



## Independent Provider Model Rates

---

### Overview

The FY 2019 Appropriations Act, enacted in July 2018, directed EOHHS to establish a new Self-Directed program, known as the Independent Provider (IP) Program. The IP program is a self-directed pathway available to all adult LTSS consumers choosing services in an at-home setting who are seeking to self-direct only personal care and homemaker services. The IP program is available to individuals with disabilities who are over the age of eighteen (18) or elders aged sixty-five (65) or over who meet either a high or highest level of care. The LTSS consumer has the flexibility to select a Personal Care Aide (PCA) of their choice and self-direct their schedule and the way authorized services are to be provided.

As part of the establishment of this program, EOHHS has established a rate for Personal Care Aides, and a monthly rate for Fiscal Intermediary and Service Advisory Agency services. On July 10, 2019, EOHHS issued a proposed 1115 Waiver Amendment with the proposed rates for the IP program. Following the issuance of such public notice, EOHHS received guidance from the Centers for Medicare and Medicaid Services (CMS) that there was no need to submit a formal 1115 Waiver Amendment. Below is a description of the final rates and attached to this document are EOHHS' responses to the comments received from the July 10, 2019 public notice.

### IP Rates

The direct services of the PCA will be billed on a 15-minute unit basis under the T1019 code at \$3.83 per unit.

EOHHS will pay the Fiscal Intermediary on a per member per month basis to manage hiring and payroll for the Personal Care Aides who participate in the IP program. The Fiscal Intermediary rate will be set to \$170.00 per member per month. y.

EOHHS will pay the Service Advisory Agency on a per member per month basis to assess service needs, assist consumers with planning needed services, and to act as an additional resource to the consumer, representative, and/or family to promote safety and quality of care. The Service Advisory Agency rate will be set at \$125.00 per member per month equivalent to the rate paid for Service Advisory in Personal Choice.

**Rhode Island Executive Office of Health and Human Services (EOHHS) Response to Comments**  
**Independent Provider Rates**

Comment	EOHHS Response
<p>Concern was expressed that raising the pay of PCA’s by 2% is not adequate to get enough participation among PCAs. Without a sufficient number of participating providers, individuals who need care will find themselves in a nursing facility. This issue is compounded for individuals who live near state lines, where PCAs can work across the border for higher rates.</p>	<p>Utilizing DLT EOHHS has reviewed the comparable professional payment rates of bordering states. EOHHS fully considered all information when setting the starting entry level rates for PCAs coming into the IP program.</p> <p>EOHHS is focused upon building a viable workforce without compromising the existing workforces and those persons that they serve. EOHHS reviewed existing wages for home health aides and personal care aides. Our goal is for entry level starting wages to be in alignment with other similar professions as a starting point. Home health aides median wage is \$14.71 and personal care aides median wage is \$12.93. EOHHS’ proposed starting IP wage is an average of the two. The proposed wage will enable us to maintain the current workforce awhile also providing an opportunity for interested professionals to join the industry.</p>
<p>Suggest that the state conduct additional, random reviews of service plans to ensure accuracy, impartiality, and consistence. More training for Service Advisory agency staff was also suggested.</p>	<p>Random reviews will be conducted by the State. Service Advisory agencies will be held accountable to the roles and responsibilities listed in the certification standards. The State will take an active role in ensuring they are trained to our standards.</p>
<p>Several commenters suggested the need to incorporate training costs into the proposed rate. One suggestion was to include the cost of training in the rate, thus ensuring that the state could draw down federal match for training expenditures. Commenters referenced a</p>	<p>Initially EOHHS is focused on establishing a strong budget neutral program. As such, EOHHS did not include the training costs in the rate. EOHHS will take this comment under consideration for the next rate setting process.</p>

