

# **Comprehensive and Supports Waivers SFY 2027 Provider Rate Study**

**Presented to:**

**Wyoming Department of Health, Division of  
Healthcare Financing**

**Presented by:**

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## A. Executive Summary

In this report, Guidehouse Inc. presents the results of our 2024 rate study for the Comprehensive and Supports waiver programs in support of the Wyoming Department of Health (WDH), Division of Healthcare Financing (DHCF). WDH contracted with Guidehouse to conduct a rate study for Wyoming's two home and community-based (HCBS) Medicaid 1915(c) waivers serving individuals with intellectual and developmental disabilities (I/DD) and acquired brain injuries (ABI). This rate study supports the requirement of *WY Stat § 42-4-120 (g)* that WDH rebase its rates every two to four years. This rate study will be used to inform discussion about rates for State Fiscal Year (SFY) 2027.

### Stakeholder Engagement

Guidehouse worked closely with WDH and key stakeholders through July 2024 to conduct the rate study and develop proposed service rates. Stakeholder involvement included two key workgroups:

- *Provider Workgroup* – Composed of small and large providers and case management agencies that reviewed the survey design and materials, gave input on rate component assumptions, and endorsed related recommendations for consideration by the Steering Committee.
- *Rate Rebasing Steering Committee (Steering Committee)* – Composed of key state agency staff, legislators, and participant and provider representatives who served in an advisory capacity to provide feedback on WDH's rate methodology and proposed rates.

### Data and Methods

The rate study process drew on a wide array of data sources to develop rate assumptions and benchmark rate recommendations for each of the individual services. Guidehouse relied on objective, publicly available data sources, standard administrative cost reporting, as well as additional provider-reported costs specifically collected via provider cost and wage surveys. Guidehouse conducted the survey process to achieve the following goals:

- Collect data from I/DD service providers to identify actual costs and wages;
- Seek input on data not available through other sources;
- Receive uniform inputs across all providers to develop standardized rate model components where appropriate;
- Develop rate model inputs that are reflective of actual service delivery;

### **Wyoming Statute 42-4-120 (g) Requirements Include:**

- Establish a cost-based reimbursement system to pay HCBS waiver providers for persons with I/DD using data sources including:
  - Provider cost data
  - Provider claims data
  - Participant needs assessment data
  - Other regional and national data
- Calculate new reimbursement rates for providers at least once every four years but not more than once in any two-year period.
- Develop rates in consultation with I/DD providers, waiver participants and families, and a waiver payment system expert.

- Solicit general feedback from providers to understand service “pain-points” that could be addressed in rate updates.

One objective of the study was to ensure an appropriate and transparent rate methodology that uses more current labor assumptions and incorporates publicly available information that could enhance provider-reported information and allow for the development of rates that could be sustainable into the future.

For each service, multiple data sources and calculations were used to define key cost assumptions. Cost assumptions (e.g., for base and overtime wages, benefits including health insurance, staffing and supervisory patterns, and administrative and program support cost factors) were obtained a combination of cost surveys, independent data sources, and validation by the Provider Workgroup. Guidehouse researched additional data points such as inflationary metrics and certain benefits allowances obtained from industry data collected by the federal Bureau of Labor Statistics (BLS).

### Rate Model Recommendations

The approach used to establish the WDH’s benchmark rates is an “independent rate build-up” methodology commonly applied by states for setting rates for HCBS populations. It is an approach recognized as compliant with specific Centers for Medicare & Medicaid Services (CMS) regulations and guidelines and congruent with Medicaid rate setting principles more generally. The independent rate build-up methodology comprises direct care and indirect care components and the resulting rates are not modified to presume a predetermined budget impact.

Guidehouse developed various rate models for consideration by the Provider Workgroup and Steering Committee, who endorsed a recommendation of continued wage assumptions for direct care workers and other service practitioners, as reflected in this report. The estimated fiscal impact projects an increase of \$24 million dollars annually based on SFY 2023 utilization data, half of which would be “matched” by the federal government, as depicted in Table 1. The overall expected impact is subject to decrease if WDH distinguishes rates between “agency providers” and “independent providers,” whose organizational and operational structure feature slimmer expenses in some cost centers and whose rates are generally lower than those for agency providers. WDH is currently considering how to best move forward with a definition and rate structure for independent providers.

**Table 1. Summary of Annual Fiscal Impact Analysis and State Share**

Annual Expenditures for SFY23 Utilization	SFY23 Utilization Paid at SFY24 Rates	SFY23 Utilization Paid at SFY27 Rates	Annual Expected Increase, SFY24-27	Annual Expected State Share Inc., SFY24-27
\$101,535,461	\$125,937,473	\$149,980,066	\$24,042,593 (19.1%)	\$12,021,297

The Steering Committee determined that the rate study should be concluded and published, but recommended not funding the rate model displayed in the report and discussed a need for a more robust response to the cost survey to better inform long-term financial commitments.

## B. Introduction and Background

The Wyoming Department of Health (WDH) Division of Healthcare Financing (DHCF) administers a reimbursement system for providers of home- and community-based services (HCBS) under the Comprehensive Waiver and the Supports Waiver. These 1915(c) waiver programs enable individuals with intellectual and developmental disabilities (I/DD) and people with an acquired brain injury (ABI) and their families in the State of Wyoming to live in their homes and communities, rather than in institutions. These waiver programs are available statewide and serve eligible individuals from birth through adulthood.

Pursuant to *Wyoming Statute 42-4-120(g)*, the State must rebase provider service rates for the waiver programs every two to four years. The current rate methodology was implemented on April 1, 2024. If this rate rebasing is funded, new rates will begin on July 1, 2026 (SFY 2027), or upon approval from CMS.

Guidehouse worked with WDH to identify waiver services that would be included in the rate study, as summarized in Figure 1. The remainder of this report provides a detailed account of the rate study process, including stakeholder input, rate build-up methodology, and calculation of specific rate components.

**Figure 1. Waiver Services Included in Rate Study**

<b>Included Services</b>	<ul style="list-style-type: none"> <li>• Adult Day Services</li> <li>• Behavioral Support Services</li> <li>• Case Management</li> <li>• Child Habilitation Services</li> <li>• Cognitive Retraining</li> <li>• Companion Services</li> <li>• Community Living Services</li> <li>• Community Support Services</li> </ul>	<ul style="list-style-type: none"> <li>• Crisis Intervention Support</li> <li>• Homemaker Services</li> <li>• Individual Habilitation Training</li> <li>• Personal Care Services</li> <li>• Respite</li> <li>• Supported Employment Services</li> <li>• Transportation Services</li> </ul>
<b>Excluded Services</b>	<p><b><i>Aligned to State Plan or Other Rates</i></b></p> <ul style="list-style-type: none"> <li>• Dietician Services</li> <li>• Occupational Therapy</li> <li>• Physical Therapy</li> <li>• Skilled Nursing Services</li> <li>• Speech, Language, and Hearing Svcs.</li> </ul>	<p><b><i>No Change in Reimbursement</i></b></p> <ul style="list-style-type: none"> <li>• Environmental Modifications</li> <li>• Specialized Equipment</li> <li>• Special Family Habilitation Home</li> </ul>

## C. Stakeholder Engagement

To support the development of cost-based rates for the State’s waiver programs, Guidehouse and WDH worked with waiver providers and other stakeholders in the rate development process. WDH convened two workgroups to support the rate study: the Provider Workgroup and the Steering Committee. Figure 2 provides details about the composition of each group and their respective roles.

**Figure 2. Provider Workgroup and Steering Committee Composition and Roles**

Provider Workgroup	Steering Committee
<p><b>Composition:</b></p> <ul style="list-style-type: none"> <li>• Small provider agencies</li> <li>• Large provider agencies</li> <li>• Case management agencies</li> </ul>	<p><b>Composition:</b></p> <ul style="list-style-type: none"> <li>• Legislative representatives</li> <li>• WDH representatives, including Fiscal, Medicaid, the Director’s Unit for Policy, Research and Evaluation, and DHCF</li> <li>• Provider and participant advocates</li> </ul>
<p><b>Role:</b></p> <ul style="list-style-type: none"> <li>• Review survey design and materials.</li> <li>• Provide input on rate components including wages, benefits, staffing, administration, and program support.</li> <li>• Provide input on service-specific staffing and supervisor span of control ratios and productivity factors (non-face-to-face time required to deliver the service).</li> <li>• Provide recommendations to the Steering Committee regarding rate model scenarios and key rate components.</li> </ul>	<p><b>Role:</b></p> <ul style="list-style-type: none"> <li>• Review recommendations by the Provider Team regarding rate components, request additional information if needed, and make final decisions.</li> <li>• Review and provide feedback on rate modeling analyses and estimated budget impacts.</li> </ul>

During the previous rate rebase, Guidehouse worked with WDH and the Provider Workgroup to identify service-specific staffing ratios, supervisor span of control, and productivity assumptions (non-face-to-face time with client required for service delivery such as travel and record-keeping) consistent with service definitions and requirements. During this rebase, providers reported information relating to their staffing, supervision, and productivity metrics through the cost and wage survey, which served to validate assumptions informed by previous Provider Workgroup input and/or re-establish assumptions for inclusion in rebased rate models. From November 2023 to July 2024, the Provider Workgroup met six times and the Steering Committee met three times.

