs described in 9f, please provide additional information on specific supplies that your agency is responsible for. [text or upload document that describes these items]</p>	

Section 10: Additional Questions	Please provide the following information related to additional questions:	
	a. What industries or types of companies are you hearing prospective or former employees choosing to work for outside of HCBS?	
	b. What incentives to recruit or retain workforce have you found to be successful?	
	c. Does your organization have a value-based payment agreement in place for the services identified? If yes, what type of arrangement(s) are in place? Pay for performance, Enhanced Payments, Shared Savings, Risk Sharing, Capitated Payment, other.	
	d. Please provide any additional information you would like OLTL to know as we conduct the HCBS Rate Study.	

Appendix B

Assumption Summaries

OLTL Rate and Wage Study: Adult Daily Living Assumption Summary

Fee Components	Adult Daily Living
Unit of Service	Full Day (8 Hours) or Half Day (4 Hours)
Procedure Code and Modifiers	S5102 (U3, U4, U5)
Annual Service Days	260
Average Clients Served Per Day	20
Direct Care Worker Staffing Ratio	1:7
Program Specialist Staff to Client Ratio	1:30
Average Nursing Hours Per Client Per Day	0.15 hours
Daily Productivity	95.1%
Miles Traveled Per Day Per Client	10
Mileage Reimbursement Rate	\$0.67 per mile
Other Transportation Costs Per Day Per Client	\$0.21
Average Square Footage Per Client	70 sq ft
Annual Occupancy Cost per Square Foot	\$21.16
Paid Time Off	28 days
Full Time Employees as a Percent of Total Employees	75%
Part Time Employees as a Percent of Total Employees	25%
Administrative Cost Percentage	10%
Daily Food & Supply Costs Per Client	\$7.00
Minutes Per Bath	45 minutes
Bathing Incidence Rate	10%
Supply Cost Per Bath	\$1.00
Enhancement Factor	122%
Wages & Employee Related Expenses (EREs)	
Lower Bound Direct Care Wages (per hour)	\$16.15
Lower Bound Nurse Wages (per hour)	\$33.69
Lower Bound Program Specialist Wages (per hour)	\$19.87
Health Insurance*	\$667 per month
Federal & State Unemployment Tax Act (FUTA/SUTA)	\$424.20 per year
Workers' Compensation	1.40%
Federal Insurance Contribution Act (FICA)	7.65%
STD, LTD, Life Insurance*	0.70%
Retirement Benefits*	4.80%
Supplemental Pay	3.20%

**Applicable to full time employees only.*

OLTL Rate and Wage Study: Employment Assumption Summary

Fee Components	Benefits Counseling	Career Assessment	Employment Skills Development	Job Coaching	Job Finding
Unit of Service	15 Minutes	15 Minutes	15 Minutes	15 Minutes	15 Minutes
Procedure Code and Modifiers	W1740	W1732	W1728, W1729, W1741	W1733, W1734 (U4, U5)	W1735
Group Size	1:1	1:1	1:1, 1:2 to 1:3, 1:15	1:1, 1:2 to 1:4	1:1
Annual Days of Service	260 days	260 days	260 days	260 days	260 days
Direct Care Worker to Participant Ratio	1:1	1:1	Varies	Varies	1:1
Supervisor to Direct Care Worker Ratio	1:8	1:8	1:8	1:8	1:8
Daily Productivity	6 hrs (7.5 hr day)	6 hrs (7.5 hr day)	6 hrs (7.5 hr day)	6 hrs (7.5 hr day)	6 hrs (7.5 hr day)
Daily Miles Traveled	10 miles	10 miles	10 miles	10 miles	10 miles
Mileage Reimbursement Rate	\$0.67 per mile	\$0.67 per mile	\$0.67 per mile	\$0.67 per mile	\$0.67 per mile
Other Transportation Costs	Addl. \$0.67 per mile	Addl. \$0.67 per mile	Addl. \$0.67 per mile	Addl. \$0.67 per mile	Addl. \$0.67 per mile
Paid Time Off	28 days	28 days	28 days	28 days	28 days
Annual Training Days Per Staff Member	5 days	5 days	5 days	5 days	5 days
Annual Supply & Employee Training Costs	\$204.00	\$204.00	\$204.00	\$204.00	\$204.00
Full Time Employees as a Percent of Total Employees	100%	100%	100%	100%	100%
Part Time Employees as a Percent of Total Employees	0%	0%	0%	0%	0%
Administrative Costs	10%	10%	10%	10%	10%

Wages & Employee Related Expenses (EREs)