<p>July 8<sup>th</sup>, 2015 memo issued by CMS regarding training and registry costs and reimbursements. Commenters also suggested a stipend or other compensation for the mandatory onboarding sessions for IP workers.</p>	
<p>There were several comments expressing the opinion that the initial rate, as set by EOHHS, is too high. The main concern is that the IP rate is too high in comparison to the existing rates for licensed home care and nursing home care providers, and as such, devalues the services provided by Licensed Nurse Assistants (LNAs). Specifically, it was stated that the proposed rate would result in a wage that is within one dollar of the current LNA wages.</p>	<p>Utilizing DLT, EOHHS has reviewed the comparable professional payment rates of bordering states. EOHHS fully considered all information when setting the starting entry level rates for PCAs coming into the IP program.</p> <p>EOHHS is focused upon building a viable workforce without compromising the existing workforces and those persons that they serve. EOHHS reviewed existing wages for home health aides and personal care aides. Our goal is for entry level starting wages to be in alignment with other similar professions as a starting point. Home health aides median wage is \$14.71 and personal care aides median wage is \$12.93. EOHHS' proposed starting IP wage is an average of the two. The proposed wage will enable us to maintain the current workforce awhile also providing an opportunity for interested professionals to join the industry.</p>

<p>Several commenters expressed the conviction that the IP starting wage was inflated from the average and median entry wage of Home Health Aids and Personal Care Aids. It was also stated that wages used to develop the IP rates include staff who work in institutional settings, such as nursing facilities. Commenters stated that institutional providers are paid a higher rate and are subsequently able to pay a higher wage to their employees. Commenters suggested that it would be more appropriate to calculate the average entry wage for the two occupational classifications (Personal Care Aides and Home Health Aides), which would result in a wage of \$11.45. Taking into account the most recent reports on wages for individuals working in home-based settings, the average starting wage is a range between \$10.50 and \$10.95 per hour. By taking these wages from 2016 and calculating a cumulative rate of inflation, the proposed wages should be within \$11.21 to \$11.69 per hour</p>	<p>Please see comment above.</p>
<p>Concern was expressed that EOHHS was attempting to manipulate the labor market away from licensed home care and nursing home care providers.</p>	<p>Please see comment above. EOHHS is focusing on maintaining our current workforces while also building capacity to enable more individuals to enter this workforce and achieve success and longevity through a career ladder professional pathway.</p>
<p>Concern was expressed that it would not be appropriate for IP providers to care for the more complex LTSS patients, including those with higher acuity medical needs and/or behavioral health needs.</p>	<p>All LTSS eligible consumers may choose the IP program. The Program will only offer personal care and homemaker services. If a consumer chooses this program, they will be assessed to determine if this program meets their needs to enable them to make a fully informed choice. The consumer has the ultimate choice whether or not to enter into the program. The Regulations as drafted provide a process by which such informed choice can be made by consumers and their families.</p>

<p>Concern was expressed that the rate for IP providers would disincentivize LNAs from maintaining their license or would reduce the number of new LNAs in the state.</p>	<p>Please see comments above.</p>
<p>Several commenters suggested that if the proposed IP rate goes into effect, EOHHS should meet licensed home care providers to discuss a proposed rate/wage increase to maintain a differential between LNAs and IP providers, to be included in the SFY 2021 budget.</p>	<p>The budget team would be open to discuss this further with interested parties. Differentials will not be considered at this time.</p> <p>EOHHS will take such comments and suggestions under consideration for the next rate setting process.</p>
<p>Questions regarding the expenses of professional liability insurance, workers' compensation, medical equipment and supplies, training, and employee mileage reimbursement. Will these be the responsibility of the Fiscal Intermediary, and are these requirements a part the proposed \$170.00 per month rate?</p>	<p>The \$170 does not include workers' compensation. Liability insurance would come in the form of the consumer's insurance (if any). The PCA would be informed that there is no professional liability insurance. PCA proceeds at their own risk.</p> <p>Mileage reimbursement will not be included. Medical supplies, such as gloves would be supplied by the consumer. DMEs, identified as needed thru the assessment, would be accessed thru other providers using the appropriate waivers.</p>
<p>Questions regarding who will be responsible for collecting the beneficiary liability payment (patient share) in the IP model?</p>	<p>The Fiscal Intermediary will be responsible for collecting patient liability. The amount of the patient liability will be deducted by EOHHS from the rate paid to the fiscal intermediary.</p>
<p>Concern was expressed regarding the incorrect translation of some of the state notices, specifically into Spanish. A request was also made for a comprehensive explanation of the IP program to be provided to the Spanish-speaking population in Rhode Island, as well as other populations who may be directly affected by the program.</p>	<p>All populations should have access to this program. We require our Fiscal Intermediary and Service Advisory agencies to accommodate diverse populations and alternative formats to communicate directly with all populations. Our training programs will be offered in alternative languages.</p>