## D. Data Sources

### D.1. Overview of Data Sources

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Cost assumptions developed throughout the rate study relied on a variety of data sources to arrive at cost assumptions and cost allocation factors, including Wyoming provider data as well as national and regional benchmark data. Guidehouse established assumptions based on provider-reported data when available and appropriate, as well as extensive industry data that reflect wider labor markets for similar populations. This data from publicly available sources was required for benchmarking purposes to establish a comprehensive rate for some services.

To engage directly with providers of developmental disability services in Wyoming, Guidehouse conducted a cost and wage survey process to obtain their data regarding the costs and operational realities of delivering services, including their employee wages, benefits, and additional service-specific costs and metrics. Guidehouse also analyzed utilization of waiver services based on claims reimbursed for services within the scope of this rate study to determine the potential fiscal impact of implementing the recommended reimbursement benchmarks resulting from the rate rebasing process.

The sections below describe the key features of the provider cost and wage surveys as well as the other sources used in the rate development process.

### D.2. Provider Cost & Wage Surveys

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Guidehouse prepared two detailed provider surveys for providers of Comprehensive and Supports Waiver services to complete and submit for analysis. Guidehouse aimed to use the survey to:

- Capture provider revenue and cost data to provide cost foundation for rate studies;
- Receive expense, wage, and service delivery information across all providers to develop standardized rate model components;
- Assess staffing and wages for direct practitioners of services, including full-time and part-time filled and vacant positions by staff type, average wages by staff type, and changes in wages over time;
- Gather needed data to understand staffing patterns and staff activities for delivering each service, and participant occupancy, group size, and needs when participating in some (e.g., day habilitation, residential) services;
- Understand average caseloads and hours per month for case management services;
- Gather provider benefit data to evaluate current provider costs for health, dental, vision, retirement, and other benefit values, and establish benefit take-up rates for calculating employee-related expenses;

- Investigate differences in cost profiles between provider agencies and “independent” providers, in alignment with a legislative footnote in 2022 distinguishing agency providers from independent providers.

### D.2.1. Survey Design and Development

Guidehouse designed two Microsoft Excel-based versions of the survey with input from WDH staff and Provider Workgroup members, drawing on experience conducting similar surveys – for services delivered through similarly structured developmental disability waivers – in other states. Guidehouse worked with WDH to develop, review, update, and release the surveys, with significant feedback on survey design and administration from the Provider Workgroup.

Provider agencies that received more than one million dollars in Medicaid payments for waiver services in SFY 2023 would complete the “full” survey, which included eleven (11) sections or worksheets on topics outlined in Table 2 below. A separate “short” survey, condensed from the “full” version, was developed for and administered to provider agencies or independent providers who received less than one million dollars in Medicaid payments for waiver services in SFY 2023. Guidehouse collected information on the “short” survey components within the eleven (11) sections highlighted in Table 2; providers designated as “independent providers” who completed the “short” survey were only required to complete three of these tabs (Worksheets A, D, and E).

**Table 2. Organization and Data Elements of the Provider Cost and Wage Surveys**

#	Survey Topics	Survey Data Points and Metrics
A.	Provider Information	<ul style="list-style-type: none"> <li>• Provider identification</li> <li>• Contact information</li> <li>• Organizational details</li> </ul>
B.	Costs	<ul style="list-style-type: none"> <li>• Total costs and costs allocated to the waiver programs, excluding room and board costs, including:               <ul style="list-style-type: none"> <li>○ Salaries and wages</li> <li>○ Insurance</li> <li>○ Other overhead costs</li> </ul> </li> <li>• Total revenues</li> </ul>
C.	Wages	<ul style="list-style-type: none"> <li>• Staff types</li> <li>• Hourly wages</li> <li>• Annual change in wages</li> <li>• Full-time equivalents (FTE)</li> <li>• Regular wages</li> <li>• Overtime, bonuses, and other supplemental pay</li> <li>• Training time</li> <li>• Unfilled positions</li> </ul>



#	Survey Topics	Survey Data Points and Metrics
D.	<b>Benefits (Full Survey Only)</b>	<ul style="list-style-type: none"> <li>• Health, vision, and dental insurance</li> <li>• Retirement</li> <li>• Other benefits</li> <li>• Unemployment insurance and workers compensation</li> <li>• Holidays, vacation, sick, and personal days</li> </ul>
	<b>Independent Provider (Short Survey Only)</b>	Yes/no selection of whether cost categories apply, including: <ul style="list-style-type: none"> <li>• Administrative expenses</li> <li>• Employee benefits and taxes</li> <li>• Program support expenses</li> </ul>
E.	<b>1. Service Delivery</b>	<ul style="list-style-type: none"> <li>• Productivity and billable time</li> <li>• Supervisor and staffing patterns</li> <li>• Transportation</li> <li>• Occupancy metrics</li> <li>• Number of clients served (including by tier if applicable)</li> </ul>
	<b>2. Adult Day &amp; Community Support</b>	
	<b>3. Community Living</b>	
	<b>4. Therapies &amp; Dietician</b>	
	<b>5. Case Management</b>	<ul style="list-style-type: none"> <li>• Caseload information</li> <li>• Number of clients served by component (e.g., Certificate)</li> </ul>
F.	<b>Remote Delivery</b>	<ul style="list-style-type: none"> <li>• Services Delivered Remotely</li> <li>• Services Not Offering Remote and/or Telehealth Delivery</li> </ul>
G.	<b>Error Check</b>	<ul style="list-style-type: none"> <li>• Reporting to check that all information is entered into the appropriate tabs</li> </ul>

The surveys conducted for this rate study expanded Worksheet C to request information on wage growth and Worksheet E to request additional information on service delivery metrics, for which Guidehouse and WDH previously relied on Provider Workgroup input to develop corresponding rate model assumptions. These additions allowed Guidehouse to better compare and evaluate Wyoming provider survey data against national and regional benchmarks to help ensure provider survey accuracy.

### **D.2.2. Survey Administration and Support**

WDH released the surveys via e-mail on December 11, 2023 to the entire provider community in scope for the rate study. WDH also posted the survey to its HCBS Section website. Guidehouse facilitated two live provider training webinars, available to all providers, on December 13 and December 15, 2023 following the release of the surveys. In each training session, Guidehouse introduced the surveys, provided an overview of the survey tool and each worksheet tab, and addressed provider questions. WDH posted a link to the recording of one of the webinars to the HCBS Section website.

Guidehouse offered ongoing support and resources in helping providers to complete the surveys, through a dedicated electronic e-mail inbox that providers could access to receive answers to their specific questions. WDH sent communications to providers via email on January 4, January 22, and January 29, 2024, to encourage survey submission by the deadline, which it extended to February 2, 2024 to allow wider participation.

### **D.2.3. Provider Cost and Wage Survey Participation**

In total, Guidehouse received survey submissions for nearly half (14 of 30) of all providers with more than one million dollars in annual Medicaid revenues. Guidehouse received more surveys from smaller and/or independent providers, although at a lower response rate than large providers. Participation is typically lower from smaller providers than from larger providers, due to smaller providers having fewer dedicated internal accounting resources to respond to an intensive survey. During this rebase, fewer smaller and independent providers responded to the survey than in previous rebasing periods.

Overall participation by larger providers and as a proportion of total Medicaid revenues was consistent with Guidehouse's expectations for the DD waiver provider population based on experience with Wyoming and other states. Responding providers accounted for 40 percent of total Medicaid waiver expenditures, as evaluated from Wyoming Benefit Management System and Services (BMS) claims data. The information shared by responding provider agencies was sufficient to provide data for baseline assumptions, especially as this data was validated with larger independent data sources and with the Provider Workgroup. WDH representatives reviewed the participation rates and determined to continue with the analysis and development of the rate model. During Steering Committee discussions, the Steering Committee expressed concern over the response rate and the proportion of payments represented through submitted surveys to total claims paid. The Steering Committee voted to not support the funding of the rate model as presented in this report. Per WDH, the rationale for this determination was that long-term financial obligations for the State should not be undertaken with such a limited response rate from Wyoming providers. The Steering Committee's decision is discussed further in Section F.3 of this report.

Appendix B lists the names of all providers that submitted cost and wage surveys. Table 3 includes a detailed view of the survey response rates by providers and provider Medicaid waiver payments in comparison to total Medicaid waiver payments.

**Table 3. Survey Response Rates and Percent of Total Medicaid Waiver Payments**

Survey Type	Submitted Surveys	Medicaid Waiver Payments, Surveyed Providers	Total Providers	Medicaid Waiver Payments, Total Providers	Participation Rate	Percent of Medicaid Waiver Payments Represented
Full Survey	14	\$46,237,281	30	\$72,900,972	47%	63%
Short Survey	24	\$3,109,746	539	\$50,823,324	4.5%	6.1%
<b>Total</b>	38	\$49,347,027	569	\$123,724,296	6.7%	40%

**D.2.4. Provider Cost and Wage Survey Review and Validation**

After receiving each survey response, Guidehouse compiled data and conducted the following quality checks to prepare the data for analysis:

- **Completeness:** Checked the completion status in all worksheets within individual survey workbooks to determine whether follow up was required to resolve any issues and missing data. Guidehouse followed up with providers individually to request a clarification or correction if needed.
- **Outliers:** Reviewed quantitative data points (e.g., wages, productivity, benefits, number of clients and caseloads, staffing patterns) reported across all organizations to identify potential outliers and exclude outliers from certain analyses. Guidehouse reviewed assumptions with WDH, including outliers, and performed outreach to individual providers to confirm submissions and accepted amendments to data provided as necessary.

