

Rate Transition Workgroup Meeting Minutes of August 3, 2011

Present: Katie Banzhaf, Pat Bourne, Janice Chamberlain, Joanna DiLoreto, Joe Drexler, Terry Edelstein, Pamela Fields, Sheryl Kemp, Peter Mason, Stephen Morris, Matthew Reyher, Stan Soby, Elisa Velardo

Review of Meeting Minutes 8/3/2011: Distributed prior to the meeting and reviewed. Minutes approved by all present.

Janice Chamberlain circulated a sign in sheet to make sure all committee members would receive minutes via email.

Continuation of an analysis of the Transition to LON Based Rates:

Peter Mason was asked at the August 3, 2011 meeting to sort the unionized agencies by those whose rates are greater than 8% over the LON based rates, within 8% of the LON based rates, and more than 8% below the LON based rates (See Unionized Providers sheet). 19 agencies are unionized and 10 fell within 8% of the LON based rates, 4 above and 5 below. The agencies seem to be equally distributed regardless of being unionized and possibly paying higher wages. An assumption was previously made that being unionized would impact where an agency fell on this list.

Comment: If LON is going to drive residential placements in future, we want to be sure that the LON accurately reflect a person's needs.

Peter was also asked at the August 3 meeting to look at three agencies (one agency greater than 8% over the LON rates (Agency A), one within 8% (Agency B), and one below 8% (Agency C)) that have the same average LON (i.e. 5) as a common denominator and evaluate the data of these agencies. Peter also looked at whether an agency went through UR or not, for each person. The three agencies selected were Agency A (greater than 8%), Agency B (within 8%), and Agency C (below 8%). Please reference one page handout of LON, # of participants, costs, and # of participants reviewed by UR.

Discussion ensued. Agency A was over in every LON category and 17 participants went through UR. Agency B was below the LON rates for LON 4 and less and rates were higher for individuals with a LON of 5 or more. 2 participants went through UR. Agency C was below the rates for all participants except for those with a LON of 1 and a participant with a LON of 8. Agency C had 5 participants that were approved by UR one of which was a LON of 8.

Analysis and quires regarding the data presented included:

- What is this telling us? The challenges of these individuals, whether behavioral or medical, are not accurately reflected here. If the LON is driving the rate what is the difference between all the agencies LON 5 and the LON 5 rate that was established?

- Joe Drexler stated that a person could be evaluated and approved by UR if over a particular LON cap. If they have already gone through the UR and the person's dollar amount has already been approved by UR then they will be held harmless when the conversion is completed.
- Joe stated UR will have to be a parallel track when doing the conversion and each person will need to be individually evaluated. Over time the conversion to rates will address some issues for providers.
- Peter commented that the database is all connected: UR to LON to individual. It should be a fluid system that includes UR; people can need more or need less and this can continue to change.
- This includes everyone in day services (Individualized day, group, DSO)? Yes

Peter distributed additional analysis of the three agencies (See legal size spread sheet of Agency A, Agency B, Agency C). Peter used the 2010 COR data. Members present reviewed the spreadsheet. A larger percentage of people that Agency A supports through day services have been evaluated and approved by UR. Agency B deals with a larger percentage of people that present more challenges. Analysis and quires regarding the data presented included:

- Discussion of the deficit for the three agencies reflected on the spreadsheet. Joe stated that it is a factor in the system that some agencies are better able to manage deficits with other activities. Some small providers that are very specialized will never fit into this rate system.
- Pat Bourne stated we can determine how many agencies show a deficit but we can't determine or judge why the agency is running a deficit. Maybe some agencies received money or an infusion of resources at one point and time.
- Peter suggested each agency evaluate their situation and decide how to remedy that.
- What would this look like if we segregated individuals that need a higher level of behavioral support vs. physical support? Might it be better to compare "apples to apples"?
- Do we envision as a group that we can come up with an over arching strategy for all? We can only recommend that these are the rates when transitioning all providers? Do we track UR differently?
- Joe shared the DDS Commissioner had delayed implementation until 1/1/2012. It was suggested that providers with rates above and below the

8% process could be adjusted first. The actual plan for implementation is up to this committee.

- Peter stated all providers would need help creating a plan to transition all to the rates.
- This conversion will begin recognizing that the rates need to be revisited. Joe indicated with an infusion of dollars at some point, rates would be revisited sooner than a 10-year period.
- Several members present felt a marketing plan needs to be created to relay this message and the process to the nonprofits. Already there has been miscommunication. We need a draft document to show how an increase in the rates will occur over time and for legislative advocacy purposes.
- Stan suggested we get the minutes on the DDS website for all to see. Peter needs to do some “clean up” of what is already on the website concerning the work of the rate transition group and subgroups.
- Joe indicated the rates make sense within the appropriation.
- Pat indicated it appears that there is not enough money to move the providers who are 3.7% above the LON down and the providers who are 4.1 % below the LON up. Joe feels that in the short run he can make the resources work.
- Pat stated if plan is to bring the people below to 8% of the rates and the people above over time are brought to the 8% of the rates, and if the dollars in DDS stay in DDS, it is possible to make this work. Do we have legislative support? Is there some way to be able to calculate what that number is to determine that this will work? Joe felt that if we were able to recalculate and reuse the dollars in the system as a part of the plan, it would be supported.
- Terry stated some state agencies have been asked to find 10% in reductions and she would be surprised if Human Service agencies are held harmless. Joe indicated there is still the dialogue with the unions so after Thursday we should have a better idea. DDS workforce will accept the freezes. All are cautiously optimistic.
- It is possible that an influx of dollars from Southbury could be incorporated into the system.

Subcommittee workgroups and assignments:

Members present agree that there are two subcommittees. Subcommittees will set their own meeting dates. Participation of members was decided.

Sustainability and benefits- Recommend rate structure work be incorporated into this subcommittee group- August 31, 1-4, Wallingford, CT.

Transition and representation- Meeting date, time and location to be determined.

Pat will send handout. Calendar of what will happen in Nov/Dec. We need to deal with what we have right now, immediate plan (even out playing field by applying existing rates) with periodic reporting, and what is future plan for sustainability (money that comes into the system for future).

Deb Henrich has asked her assistant to join the committee Sara Kolb.

The next meeting was scheduled for September 21, 1-4PM, Room B, in Wallingford DDS office.

Respectfully Submitted by Janice Chamberlain