Lower Bound Direct Care Wages (per hour)	\$20.65	\$22.73	\$19.02	\$20.65	\$20.65
Lower Bound Supervisor Wages (per hour)	\$32.91	\$32.91	\$32.91	\$32.91	\$32.91
Health Insurance*	\$667 per month	\$667 per month	\$667 per month	\$667 per month	\$667 per month
Federal & State Unemployment Tax Act (FUTA/SUTA)	\$424.20 per year	\$424.20 per year	\$424.20 per year	\$424.20 per year	\$424.20 per year
Workers' Compensation	1.40%	1.40%	1.40%	1.40%	1.40%
Federal Insurance Contribution Act (FICA)	7.65%	7.65%	7.65%	7.65%	7.65%
STD, LTD, Life Insurance*	0.70%	0.70%	0.70%	0.70%	0.70%
Retirement Benefits*	4.80%	4.80%	4.80%	4.80%	4.80%
Supplemental Pay	3.20%	3.20%	3.20%	3.20%	3.20%

*Applicable to full time employees only.

OLTL Rate and Wage Study: PAS Agency, CSLA Assumption Summary

Fee Components	PAS (Agency, CSLA)
Unit of Service	15 Minutes
Procedure Code and Modifiers	W1793, W1793 TT (CSLA)
Annual Days of Service	Varies
Supervisor Staffing Ratio	1:40
Daily Productivity	91%
Mileage Reimbursement Rate	\$0.67 per mile
Miles Traveled Per Day Per Client	10 miles
Annual Supply Costs Per Employee	\$262.98
Annual Ongoing Training Hours Per Staff Member	12 hours
Annual Onboarding Training Hours Per Staff Member	40 hours
Paid Time Off*	28 days
Staff Turnover	37%
Full Time Employees as a Percent of Total Employees	15% DCW; 100% Supervisor
Part Time Employees as a Percent of Total Employees	85% DCW; 0% Supervisor
Administrative Costs	10%
CSLA Factor	102%
DCW Compensation as a Percent of Total Rate	85%

Wages & Employee Related Expenses (EREs)	
Lower Bound Direct Care Wages (per hour)	\$14.58
Lower Bound Supervisor Wages (per hour)	\$27.02
Health Insurance*	\$667 per month
Federal & State Unemployment Tax Act (FUTA/SUTA)	\$424.20 per year
Workers' Compensation	1.40%
Federal Insurance Contribution Act (FICA)	7.65%
STD, LTD, Life Insurance*	0.70%
Retirement Benefits*	4.80%
Supplemental Pay	3.20%

**Applicable to full time employees only.*

OLTL Rate and Wage Study: PAS PDS Assumption Summary

Fee Components	PAS (PDS, PDS OT)
Unit of Service	15 Minutes
Procedure Code and Modifiers	W1792, W1792 TU (OT)
Annual Days of Service	Varies
Daily Productivity	100%
Annual Supply Costs Per Employee	\$283.75
Full Time Employees as a Percent of Total Employees	15%
Part Time Employees as a Percent of Total Employees	85%
Overtime Factor	150%

Wages & Employee Related Expenses (EREs)	
Lower Bound Direct Care Wages (per hour)	\$14.58
Health Insurance*	\$667 per month
Federal & State Unemployment Tax Act (FUTA/SUTA)	\$424.20 per year
Workers' Compensation	1.40%
Federal Insurance Contribution Act (FICA)	7.65%
STD, LTD, Life Insurance*	0.70%
Retirement Benefits*	4.80%

**Applicable to full time employees only.*

OLTL Rate and Wage Study: Habilitation Assumption Summary

Fee Components	Residential Habilitation 1-3	Residential Habilitation 4-8	Habilitation Support 1:1	Habilitation Support 2:1	Structured Day Habilitation Group
Unit of Service	Per Diem	Per Diem	Per Hour	Per Hour	Per Hour
Procedure Code and Modifiers	W0100	W0102	W0101 U4 / W0103 U4 / W0105 U4	W0101 U5 / W0103 U5 / W0105 U5	W0104
Group Size	1-3 People	4-8 People	1 Person	1 Person	8 People
Direct Care Worker Staffing Ratio	See Staffing Summary		1:1	2:1	See Staffing Summary
Supervisor Staffing Ratio			N/A	N/A	
Additional Support Staffing Ratio			N/A	N/A	
Director Staffing Ratio			N/A	N/A	
Full Time Employees as a Percent of Total Employees			75%	75%	
Part Time Employees as a Percent of Total Employees			25%	25%	
Daily Productivity	Varies	Varies	N/A	N/A	Varies
Annual Days of Service	365 days	365 days	365 days	365 days	260 days
Transportation Cost Per Participant Per Day	\$ 6.20	\$ 6.20	\$ -	\$ -	\$ 0.14
Supply Cost Per Participant Per Day	\$ 6.88	\$ 6.88	\$ -	\$ -	\$ 2.10
Occupancy Cost Per Participant Per Day	\$ -	\$ -	\$ -	\$ -	\$ 8.00
Full Time Employee Days Off	28 days	28 days	28 days	28 days	28 days
Part Time Employee Days Off	0 days	0 days	0 days	0 days	0 days
Annual Training Days Per Staff Member	5 days	5 days	5 days	5 days	5 days
Administrative Costs	10%	10%	10%	10%	10%
Day Hab - Facility Blending Percentage	N/A	N/A	N/A	N/A	85%
Day Hab - Community Blending Percentage	N/A	N/A	N/A	N/A	15%