Cost survey processes are not subject to auditing processes, as an established cost reporting process would be. Survey results with providers’ self-reported data did not undergo a formal audit for accuracy, although Guidehouse conducted additional quality control checks and addressed outliers as discussed to ensure data completeness. The absence of an additional auditing requirement ultimately serves as a strength rather than a weakness of the cost survey approach, as it allows providers to report their most up-to-date labor costs, a key concern for rate development after a period of heightened inflation. To aid in the accuracy of survey responses, Guidehouse compares survey results to outside data sources as an additional factor in establishing accurate provider survey responses.

The survey data reported by providers was utilized to develop several key rate components including baseline hourly wages, employee-related expenses (ERE), and administrative and program support cost factors. Section E further outlines how the survey data was utilized for rate setting purposes.

### **D.3. Claims Data**

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Guidehouse developed a detailed claims data request in order to analyze the Medicaid claims utilization for SFY 2023. This request included all detailed claims for the procedure codes related to the Comprehensive and Supports Waivers, including key fields such as provider detail, payment information, service identifying fields, and service units. This data was used to determine the percent of Medicaid waiver payments represented within the survey response as seen above in Table 3. The data was also used in the fiscal impact analysis by capturing the units for each service and service level, identified by cross-walking MMIS data with the current DD waiver fee schedule. This allowed Guidehouse to calculate the projected fiscal impact between the proposed rates and the current rates. The claims data was also leveraged to understand the relative proportion of participants in various tiers of services like Adult Day Services, Community Living Services, and Community Support Services.

### **D.4. Other Data Sources**

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Cost assumptions developed throughout the study rely on a wide variety of data sources. The rate study aims to establish benchmark rates based on a combination of publicly available resources and providers' self-reported historical cost and wage information, as well as understanding the necessary cost requirements used to promote access to quality services going forward. As detailed in greater depth in the sections that follow, provider cost and wage surveys completed by Wyoming providers informed many relevant rate assumptions on employee wages, provider fringe benefit offerings, staff productivity, staff-to-client ratios, and transportation requirements for the array of services, with other data sources validating, refining, and supplementing Wyoming provider-reported information as appropriate.

While cost surveys are a rich and valuable source of information on provider costs, these tools cannot validate in themselves whether the costs reported are reasonable or adequate in the face of future service delivery challenges. This is especially true in the period between the prior and current rate studies, which featured unique economic and labor trends that in many ways reshaped or otherwise affected providers' service arrays, workforces, and expectations. Considering the possibility that historical costs may not be truly representative of the resources required to provide services in the near future or are not comparable to or competitive with the industry as a whole, Guidehouse evaluated cost survey data against external data benchmarks whenever feasible. As a result, the cost assumptions used by Guidehouse frequently draw on national and regional standards, at least for comparison purposes, that reflect wider labor markets as well as median costs typical of broader industries, to benchmark Wyoming reported information from the provider cost and wage survey. Table 4 summarizes some of the additional public data sets used to inform cost assumptions used in Guidehouse's benchmark rate recommendations.

**Table 4. Other Data Sources**

Source(s)	Description
Bureau of Labor Statistics, Occupational Employment and Wage Statistics (BLS OEWS)	Federal wage data available annually by state, intra-state regions, and metropolitan statistical areas (MSA). Used for wage geographic and industry wage comparisons and establishing benchmark wage assumptions for most wages.
Bureau of Labor Statistics, Costs for Employee Compensation Survey (CECS)	Federal data on employee benefits cost, analyzing groups of benefit costs including insurance, retirement benefits, paid time off, and other forms of non-salary compensation. Used for reference in establishing benchmark ERE assumptions.
Bureau of Labor Statistics, Current Employment Statistics (CES)	The Current Employment Statistics (CES) program produces detailed industry estimates of nonfarm employment, hours, and earnings of workers on payrolls. CES National Estimates produces data for the nation, and CES State and Metro Area produces estimates for all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and about 450 metropolitan areas and divisions. Each month, CES surveys approximately 119,000 businesses and government agencies, representing approximately 629,000 individual worksites.
Centers for Medicare & Medicaid Services (CMS) Market Basket Data	CMS prepares “market baskets” of input prices for healthcare across settings types (e.g., inpatient hospital, skilled nursing facility, home health agency, inpatient psychiatric facility, etc.). The market baskets inform payment updates and cost limits for fee-for-service (FFS) payment systems across CMS programs, as they reflect price inflation for providers of various medical and other healthcare services.
Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component (MEPS-IC)	Federal data on health insurance costs, including Wyoming-specific data regarding multiple aspects of health insurance (employer offer, employee take-up, premium and deductible levels, etc.) Used for reference in estimating health care costs for benchmark ERE assumptions.
Other State Medicaid Fee Schedules and Reimbursement Methodologies	Data from other states on reimbursement levels for cognate services as well as overall service design. Used for peer state comparison and well as development of best-practice recommendations for improving supported employment service delivery.
Internal Revenue Service	The Internal Revenue Service is the revenue service for the United States federal government, which is responsible for collecting taxes and administering the Internal Revenue Code, the main body of the federal statutory tax law.

## E. Rate Methodologies and Components

### E.1. Service Array

The current DD service array within this rate study examined fifteen (15) services and their individual categories and/or tiers, listed with the applicable units in Table 5. All services in scope for the rate study are reimbursed based on a reimbursement rate included in the State’s fee schedules; current rates became effective on April 1, 2024.

**Table 5. Service Name, Service Categories, and Units**

Service Name	Service Categories	Unit
Adult Day Services	Basic, Intermediate, and High	15-Minute, Daily
Behavioral Support Services	BCBA, BCaBA, and RBT Levels	15-Minute
Case Management	-	15-Minute, Monthly
Child Habilitation Services	Ages 0-12, Ages 13-17	15-Minute
Cognitive Retraining	-	15-Minute
Community Living Services	<i>15-Minute:</i> Basic Individual, Basic Group of Two, and Basic Group of Three or more <i>Daily:</i> Basic, Level 3, Level 4, Level 5, Level 6, and Host Home	15-Minute, Daily
Community Support Services	Basic, Intermediate, and High	15-Minute, Daily
Companion Services	Individual, Group up to 3	15-Minute
Crisis Intervention Support	-	15-Minute
Homemaker Services	-	15-Minute
Individual Habilitation Training	-	15-Minute
Personal Care Services	-	15-Minute
Respite	Individual, Group of 2	15-Minute, Daily
Supported Employment Svcs.	Individual, Group, and Follow-Along	15-Minute
Transportation Services	-	5 Mile Trip, 10 Mile Trip

## E.2. Rate Build Up Approach

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Guidehouse employed an independent rate build-up approach to develop payment rates for covered services. The independent rate build-up strategy allows for fully transparent models that account for the numerous cost components that need to be considered when building a rate. The foundation of the independent rate build-up is direct care worker wages and benefits, which comprise the largest percentage of costs for these services while also considering the service design and additional overhead costs that are necessary to be able to provide the service. This approach:

- Uses a variety of data sources to establish rates for services that are, per 1902(a)30(A) of the Social Security Act (SSA), “...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 care and services are available to the general population in the geographic area.”
- Relies primarily on credible data sources and reported cost data (i.e., costs are not audited, nor are rates compared to costs after a reporting period and adjusted to reflect those costs).

The rate build-up approach is commonly used by states for setting rates and is an approach recognized as compliant with CMS regulations and guidelines. This approach also yields a transparent rate methodology, allowing WDH to clearly delineate and validate the components that individually contribute to rates. Table 6 lists and describes each direct and non-direct cost component or cost allocation factor in Guidehouse’s rate models.

**Table 6. Primary Rate Model Components**

Factor Type	Name	Description
<b>Direct Cost Allocation Factors</b>	Staff wages	Hourly wages for direct care employees and corresponding supervisors
	Employee Related Expenses (ERE or Benefits Factor)	Cost of fringe benefit package for direct care employees and corresponding supervisors including federal and state payroll deductions; payroll hours to cover vacation, holiday and sick days and training time; and expenses toward health, dental, vision, and retirement benefits
	Productivity adjustment	Non-face-to-face time that program staff must spend to deliver the service (for example, travel time and recordkeeping)
	Supervisor span of control	Number of direct care workers overseen by one supervisor

Factor Type	Name	Description
	Supervisor hours per week	Number of hours per week or proportion of total hours in which a supervisor is supervising direct care (i.e., not providing direct care themself or completing administrative activities)
	Occupancy adjustment	Ratio of annual expected days billable to days offering services for certain settings
	Average staffing patterns	Average number of clients receiving services from one staff person
<b>Non-Direct Cost Allocation Factors</b>	Administrative cost factor	Ratio of administrative expenses to direct care staff salaries, wages and benefits
	Program support cost factor	Ratio of program support expenses to direct care staff salaries, wages and benefits
	Mileage cost factor	Operational standard mileage rate for five or 10-mile transportation service

Together, these components result in a unit rate designed to reimburse a provider organization for all inputs required for quality service delivery. This approach is often called an “independent rate build-up” approach because it involves several distinct rate components whose costs are captured independently through a variety of potential data sources. These costs are essentially “stacked” together into a collective cost per unit that defines the rate needed for cost coverage.