<p>Questions regarding training, specifically who will pay for training, and who will be responsible for the quality oversight of the program.</p>	<p>EOHHS will pay the cost of the mandatory orientation and institutional training of IP PCAs.</p>
<p>Questions regarding who determined the rate, and how does it relate to the living wage and other employment regulations in the state?</p>	<p>Please see comments above.</p>
<p>How will EOHHS pay for the fiscal agency and other supervisors of the program? Will the funds be taken from money allocated to beneficiaries, or will the federal government cover the expenses?</p>	<p>EOHHS will draw down federal matching funds for all the services provided under the IP program. The services will be reimbursed like all other Medicaid services with a federal match to state funds.</p>
<p>Concern was expressed that this program will not reach vulnerable populations, specifically those who do not have family or friends who can become a PCA under the IP program. Agency care is not available in all locations around the state, which can put individuals at risk for nursing facility placement.</p>	<p>The IP Program requires EOHHS to develop a list of available IP certified PCAs who are available to work with consumers. This will create a workforce pool of available PCAs who are certified for the program and available for consumers to hire directly. Individuals who do not have available family or friends can utilize this workforce pool of PCAs.</p>
<p>Questions regarding the underlying methodology for calculating the rate. Commenters reiterated the need to adjust compensation to other LTSS providers to ensure the wages paid for staff are comparable and competitive with the IP rate. Specifically nursing facilities who rely on CNAs to provide hands on care and who have struggled with rate cuts and rate freezes over the past several years that have resulted in a workforce shortage.</p>	<p>Please see comments above.</p>
<p>Recommendation for a rigorous education and training program, both for initial certification as an IP, but also ongoing.</p>	<p>To develop the IP PCA training structure EOHHS engaged a working group, consisting of advocates, consumers, workforce members, higher education institutions. They developed an IP PCA training structure that is beneficial to the consumer and while also</p>

	<p>building a strong workforce. This proposed training structure was reviewed and approved by leadership.</p> <p>There are yearly training requirements and recertifications for existing PCAs. If the annual recertification is not achieved, the FI and EOHHS will consider the retraining of the PCA.</p>
<p>Support expressed for the model as a means to increase the availability of home care workers and PCAs in the community.</p>	
<p>Support expressed for the model as it stands as a way to provide people with the dignity of choice. Commenter expressed the belief that as you age, you often lose choice, and that the ability to choose the person who cares for you is important to many seniors.</p>	
<p>Concern expressed that the rate was developed from the median rates for home health aides, CNAs, and PCAs. Commenters expressed concern that using the median wage does not accurately reflect what the rate should be. Specifically, it was expressed that the median wage takes into account individuals who are paid significantly higher rates for night/weekend work, overtime, or are paid through staffing agencies who could pay up to \$30/hour when necessary. Additionally, individuals who have an allocated budget for services have the flexibility to pay higher wages than the market rate. This pay differential brings the median wage up significantly higher than what home care agencies can pay their staff. It was suggested that it would be more appropriate to use the entry level PCA wage for IP workers than the wage that was developed as it would more accurately reflect what someone who is entering the profession would be paid. The rates are also likely to increase</p>	<p>Please see comments above.</p>

<p>following the unionization of the workers, possibly up to \$15/hour. Not all agencies can afford to pay \$15/per hour. This will discourage people from becoming CNAs if they can be paid comparable rates without going through the 130-hour CNA program. This may also exacerbate staffing issues.</p>	
<p>Comparison to Washington state, which pays independent providers \$14-\$16/hour, but also pays higher wages to other, licensed providers. Recommendation that the state move toward this model.</p>	<p>This program and others are expected to grow and evolve over time.</p>