Wages & Employee Related Expenses (EREs)

Health Insurance*	\$667 per month	\$667 per month	\$667 per month	\$667 per month	\$667 per month
Federal & State Unemployment Tax Act (FUTA/SUTA)	\$424 per year	\$424 per year	\$424 per year	\$424 per year	\$424 per year
Workers' Compensation	1.4%	1.4%	1.4%	1.4%	1.4%
Federal Insurance Contribution Act (FICA)	7.65%	7.65%	7.65%	7.65%	7.65%
STD, LTD, Life Insurance*	0.70%	0.70%	0.70%	0.70%	0.70%
Retirement Benefits*	4.80%	4.80%	4.80%	4.80%	4.80%
Supplemental Pay	3.20%	3.20%	3.20%	3.20%	3.20%
Staff Wages	See Staffing Summary				

*Applicable to full time employees only.

OLTL Rate and Wage Study: Habilitation Staffing Summary

Position	Res Hab 1-3		Res Hab 4-8		Res Hab Enhanced		Day Hab - Facility		Day Hab - Community	
	Weekly Hours per Participant	Days per Week	Weekly Hours per Participant	Days per Week	Weekly Hours per Participant	Days per Week	Weekly Hours per Participant	Days per Week	Weekly Hours per Participant	Days per Week
Residential Direct Care	47.8	7.0	40.3	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Direct Care Supervision	7.2	7.0	7.4	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Transportation Staff	3.6	7.0	1.0	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Clinical Staff	4.6	7.0	3.8	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Internal Activity Coordinator	2.0	7.0	2.0	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Residential Director	1.7	7.0	2.7	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Therapy Support Staff	1.4	7.0	2.1	7.0	N/A	N/A	N/A	N/A	N/A	N/A
Personal Therapeutic Assistant	N/A	N/A	N/A	N/A	Varies	Varies	N/A	N/A	N/A	N/A
Therapists (OT/PT/ST - group)	N/A	N/A	N/A	N/A	N/A	N/A	40.0	5.0	40.0	5.0
Cognitive Therapists	N/A	N/A	N/A	N/A	N/A	N/A	5.0	5.0	8.0	5.0
Behavioral Therapists	N/A	N/A	N/A	N/A	N/A	N/A	5.0	5.0	4.0	5.0
Program Aides	N/A	N/A	N/A	N/A	N/A	N/A	40.0	5.0	50.0	5.0
Clinical Staff - Day Hab	N/A	N/A	N/A	N/A	N/A	N/A	10.0	5.0	10.0	5.0
Internal Activity Coordinator - Day Hab	N/A	N/A	N/A	N/A	N/A	N/A	4.0	5.0	4.0	5.0
Director	N/A	N/A	N/A	N/A	N/A	N/A	2.0	5.0	2.0	5.0
Neuropsychologist	N/A	N/A	N/A	N/A	N/A	N/A	4.0	5.0	4.0	5.0
Transportation	N/A	N/A	N/A	N/A	N/A	N/A	0.0	0.0	6.0	5.0

Position	Full Time / Part Time Split		Statewide Lower Bound Wages
	Full Time %	Part Time %	
Residential Direct Care	75%	25%	\$ 21.31
Direct Care Supervision	100%	0%	\$ 28.74
Transportation Staff	100%	0%	\$ 11.53
Clinical Staff	100%	0%	\$ 40.36
Internal Activity Coordinator	100%	0%	\$ 19.19
Residential Director	100%	0%	\$ 30.52
Therapy Support Staff	100%	0%	\$ 34.87
Personal Therapeutic Assistant	75%	25%	\$ 21.31
Therapists (OT/PT/ST - group)	100%	0%	\$ 42.44
Cognitive Therapists	100%	0%	\$ 23.39
Behavioral Therapists	100%	0%	\$ 34.87
Program Aides	75%	25%	\$ 19.19
Clinical Staff - Day Hab	100%	0%	\$ 40.36
Internal Activity Coordinator - Day Hab	100%	0%	\$ 23.60
Director	100%	0%	\$ 43.84
Neuropsychologist	100%	0%	\$ 106.97
Transportation	100%	0%	\$ 11.53