### **E.2.1. Staff Wages**

Wages for direct care staff are the largest driver in the final rate and are therefore a critical element to derive from the provider cost and wage survey. It is key to align the appropriate staff type with their corresponding wage to feed into the rate models for services. To best understand the landscape of wages in Wyoming, Guidehouse used information from the provider cost and wage survey as well as industry-wide data sources.

As part of the cost and wage surveys, each responding provider reported average hourly or “baseline” wages for the survey time period of the providers most recent fiscal year. To account for rapidly changing wage increases, providers also reported any percent increases in their staff’s average wages year over year since 2020 to help estimate the impact of wage growth. The survey also requested additional wage information such as overtime, shift differentials, and other forms of supplemental pay, which proved prescient in light of the U.S. Department of Labor announced in April 2024 which increases the salary threshold required to exempt an



employee from federal overtime pay requirements, and which may impact the supplemental pay received by certain employees of provider agencies.

Providers reported this information for each type of direct care staff they employ, by full-time equivalent (FTE). Direct care workers accounted for roughly 83 percent of all FTEs reported through both versions of the survey, as the services within scope for this rate study heavily utilize direct care workers to perform job functions. For all staff types, Guidehouse applied a weighting of reported baseline wages by the number of FTEs earning that wage. Guidehouse then compared FTE-weighted wages to appropriate benchmarks for comparable occupation types reported by the Bureau of Labor Statistics, Occupational Employment and Wage Statistics (BLS OEWS) specific to Wyoming. For example, “direct care workers” as specified in the provider cost and wage surveys align to the “Home Health and Personal Care Aides” occupation type within the BLS OEWS dataset.

Other staff types may not have a direct match within the BLS OEWS dataset; for those staff types (e.g., Board Certified Behavioral Analyst or BCBA), Guidehouse blended wages from two or more BLS OEWS occupations to create an accurate benchmark wage assumption to the survey data (e.g., a 50-percent blend of wages for BLS OEWS occupations “Clinical and Counseling Psychologists” and “School Psychologist”). BLS benchmarks are used to compare against provider cost and wage survey responses and should be considered as a possible wage input for rate modeling. Focusing solely on provider reported wages without any point of comparison is not advised, as provider reported wages potentially could reflect deflated wage inputs than what is needed for proper service delivery due to an underfunded system. BLS benchmark wages serve as a fundamental comparison to survey reported wages. Table 7 presents a crosswalk of survey staff types to the corresponding BLS OEWS occupations and wage quantiles from May 2022, to align with the provider reporting period requested in the survey.

Guidehouse compared reported wages for each staff type to wages for that staff type’s corresponding BLS occupation. Currently effective rates build from a 75<sup>th</sup> percentile wage for direct care workers; Guidehouse prepared rate models with a range of wage inputs, and the Provider Workgroup and Steering Committee both endorsed a recommendation to move forward with rate recommendations using the 75<sup>th</sup> percentile wage for direct care workers and the 50<sup>th</sup> percentile wage for other practitioners. The FTE-weighted average hourly wage for this staff type of \$15.15 from survey responses is lower than the 75<sup>th</sup> percentile hourly wage from BLS OEWS for the corresponding time period of \$16.54. Guidehouse elected to use wages from BLS data as inputs for wage assumptions in the rate models based on wage analysis and review with the Provider Workgroup, whether at the median for most job types or at the 75<sup>th</sup> percentile for direct service workers. This wage assumption also accounts for overtime and other forms of supplemental pay.

**Table 7. 2022 BLS OEWS and Survey Hourly Wage Crosswalk**

Provider Cost and Wage Survey		Bureau of Labor Statistics, Occupational Employment and Wage Statistics				
Staff Type	Applicable Service	Occupation Type	25 <sup>th</sup> Pct.	Median	75 <sup>th</sup> Pct.	90 <sup>th</sup> Pct.
Direct Care Worker	<ul style="list-style-type: none"> <li>• Adult Day Services</li> <li>• Child Habilitation Services</li> <li>• Community Support Services</li> <li>• Community Living Services</li> <li>• Individual Habilitation Training</li> <li>• Personal Care Services</li> <li>• Respite</li> <li>• Transportation Services</li> </ul>	Home Health and Personal Care Aides (311120)	\$13.29	\$14.51	\$16.54	\$20.64
Job Coach and Vocational Trainer	<ul style="list-style-type: none"> <li>• Supported Employment Services</li> </ul>					
Direct Care Worker	<ul style="list-style-type: none"> <li>• Companion Services</li> <li>• Homemaker Services</li> </ul>	Maids and Housekeeping Cleaners (372012)	\$12.13	\$13.70	\$18.14	\$22.41
Case Manager	<ul style="list-style-type: none"> <li>• Case Management</li> </ul>	Child, Family, and School Social Workers (211021) / Healthcare Social Workers (211022), 50% Blend	\$19.32	\$25.23	\$30.69	\$38.06
Board Certified Behavioral Analyst	<ul style="list-style-type: none"> <li>• Behavioral Support Services</li> <li><i>In supervisory role:</i></li> <li>• RBT-level Behavioral Svcs.</li> </ul>	Clinical and Counseling Psychologists (193033) / School Psychologists (193034), 50% Blend	\$27.27	\$34.18	\$43.22	\$55.79
Board Certified Assistant Behavioral Analyst	<ul style="list-style-type: none"> <li>• Behavioral Support Services</li> <li>• Cognitive Retraining</li> </ul>	Rehabilitation Counselors (211015)	\$19.37	\$25.94	\$27.14	\$33.55

Provider Cost and Wage Survey		Bureau of Labor Statistics, Occupational Employment and Wage Statistics				
Staff Type	Applicable Service	Occupation Type	25 <sup>th</sup> Pct.	Median	75 <sup>th</sup> Pct.	90 <sup>th</sup> Pct.
Registered Behavior Technician	<ul style="list-style-type: none"> <li>Behavioral Support Services</li> </ul>	Medical Assistants (319092)	\$16.26	\$17.83	\$20.07	\$23.98
Case Manager Supervisor	<i>In supervisory role:</i> <ul style="list-style-type: none"> <li>Case Management</li> </ul>	Social and Community Service Managers (119151) / Medical and Health Services Managers (119111) 80/20% Blend	\$25.16	\$31.89	\$41.62	\$52.48
Shift and Unit Supervisor	<ul style="list-style-type: none"> <li>Crisis Intervention Support</li> </ul> <i>In supervisory role:</i> <ul style="list-style-type: none"> <li>Adult Day Services</li> <li>Companion Services</li> <li>Homemaker Services</li> <li>Child Habilitation Services</li> <li>Community Support Services</li> <li>Individual Habilitation Training</li> <li>Community Living Services</li> <li>Personal Care Services</li> <li>Respite</li> <li>Supported Employment Svcs.</li> <li>Transportation Services</li> </ul>	First-Line Supervisors of Personal Service Workers (391022)	\$14.69	\$17.96	\$24.94	\$29.22

As providers reported historical costs and point-in-time baseline wages and wage increases, projecting growth in these expenses is important to set a rate which will become effective several years from the survey reporting period. To understand how wages and costs have trended in recent years, Guidehouse evaluated national inflation datasets in tandem with provider-reported wage increases. As projecting inflation relies on assumptions, Guidehouse evaluated several inflation metrics across sources and industries, and compared them to information reported by Wyoming providers to determine a reasonable prospective rate adjustment, ultimately identifying three reasonable sources from which to adopt an annual inflation metric to project forward to SFY 2027, summarized in Table 8:

- BLS Current Employment Statistics (CES):** BLS publishes CES data which evaluates trends in earnings. Guidehouse reviewed BLS CES data trends specific to Residential Intellectual and Developmental Disability (I/DD) Facilities. Guidehouse evaluated the average annual growth rate in average hourly earnings of all employees across the residential I/DD industry for the ten-year period of 2013 through 2023, as well as the preliminary trend from 2023 to 2024. Guidehouse elected to use the 2022-2023 rate of **4.63 percent** inflation to apply to wages going forward, as this closely aligns with the ten-year average and reflects cooling expectations for wage growth based on this and other inflation sources. This inflationary metric captures the most accurate representation of the population we are looking to establish rates for within this rate study for Wyoming development disability services.
- CMS Market Basket Data:** CMS publishes market basket data which tracks quarterly index levels and four-quarter moving average percent changes for various markets, including one for “Home Health Agencies.” CMS market basket data also includes future trends. This dataset informed the inflation trend applied to wages in developing the currently effective rates during the prior rate rebase. Guidehouse calculated the average annual percent change in the index between the historical index for May 2022 (the base period for BLS OEWS wage data) and the forecasted index for January 2027 (the midpoint of the first effective year of SFY 2027, consistent with how Guidehouse has applied the inflation trend in prior rebases). The annualized percent change between May 2022 and January 2027 is **4.07 percent**.
- Provider Cost and Wage Survey:** Responding provider organizations recorded the percent changes in hourly wages year over year from 2020, 2021, and 2022. Across staff types, the average wage increases for the three years were 2.83 percent, 4.92 percent, and 4.75 percent, respectively, for an average across the three-year period of **4.17 percent** per year.

