



High-Needs Model Rate Increase Frequently Asked Questions

Why is the Division of Healthcare Financing (Division) implementing another increase to Comprehensive and Supports Waiver provider reimbursement rates?

The State of Wyoming's 66th Legislature passed [Senate File SF0001](#), which provides an additional \$3.2 million dollars to be appropriated "to developmental disability agency providers, as defined in the most recent developmental disability rate rebasing report."

What is the purpose for creating the agency provider designation?

The Division used the Comprehensive and Supports Waiver (DD Waiver) rate study, which was finalized in September 2021, as an opportunity to better understand independent providers' unique costs for service delivery. Survey responses from 170 providers who self-identified as independent providers revealed reported differences in costs incurred by independent providers and agency providers in areas related to administrative and benefit expenses.

The Legislature directed this rate increase specifically to agency providers only. Therefore, the Division had to designate a difference between agency and independent providers in the DD Waiver agreements in order to implement the upcoming rate increase. This designation was made for all services, even though rate increases will only be implemented for the services listed below.

What is the difference between an independent and an agency provider?

Independent providers do not designate wage rates and do not employ staff members other than themselves. In contrast to provider agencies, which have multiple employees, independent providers do not employ other people. Independent providers typically do not have a business tax identification number, but instead use their social security number as a business tax identification number.

An agency is a provider that employs one or more individuals other than themselves, and otherwise does not meet the definition of an individual provider.

Which services will be affected by the rate increase?

In response to the enacted budget bill, DD Waiver provider agencies will receive rate increases for the following services. These increases will not apply to participant-directed services.

- Adult Day Services - High Level of Care - 15 minute and daily billing units
 - These rates were not increased in February 2022.
- Community Living Services - Level 5 and Level 6
 - CLS Level 5 was increased by 5% in February 2022
 - CLS Level 6 was increased by 5.35% in February 2022

Why are these the only services that are receiving an increase?

The Wyoming Legislature specified that the increase is defined in the most recent rate rebasing report. The amount appropriated by the Legislature aligns with the difference between the 50th Percentile Model and the High-Needs Model that was presented in the Comprehensive and Supports Waiver SFY2023 Provider Rate Study Report (Rate Study Report). Accordingly, the Division is proposing to implement the High-Needs Model for agency providers. The services proposed to receive an increase are those targeted in the High-Needs Model.



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The High-Needs Model acknowledges that the participants receiving this high level service tier require more experienced and knowledgeable staff, and takes that into consideration in the calculation of the service.

To review the Rate Study Report, visit <https://health.wyo.gov/healthcarefin/hcbs/hcbs-public-notice/> and scroll down to the *Statistics and Reports* section.

The Community Supports - High tier services are identified in the High-Needs Model. Why didn't this service receive an increase?

Based on the information received and analyzed during the DD Waiver rate study, the calculated rates for the Community Supports Services (CSS) - High tier actually decreased. However, the Division did not decrease these rates when new rates were implemented in February 2022. Even with the new rate methodology that would be applied as a result of the High-Needs Model, the calculated CSS rates are lower than the rates that are currently in effect. Therefore, these rates are not proposed to increase.

Is the Case Management - Certificate rate available?

The Case Management - Certificate service and associated rate were not mentioned in the legislation that resulted in the additional funding for the High-Needs Model. While this service and rate are not specifically addressed in the proposed waiver amendments, they are still included in the waivers. The HCBS Section is working with the Wyoming Institute for Disabilities (WIND) to develop person-centered training for case managers. Once this training has been developed, the HCBS Section will activate the service, and case managers will be able to complete the training and bill an enhanced rate for the Case Management Services they provide. The HCBS Section will provide more information as we get closer to implementing this new Case Management service tier.

Will the rates be the same for agency and independent providers for the same services?

No. Agency provider rates will be increased for the identified services. Independent providers will continue to receive the rates that went into effect on February 1, 2022.

Is there a reason the proposed rates do not match the High-Needs Model rates reflected in the costs study report?

Yes. As with CSS, the DD Waiver rate study revealed that several of the provider reimbursement rates in effect prior to February 2022 were actually higher than the rates calculated during the study. Since the Division did not decrease any of the rates when new rates were implemented in February 2022, the difference between the 50th Percentile Model and the High-Needs Model that is reflected in the Rate Study Report is somewhat different than the actual difference between the two models once the February 2022 rate increases were implemented. Additionally, the Division calculated the rates for the identified services based on the \$3.2 million dollar appropriation. While the appropriation aligned with the High-Needs Model, the calculated rates do not exactly match the rates proposed on the report.

What is the breakdown of agency providers versus independent providers?

An analysis of current DD Waiver providers indicates that independent providers make up approximately 58% of DD Waiver providers.



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Can these rate increases be implemented retroactively as of July 1, 2022?

The Division has been working with the Centers for Medicare and Medicaid Services (CMS) to prepare for the waiver amendments needed to approve and implement the proposed rate increase. Due to the significant changes that have to be made to provider types, CMS has notified the Division that the waiver amendment, including the proposed rate increases, must be implemented prospectively. This means that the rates will be in effect as of September 1st or the date the waiver is approved, whichever is later.

It has been stated that September 1, 2022 will be the effective date. Could the effective date be earlier?

The Division is statutorily required to meet certain timelines when submitting a waiver amendment. Timelines include:

- 60-day notice to Tribal Governments of the intent to amend a waiver
- 30-day public comment period
- 90-day CMS review period of final amendment, which includes a summary of public comment and any changes made to the amendment as a natural outgrowth of the public comment

The Division started the clock on this amendment on Monday, March 14th. Given the required timelines and the time needed to make final updates to the amendments based on public comment, September 1st is the earliest the waiver amendments can be implemented.

Will the State be leaving money on the table by not starting the new rates on July 1st?

The \$3.2 million appropriation is not one-time funding and is not tied to a specific date by which the money must be expended. Accordingly, the rate calculations assume payments across an entire fiscal year and are not prorated based on a projected implementation date.

Will participant individual budget amounts be adjusted to accommodate the new rates?

Participants will have the ability to purchase the same services, regardless of the provider type that delivers the services.

What will be expected of agency providers once the agency rates are increased?

The February 2022 rate increase was funded with enhanced funding through the American Rescue Plan Act (ARPA). Due to this funding, providers are required to pass the entirety of the February 2022 increase on to direct support workers, defined as those individuals who were hired with the intent to provide direct services to DD Waiver participants.

As always, agency providers are expected to meet service definitions and support and supervision needs identified in each participant's individualized plan of care. Unlike the February 2022 increase, the September 2022 rate increase is not tied to special funding; therefore, agencies are not required to pass the September 2022 increase on to their staff members.

Will State employees also receive a raise with this funding?

No. State of Wyoming personnel costs are funded through a separate budget. All waiver funding is allocated to waiver program recipients.