**Table 8. Sources of Growth Rates in Relevant Costs and Wages**

Source	Time Period Evaluated	Annual Growth Rate for Comparison
Bureau of Labor Statistics (BLS) Current Employment Statistics (CES) Average for Residential Intellectual and Developmental Disability Facilities	2014 – 2024	4.63%

Source	Time Period Evaluated	Annual Growth Rate for Comparison
CMS Market Basket Data – Home Health Agency	2022 – 2027	4.07%
Wyoming DD Provider Cost and Wage Survey	2020 – 2023	4.17%

Since wage growth is the primary driver of provider costs, Guidehouse and WDH determined that the CES inflation factor of **4.63 percent** was most representative of the economic conditions faced by providers, as it closely aligns with the population and services in this rate study and with recent historical inflation in this series.

To develop a wage input for rates which become effective in SFY 2027, the base period wage from the May 2022 BLS OWES data inflates by 4.63 percent annually to the midpoint of SFY 2027, or by four and a half years. The total increase between through January 2027 is just under **22.6 percent**, which is reflected in the final wage inputs for the rate model.

Guidehouse calculated the benchmark wage assumptions by adjusting the 2022 BLS OEWS wages by the 4.63 percent which correlates to the CES inflationary metric and aligns closely with the year over year wage increase average reported in the provider cost and wage surveys. This wage build up is demonstrated in Figure 3.

**Figure 3. Calculation of Wage Adjustment Factors**

	Component and Source	Component Value	Wage Build-up
Benchmark Hourly Wage Input	<b>Baseline Hourly Wage</b> <i>BLS OEWS Home Health and Personal Care Aides, 2022</i>	<b>75<sup>th</sup> Percentile or 50<sup>th</sup> Percentile Hourly Wage</b>	<b>\$16.54</b>
	<b>Inflation Adjustment</b> <i>BLS CES Residential I/DD Facilities, 2022–2023</i>	<b>4.63% compounded 4.5 years, or 22.59%</b>	<b>\$16.54 x 1.2259 = \$20.28</b>

For example, begin with the BLS OEWS 75<sup>th</sup> percentile baseline wage input for direct care workers of \$16.54. To account for inflation from the baseline, an inflationary adjustment of 4.63 percent annually covering SFYs 2023, 2024, 2025, 2026 and half of 2027 was calculated as \$3.74, which adds to the baseline input and sums to \$20.28, which is the wage expectation for the midpoint of SFY 2027. Table 9 completes this exercise for each job type in the rate model.

**Table 9. Benchmark Wage Recommendations**

<b>Job Type</b>	<b>BLS OEWS Baseline Wage at SFY 2023</b>	<b>Inflation-Adjusted Wage to SFY 2027</b>
Direct Care Worker	\$16.54	<b>\$20.28</b>
Job Coach and Vocational Trainer		
Direct Care Worker – Homemaker / Companion	\$13.70	<b>\$16.79</b>
Case Manager	\$25.32	<b>\$30.93</b>
Board Certified Behavioral Analyst	\$34.18	<b>\$41.90</b>
Board Certified Assistant Behavioral Analyst	\$25.94	<b>\$31.80</b>
Registered Behavior Technician	\$17.83	<b>\$21.86</b>
Case Manager Supervisor	\$31.89	<b>\$39.09</b>
Shift and Unit Supervisor	\$17.96	<b>\$22.02</b>

### **E.2.2. Employee-Related Expenses**

Employee-related expenses are costs to the provider for fringe benefits beyond wages and salaries, such as unemployment taxes, health insurance, and paid time off (PTO). These fall into three distinct categories of benefits: legally required benefits, paid time off, and other benefits such as health insurance.

- Legally-required benefits** include federal and state unemployment taxes, federal insurance contributions to Social Security and Medicare, and workers' compensation. Employers in Wyoming pay an effective federal unemployment tax (Federal Unemployment Tax Act, FUTA) of 0.60 percent of the first \$7,000 in wages (after an employer tax credit of up to 5.4 percent of FUTA-taxable wages) and state unemployment tax (SUTA) of an estimated average of 1.41 percent derived from the provider cost and wage survey responses of the first \$30,900 in 2024 wages. Employers pay a combined 7.65 percent rate of the first \$168,600 in wages for Social Security and Medicare contributions as part of Federal Insurance Contributions Act (FICA) contributions. Per the cost and wage survey, employers in Wyoming pay an average effective tax of 3.26 percent toward workers' compensation insurance.

- **Paid time off (PTO) components of ERE** include holidays, sick days, vacation days, and personal days, as well as paid training hours. The average aggregate number of paid days off per year per the cost and wage survey was 18.4 days total, plus nearly 38 hours (4.7 days) of training, for a total days-off component of 23.1 days of eight hours of wages each day. As PTO benefits only apply to full-time workers, the daily value of this benefit is multiplied by a part-time adjustment factor, which represents the proportion of the workforce which works full-time.
- **Other benefits in ERE** include retirement, health insurance, and dental and vision insurance. Other benefits are also adjusted by a part time adjustment factor, as well as a take-up rate specific to each benefit type which represents the proportion of employees who utilize the benefit.

Not all providers that responded to the provider cost and wage surveys offer a “full” or competitive benefits package. To determine competitive contributions for benefits which are not legally required, the paid time off components were analyzed in aggregate and data on other benefits was analyzed only for providers *that contribute to their full-time employees’ benefits*. Analyzing these contributions and take-up rates for providers offering paid time off and other benefits yielded average annual contributions per employee. For example, of providers that responded to questions regarding their benefits contributions, nearly two-thirds (9 of 14 “large” providers) reported that direct service staff are eligible for holiday pay while between four and seven of the 14 providers reported that they offered health, vision, and dental insurance.

Survey data largely informed assumptions around legally required benefits and PTO components of the ERE factor, while Guidehouse consulted the publicly available Medical Expenditure Panel Survey (MEPS) dataset for Wyoming to validate and refine survey data regarding health, dental, and vision insurance. MEPS is a set of large-scale national and state-specific surveys of families and individuals, their medical providers, and employers across the United States, and is the most complete source of data on the cost and use of health care and health insurance coverage. MEPS data informed development of the “other benefits” component of ERE, as analysis of health insurance premiums demonstrated that MEPS provides a more representative standard for determining competitive insurance offerings for Wyoming employers than survey data. This process creates a rate component for fringe benefit costs which allots costs to cover a competitive benefits package at the prevailing wage.

Each ERE component is calculated as a percentage of wages; for direct care workers, with projected inflated base wages of \$42,175 per year, Guidehouse calculated a competitive fringe benefit package of **33.00 percent** of wages, as outlined in Table 10.

**Table 10. Components of ERE for a Direct Care Worker**

Category	Component	Calculation	Effective Annual Value
-	Wages	\$20.28 per hour	\$42,175
-	Part-time adjustment factor (PTAF)	Benefits-eligible proportion of direct care workers	76.6%

Category	Component	Calculation	Effective Annual Value
<b>Legally Required Benefits</b>	Federal unemployment tax	0.60% of first \$7,000 of wages	\$42 (0.10% of wages)
	State unemployment tax	1.41% of first \$30,900 of wages	\$437 (1.04% of wages)
	Federal insurance contributions	7.65% of first \$168,600 of wages	\$3,226 (7.65% of wages)
	Workers' compensation	3.26% of wages	\$1,376 (3.26% of wages)
Legally required benefits		\$5,081 (12.05% of wages)	
<b>Paid Time Off</b>	Holiday, vacation, sick, personal, and training days	23.1 days of 8 hours each times the PTAF and wage	\$2,868 (6.80% of wages)
Paid time off		\$2,868 (6.80% of wages)	
<b>Other Benefits</b>	Health insurance	Annualized premiums times the benefit take-up rate and the PTAF	\$5,206 (12.34% of wages)
	Retirement contributions		\$528 (1.25% of wages)
	Dental, vision, and other benefits		\$233 (0.56% of wages)
Other benefits		\$5,967 (14.15% of wages)	
<b>Total employee-related expenses (ERE)</b>		<b>\$13,916 (33.00% of wages)</b>	

Costs of contributing to certain legally required benefits and other benefits do not necessarily become more expensive as other compensatory costs, like wages, rise. As wages increase, the proportion of ERE to wages decreases; therefore, individual ERE percentage factors were developed based on staff type, as a proportion of the baseline wage for each staff type.

The wage assumption for direct care workers providing Homemaker and Companion Services is lower than for direct care workers providing other services, and so the ERE calculation for modeling rates for those two services yields an ERE factor of 35.9 percent, slightly higher than the factor applied to rates for other services delivered by direct care workers. The wage assumption for supervisors of direct care workers, which factor into the supervision cost allocation component of the rate model, is higher than for direct care workers, and so the ERE calculation for supervisors yields an ERE factor slightly lower (31.9 percent) than for direct care workers. The rate model for Behavioral Services provided by BCBAs, the highest-paid staff type



in this rate study, has the lowest ERE factor (as a proportion of wages) at 25.8 percent even though the costs of providing those benefits is actually the highest.

### E.2.3 Productivity Adjustment

While providers can only bill for the time during which their staff are directly delivering services, direct care staff perform other tasks as part of their workday which are essential to the delivery of quality services and the operation of the agency but which may not be “billable” as part of the service definition. A productivity adjustment accounts for such “non-billable” time, including time spent keeping records or in meetings, by upwardly adjusting compensation (wages and ERE) to cover the full workday.

Consider a simple example to illustrate this process:

*A direct care staff person is paid \$16 per hour and works an 8-hour day. The cost to the provider for the day is \$128 in wages (\$16 per hour for 8 hours). However, if half of the staff member’s 8-hour day (4 hours) was spent on activities that are non-billable, the provider would only be able to bill for 4 hours of the staff member’s time. Therefore, a productivity adjustment would have to be made to allow the provider to recoup the full \$128 for the staff cost. The adjusted wage rate per billable hour would need to be \$32, resulting in a productivity adjustment of 2.0.*

While this is an exaggerated example (a typical productivity adjustment is around 1.2 for many of the services in scope for this study), it demonstrates the importance of including a productivity factor to fully reimburse for direct support time.

Provider organizations reported the average number of billable hours (out of an assumed 8-hour workday) through the cost and wage survey, which translates into a productivity adjustment for each service. Providers reported that roughly 84 percent of direct care staff’s time is billable, on average. This percentage equates to 6.72 billable hours per each direct care staff member’s 8-hour day (where the other hour-plus is spent on notes, meetings, driving to a client’s home, etc.). Dividing 8 hours by 6.72 hours (or equivalent, dividing 1 by 84 percent or 0.84) yields an average overall productivity adjustment of **1.19**, which is then multiplied by ERE-adjusted wages to get productivity-adjusted compensation. Due to the nature of Behavioral Support Services, Case Management, and Transportation, the productivity adjustment for each of these three services is significantly higher than that for most other services. Provider Workgroup members confirmed assumptions for each service, which differ slightly from productivity adjustments in the currently effective rates, based on survey data.

### E.2.4 Supervision

While direct care staff deliver services, other staff are often present to supervise, and usually supervise multiple staff at one time. Wages for supervisors are often higher, but proportionate, to the wages of the direct care staff they supervise and are therefore included in independent rate models as a separate component to the primary staff wage. The supervision cost component captures the costs of compensating (through wages and benefits) for supervising direct care staff. These supervision costs are distinct from administrative costs related to higher-level management of personnel. Supervision is time spent in direct oversight of and assistance

with care provision and is frequently conducted by staff who are themselves providing direct care as a part of their role.

The cost and wage survey included questions regarding the number of direct care staff supervised by one supervisor (otherwise called the supervisor "span of control") and the total number of hours a supervisor spends per week, on average, directly supervising staff. Survey results were validated with the Provider Workgroup and largely aligned with previous recommendations of the workgroup. For Adult Day Services, for example, the inflated supervisor hourly wage of \$22.02 and ERE factor of 31.9 percent are adjusted by the assumed supervisor span of control of 9 direct care staff and the expectation that half of that supervisor's time would be spent on supervising (as opposed to directly providing billable services themselves). These costs will be further adjusted by the staffing ratio for each service.

### **E.2.5 Occupancy Adjustment**

Rates for Adult Day Services, Community Support Services, and Community Living Services also incorporate an occupancy adjustment, which adjusts billable time to account for absences. Absences include participants who schedule but then are unable to attend (and therefore bill for) a day habilitation service and participants who are temporarily out of a residential habilitation setting (e.g., due to hospitalization), and are therefore unable to participate in (and therefore bill for) scheduled HCBS. Absences can result in a loss of revenue for a provider, which may not be able to "fill" the spot or bed of the temporarily absent participant. The rate models incorporate an occupancy adjustment aligned with industry standards, and confirmed with the Provider Workgroup, of between 92 and 94 percent (for example, 240 days of billable services out of 260 days a day habilitation service setting may be "open").

### **E.2.6 Staffing Ratios**

Staff compensation calculated thus far must be translated to a per-client basis, as services are billed by a single client rather than based on a single direct care worker. The staffing ratio, or expected number of participants per service practitioner, makes this adjustment. Survey data and Provider Workgroup input, as well as caps on the participant-to-staff ratio in policy, informed assumptions around these expectations. For most services, the rate model essentially divides the total direct care staff compensation costs by the determined group size or participant-to-staff ratio, as the provider bills for each participant within a group service. Rates for group services, then, are lower than rates for individual services.

The rate model for Community Living Services uses staffing ratios slightly differently, as this is a 24-hour service with varying staffing assumptions throughout the day (i.e., expected staffing ratios differ during "awake" hours and "asleep" hours, and the client may be out of the service setting for day services or receiving other billable services during awake hours). The rate develops an estimate of direct care hours per day per participant, which differ based on the service tier and corresponding staffing assumptions. The Case Management rate also incorporates staffing ratios differently than most other services, as case managers typically have a "caseload" of participants across a billable period of time (i.e., month), rather than a group of participants receiving services at the same billable unit of time (e.g., 15 minutes, although WDH does offer a minimally utilized 15-minute unit for Case Management services under some circumstances). Monthly cost expectations are divided by this caseload, set at 35 participants

per month for a full-time case manager based on WDH feedback and survey results of the time spent on average for each case.

### **E.2.7. Administrative Expenses**

Administrative expenses reflect costs associated with operating a provider organization, such as costs for administrative employees' salaries and benefits along with non-payroll administration expenses, such as licenses, property taxes, liability, and other insurance. Rate models typically add a component for administrative expenses to spread costs across the reimbursements for all services an organization may deliver; our recommended rates reflect this methodology by establishing a uniform factor for each service rate as a proportion of direct care costs (compensation for direct care staff and supervisors, adjusted for productivity and staffing).

Administrative costs include payroll and non-payroll categories:

- **Payroll Administrative Expenses:** *Employees and contracted employees who perform administrative activities or maintenance activities earn salaries and benefits, which count toward payroll expenses in the calculation of total administrative costs.*
- **Non-Payroll Administrative Expenses:** *Costs including office equipment and overhead comprise non-payroll administrative expenses, net of bad debt and costs related to fundraising and advertising or marketing.*

Excluding providers that did not report any administrative or direct care costs, or reported costs such that the ratio of administrative costs to direct care costs was above 40 percent, Guidehouse calculated a median administrative cost factor of **25.69 percent** of adjusted direct care costs for all services but Case Management, which has a lower administrative cost factor outside of the billable service, and Community Living Services Host Home.

### **E.2.8. Program Support Expenses**

Program support expenses reflect costs associated with delivering quality services, but which are not directly billable as part of the service or administrative in nature. These may include costs related to compensation of program support staff (e.g., activities director, interpreter), supplies (e.g., supplies or snacks for activities), transportation, and building or capital expenses. Similar to the calculation for administrative costs, the program support cost factor is calculated based on cost data reported in the provider surveys and represented as a proportion of direct care costs reported in the provider surveys.

As program support costs differ across services, Guidehouse developed a range of program support cost factors. Rates for most services include a program support factor of **21.18 percent** of adjusted direct care costs. This factor decreases by five to 13 percentage points for most other services to exclude vehicle, facility, or both vehicle and facility related costs.

### **E.2.9 Mileage Cost**

Costs of transportation are accounted for in the program support cost factor for services which include transportation in the service definition. For standalone Transportation services, Guidehouse uses the Internal Revenue Service (IRS) 2024 standard mileage reimbursement rate of \$0.67 per mile multiplied by either five or 10 miles depending on the service component,

incorporated as a separate factor in addition to the direct care, administrative, and program support costs for Transportation. The rate model for standalone transportation services incorporates a lower program support cost factor than rates for other services so as to remove any costs accounted for in the mileage reimbursement component.

### E.3. Benchmark Rates and Final Recommendations

Benchmark rates for each waiver service, outlined in Table 11, were developed using the independent rate build-up approach. **Appendix A** includes the rate models for each services.

**Table 11. Proposed Benchmark Rates**

Code	Service	Current Rate Eff. Apr. 1, 2024	Proposed Benchmark Rate	Percent Difference
S5100	Adult Day Services - Basic, 15 Minute	\$2.78	\$2.92	5%
S5100 UA	Adult Day Services - Intermediate, 15 Minute	\$3.91	\$5.25	34%
S5108	Adult Day Services - High, 15 Minute	\$6.73	\$8.75	30%
S5102	Adult Day Services - Basic, Daily	\$66.72	\$70.02	5%
S5102 UA	Adult Day Services - Intermediate, Daily	\$93.84	\$126.04	34%
S5105	Adult Day Services - High, Daily	\$161.52	\$210.06	30%
97151	Behavioral Support Services - BCBA Level, 15 Minute	\$32.27	\$36.85	14%
97152	Behavioral Support Services - BCaBA Level, 15 Minute	\$20.56	\$28.45	38%
97153	Behavioral Support Services - RBT Level, 15 Minute	\$19.23	\$21.14	10%
T2022	Case Management, Month	\$341.67	\$370.98	9%
T1016	Case Management, 15 Minute	\$21.36	\$23.19	9%
T2027 HA	Child Habilitation Services - Ages 0 – 12, 15 Minute	\$4.15	\$5.60	35%
T2027	Child Habilitation Services - Ages 13 – 17, 15 Minute	\$4.15	\$5.60	35%
H2014	Cognitive Retraining, 15 Minute	\$13.57	\$15.51	14%

<b>Code</b>	<b>Service</b>	<b>Current Rate Eff. Apr. 1, 2024</b>	<b>Proposed Benchmark Rate</b>	<b>Percent Difference</b>
T2017	Community Living Services - Basic Individual, 15 Minute	\$9.41	\$11.31	20%
T2017 UN	Community Living Services - Basic – Group of two, 15 Minute	\$5.24	\$5.66	8%
T2017 UP	Community Living Services - Basic – Grp. of 3 or more, 15 Min.	\$3.86	\$3.77	-2%
T2031	Community Living Services - Basic, Daily	\$152.66	\$185.17	21%
T2016	Community Living Services - Level 3, Daily	\$161.71	\$198.39	23%
T2016 U7	Community Living Services - Level 4, Daily	\$198.22	\$243.18	23%
T2016 U6	Community Living Services - Level 5, Daily	\$289.75	\$350.69	21%
T2016 U5	Community Living Services - Level 6, Daily	\$495.18	\$594.84	20%
T2016 UD	Community Living Services - Host Home, Daily	\$295.82	\$395.91	34%
T2021	Community Support Services - Basic, 15 Minute	\$3.06	\$3.03	-1%
T2021 U1	Community Support Services - Intermediate, 15 Minute	\$4.60	\$5.45	18%
T2021 HB	Community Support Services - High, 15 Minute	\$9.11	\$9.09	0%
T2020	Community Support Services - Basic, Daily	\$73.44	\$72.73	-1%
T2020 U1	Community Support Services - Intermediate, Daily	\$110.40	\$130.91	19%
T2020 HB	Community Support Services - High, Daily	\$218.64	\$218.18	0%
S5135	Companion Services - Individual, 15 Minute	\$8.51	\$9.15	8%
S5135 TT	Companion Services - Group up to 3, 15 Minute	\$3.49	\$3.05	-13%
H2011	Crisis Intervention Support, 15 Minute	\$8.99	\$11.00	22%
S5130	Homemaker Services, 15 Minute	\$6.62	\$8.90	34%
T2038	Individual Habilitation Training, 15 Minute	\$8.34	\$11.25	35%

<b>Code</b>	<b>Service</b>	<b>Current Rate Eff. Apr. 1, 2024</b>	<b>Proposed Benchmark Rate</b>	<b>Percent Difference</b>
T1019	Personal Care Services, 15 Minute	\$8.25	\$10.73	30%
T1005	Respite - Individual, 15 Minute	\$8.39	\$11.04	32%
T1005 HQ	Respite - Group, 15 Minute	\$4.68	\$5.52	18%
S5151	Respite - Individual, Daily	\$302.30	\$397.31	31%
S5151 HQ	Respite - Group, Daily	\$168.41	\$198.65	18%
T2019	Supported Employment Services - Individual, 15 Minute	\$9.22	\$11.13	21%
T2019 UQ	Supported Employment Services - Group, 15 Minute	\$3.09	\$2.78	-10%
T2019 TS	Supported Employment Services - SEFA, 15 Minute	\$9.22	\$11.13	21%
A0090	Transportation Services, 5 Mile Trip	\$14.77	\$16.71	13%
T2001	Transportation Services 10 Mile Trip	\$18.25	\$20.06	10%

## F. Fiscal Impact Estimates

### F.1. Fiscal Impact Overview and Assumptions

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In determining final rate recommendations, Guidehouse assessed how proposed rate benchmarks would affect projected state and federal Medicaid expenditures in an effort to estimate the fiscal impact of increased rates for the State of Wyoming and for providers delivering services. Guidehouse developed an estimated budget impact of the newly calculated rates based on SFY 2023 waiver claims data.

The fiscal impact estimates are calculated as follows:

- For services included in the rate study:
  - To understand the **baseline waiver payments**, SFY 2023 claim units are multiplied by the rates currently in place in SFY 2025, based on the I/DD Service Index effective April 1, 2024.
  - To estimate the **future waiver payments based on the proposed rates**, SFY 2023 claim units are multiplied by the proposed rates (assumes that future service utilization would be similar to SFY 2027 service utilization).
  - The difference between estimated future payments and current baseline payments represents the estimated budget impact.
- For services excluded from the rate study: Because the payment rates remain the same, there is no change between the future estimated waiver payments and the baseline waiver payments (i.e., these services have no budget impact).

This analysis, conducted for the purposes of the rate study, includes several simplifying assumptions that may not reflect eventual service utilization or future Medicaid/state federal financial participation to be used in eventual budgeting for implementation. Moreover, these assumptions represent Guidehouse's best judgment based on the utilization data available, but do not necessarily reflect State legislative or executive decision-making, nor do they indicate additional commitments to future financing.

Guidehouse determined SFY 2023 to be the most representative base year when understanding utilization of the services within scope. Since State expenditures during SFY 2023 were not paid at current rates, Guidehouse adjusted the expenditure baseline grounded in SFY 2023 by repricing this utilization to reflect current rates. This adjustment is noted in fiscal impact tables in the "Paid at SFY24" columns, which indicates what the Department *would have paid* in SFY 2023 if reimbursing claims at the rates currently effective. To establish the payment baseline, Guidehouse priced each unit of service included in the data at the current rate without mimicking all the claims adjudication nuances that can yield a final payment amount below the Medicaid allowed amount, such as reductions due to third party liability or other determinations. Expenditures calculated at Guidehouse's benchmark rates follow suit, allowing proportionate comparison for assessing financial impact.

Utilization assumptions in this analysis reflect historical service volume, and Guidehouse did not attempt to adjust utilization patterns based on anticipated changes stemming from rate increases. While it is possible some services experiencing substantial rate increases may see higher utilization due to the monetary incentives driven by the increased rates to deliver these services, it is too soon to predict whether rate adequacy alone is sufficient to address workforce shortages that may have contributed previously to depressed utilization or challenges to access to care. It is our understanding that workforce challenges as well as lower rates of reimbursement may have caused some providers not to be able to deliver the volume of services demanded. With increased rates, providers may be in a position to hire and retain more staff than current levels, resulting in a greater volume of services delivered than historical utilization trends. Given the uncertain economic climate, the complexity of the dynamics operating in the current labor market, and the difficulty in gauging consumer and provider behavior post-COVID, Guidehouse did not apply speculative adjustments to utilization projections specifically to model potential upticks in utilization influenced by a rate increase.

This analysis also does not segregate rates for agency providers and independent providers, as WDH and the Steering Committee are in the process of formalizing a workable definition of independent providers that may impact that current definition. The inclusion of independent provider rates in this fiscal impact analysis would deflate overall projections, as independent provider rates are lower than or equal to agency provider rates in both the currently effective rate structure and the recommended benchmark rates.

Wyoming's Federal Medical Assistance Percentage (FMAP) is 50.00 percent, which means the federal government will cover 50 percent of expenditures for standard Medicaid services, including Comprehensive and Supports waiver services, while Wyoming pays the other half of Medicaid expenditures.

## **F.2. Fiscal Impact Across All Services**

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As currently effective rates were implemented on April 1, 2024, Guidehouse's evaluation of the potential fiscal impact from implementing benchmark rates applies the current rates to the most recent complete year of utilization data, or SFY 2023. Comparisons include only the reimbursement rate included in the WDH effective fee schedules, without considering other payments WDH may make to providers as a part of total reimbursement.

Reflected in Table 12 are the "Paid at SFY24" expenditures, reflecting the total hypothetical expenditures for units of service utilized in SFY 2023 paid at rates in effect as of April 2024. These compare to the benchmark expenditures, showing the total projected expenditures using the recommended rates multiplied by the SFY 2023 units for each service. Table 12 also displays the overall percentage and dollar difference between the two years of expenditures for services in-scope for the rate study, or services for which Guidehouse developed an independent rate build-up as part of this report (and outlined in Appendix A). While the table presents the "Paid at SFY24" expenditures for out-of-scope services (therapies, dietitian services, skilled nursing, etc.), Guidehouse is not recommending changes to these rates based on this rate study and so the benchmark value does not increase or decrease. Rates for these out-of-scope services may change as a result of other legislative decisions.



**Table 12. Total Fiscal Impact In-Scope-Services**

Service Category	Utilization Paid at SFY24 Rates	Utilization Paid at Benchmark Rates	Expected Increase	Expected State Share Increase
In-Scope Services	\$123,696,485	\$147,739,078	\$24,042,593 (19.4%)	\$12,021,297
Out-of-Scope Services	\$2,240,988	\$2,240,988	-	-
All Waiver Services	\$125,937,473	\$149,980,066	\$24,042,593 (19.1%)	\$12,021,297

Implementation of benchmark rates would lead to an aggregate annual increase in waiver expenditures of \$24 million (or \$48 million for the biennium), or nearly a fifth of current expenditures, subject to the assumptions discussed above and inclusive of both State and federal dollars. The Wyoming share of this increase is about \$12 million annually (or \$24 million for the biennium). The largest increases, of \$1 million or more annually, are projected in Adult Day Services (Intermediate), Community Living Services (Basic Daily and 15 minute, Level 3, Level 4, and Level 5), Respite, and Case Management.

### **F.3. Steering Committee Recommendations for Fiscal Impact**

The Steering Committee voted to issue this report with the rate analysis and model as presented, but to also recommend against funding the rate model. The Steering Committee discussed the response rate of providers to the cost survey, which represented 40 percent of Medicaid waiver expenditures. Department representatives determined, in collaboration with Guidehouse, that this response rate was adequate to continue with the rate study. The Steering Committee determined that the rate study should be concluded and published, but recommended not funding the rate model displayed in the report, citing concerns regarding the limited cost survey data received. The Steering Committee discussed the need for a more robust response to the cost survey to better inform long-term financial commitments.

The Steering Committee also determined to maintain the definition of independent providers, who are eligible for the "independent provider" rate. If WDH continues to pay a lower independent provider rate for some services based on the definition of an independent provider, the aggregate increase would be lower than projected based on this analysis. This figure is an estimate derived from the proposed benchmark rates within this report. Depending on budgetary constraints and legislative priorities there is the possibility that new rates may not be implemented as benchmarked. Overall, this rate study was intended to inform WDH of the various cost components and service delivery that should be considered when developing rates to support provider costs.

## **Appendix A: Rate Models**

This appendix contains rate build-up tables for each service and service component or tier, beginning on the following page.

Adult Day Services							
Rate Component	Unit:	15 Minute			Daily		
	Tier:	Basic	Inter.	High	Basic	Inter.	High
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28	\$20.28	\$20.28	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%
	Hours per Unit	0.25	0.25	0.25	6	6	6
	Productivity Factor	1.16	1.16	1.16	1.16	1.16	1.16
	Direct Care Unit Cost	\$7.85	\$7.85	\$7.85	\$188.36	\$188.36	\$188.36
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02	\$22.02	\$22.02	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%	31.89%	31.89%	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9	1:9	1:9	1:9	1:9
	Supervisor Hours per Week	20	20	20	20	20	20
	Direct Supervision Unit Cost	\$0.40	\$0.40	\$0.40	\$9.68	\$9.68	\$9.68
Adjustments	Total Direct Care Unit Cost	\$8.25	\$8.25	\$8.25	\$198.04	\$198.04	\$198.04
	Occupancy Adjustment	1.08	1.08	1.08	1.08	1.08	1.08
	Assumed Staffing Ratio	1:4.5	1:2.5	1:1.5	1:4.5	1:2.5	1:1.5
	<b>Adjusted Direct Unit Cost</b>	<b>\$1.99</b>	<b>\$3.58</b>	<b>\$5.96</b>	<b>\$47.68</b>	<b>\$85.82</b>	<b>\$143.03</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%	25.69%	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	21.18%	21.18%	21.18%	21.18%	21.18%	21.18%
	<b>Non-Direct Unit Cost</b>	<b>\$0.93</b>	<b>\$1.68</b>	<b>\$2.79</b>	<b>\$22.35</b>	<b>\$40.22</b>	<b>\$67.04</b>
Rate	<b>Unit Rate</b>	<b>\$2.92</b>	<b>\$5.25</b>	<b>\$8.75</b>	<b>\$70.02</b>	<b>\$126.04</b>	<b>\$210.06</b>
	<b>Current Rate</b>	<b>\$2.78</b>	<b>\$3.91</b>	<b>\$6.73</b>	<b>\$66.72</b>	<b>\$93.84</b>	<b>\$161.52</b>
	Percentage Difference	5.04%	34.27%	30.01%	4.95%	34.31%	30.05%

Behavioral Support Services				
Rate Component	Unit:	15 Minute		
	Tier:	BCBA Level	BCaBA Level	RBT Level
Wages	Inflated Hourly Wage – BCBA, BCaBA, RBT (50th percentile)	\$41.90	\$31.80	\$21.86
	ERE Direct Care Factor (% of Wages)	25.75%	27.91%	31.98%
	Hours per Unit	0.25	0.25	0.25
	Productivity Factor	1.90	1.90	1.90
	<b>Direct Care Unit Cost</b>	<b>\$25.09</b>	<b>\$19.37</b>	<b>\$13.74</b>
Supervision	Inflated Supervisor Hourly Wage – BCBA (50th percentile)	-	-	\$41.90
	ERE Supervisor Factor (% of Wages)	-	-	25.75%
	Supervisor Span of Control	-	-	1:10
	Supervisor Hours per Week	-	-	20
	<b>Direct Supervision Unit Cost</b>	<b>-</b>	<b>-</b>	<b>\$0.66</b>
Adjustments	Total Direct Care Unit Cost	\$25.09	\$19.37	\$14.40
	Assumed Staffing Ratio	1:1.0	1:1.0	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$25.09</b>	<b>\$19.37</b>	<b>\$14.40</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	21.18%	21.18%	21.18%
	<b>Non-Direct Unit Cost</b>	<b>\$11.76</b>	<b>\$9.08</b>	<b>\$6.75</b>
Rate	<b>Unit Rate</b>	<b>\$36.85</b>	<b>\$28.45</b>	<b>\$21.14</b>
	<b>Current Rate</b>	<b>\$32.27</b>	<b>\$20.56</b>	<b>\$19.23</b>
	Percentage Difference	14.19%	38.38%	9.93%

Case Management			
Rate Component	Unit:	Month	15 Minute
Wages	Inflated Hourly Wage – Case Manager (50th percentile)	\$30.93	\$30.93
	ERE Direct Care Factor (% of Wages)	28.16%	28.16%
	Hours per Year	2080	2080
	Productivity Factor	1.37	1.37
	Direct Care Annual Cost		\$112,947.05
Supervision	Inflated Supervisor Hourly Wage – Case Manager Supervisors (50th percentile)	\$39.09	\$39.09
	ERE Supervisor Factor (% of Wages)	26.24%	26.24%
	Supervisor Span of Control	1:3	1:3
	Supervisor Hours per Year	1040	1040
	Direct Supervision Annual Cost		\$17,106.99
Adjustments	Total Direct Care Annual Cost	\$130,054.04	\$130,054.04
	Assumed Staffing Ratio	1:1.0	1:1.0
	<b>Adjusted Direct Annual Cost</b>	<b>\$130,054.04</b>	<b>\$130,054.04</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Ann. Cost)	9.84%	9.84%
	Program Support Factor (% of Adjusted Direct Ann. Cost)	9.96%	9.96%
	<b>Non-Direct Annual Cost</b>	<b>\$25,756.73</b>	<b>\$25,756.73</b>
Caseload	Total Yearly Cost	\$155,810.78	\$155,810.78
	Caseload	35.00	35.00
	Units per Year	12	192
Rate	<b>Unit Rate</b>	<b>\$370.98</b>	<b>\$23.19</b>
	<b>Current Rate</b>	<b>\$341.67</b>	<b>\$21.36</b>
	Percentage Difference	8.58%	8.55%

Child Habilitation Services			
Rate Component	Unit:	15 Minute	
	Tier:	Ages 0 – 12	Ages 13 – 17
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%
	Hours per Unit	0.25	0.25
	Productivity Factor	1.13	1.13
	Total Direct Care Unit Cost	\$7.63	\$7.63
Adjustments	Assumed Staffing Ratio	1:2.0	1:2.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$3.82</b>	<b>\$3.82</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	21.18%	21.18%
	<b>Non-Direct Unit Cost</b>	<b>\$1.79</b>	<b>\$1.79</b>
Rate	<b>Unit Rate</b>	<b>\$5.60</b>	<b>\$5.60</b>
	<b>Current Rate</b>	<b>\$4.15</b>	<b>\$4.15</b>
	Percentage Difference	34.94%	34.94%

Cognitive Retraining		
Rate Component	Unit:	15 Minute
Wages	Inflated Hourly Wage – Board Certified Assistant Behavior Analyst (BCaBA) (50th percentile)	\$31.80
	ERE Direct Care Factor (% of Wages)	27.91%
	Hours per Unit	0.25
	Productivity Factor	1.07
	<b>Total Direct Care Unit Cost</b>	<b>\$10.91</b>
Adjustments	Assumed Staffing Ratio	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$10.91</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	16.50%
	<b>Non-Direct Unit Cost</b>	<b>\$4.60</b>
Rate	<b>Unit Rate</b>	<b>\$15.51</b>
	<b>Current Rate</b>	<b>\$13.57</b>
	Percentage Difference	14.30%

Community Living Services – 15 Minute Rates				
Rate Component	Unit:	15 Minute		
	Tier:	Basic Ind.	Group of Two	Group of Three or More
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%	33.00%
	Hours per Unit	0.25	0.25	0.25
	Productivity Factor	1.13	1.13	1.13
	<b>Direct Care Unit Cost</b>	<b>\$7.61</b>	<b>\$7.61</b>	<b>\$7.61</b>
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9	1:9
	Supervisor Hours per Week	5	5	5
	<b>Direct Supervision Unit Cost</b>	<b>\$0.10</b>	<b>\$0.10</b>	<b>\$0.10</b>
Adjustments	<b>Total Direct Care Unit Cost</b>	<b>\$7.71</b>	<b>\$7.71</b>	<b>\$7.71</b>
	Occupancy Adjustment	1.06	1.06	1.06
	Assumed Staffing Ratio	1:1.0	1:2.0	1:3.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$8.18</b>	<b>\$4.09</b>	<b>\$2.73</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	12.64%	12.64%	12.64%
	<b>Non-Direct Unit Cost</b>	<b>\$3.13</b>	<b>\$1.57</b>	<b>\$1.04</b>
Rate	<b>Unit Rate</b>	<b>\$11.31</b>	<b>\$5.66</b>	<b>\$3.77</b>
	<b>Current Rate</b>	<b>\$9.41</b>	<b>\$5.24</b>	<b>\$3.86</b>
	Percentage Difference	20.19%	8.02%	-2.33%



Community Living Services - Daily							
Rate Component	Unit:	Daily					
	Tier:	Basic	Level 3	Level 4	Level 5	Level 6	Host Home
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28	\$20.28	\$20.28	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%
	Hours per Unit	4.09	4.39	5.38	8.02	13.96	10.89
	Productivity Factor	1.13	1.13	1.13	1.13	1.13	1.13
	<b>Direct Care Unit Cost</b>	<b>\$124.51</b>	<b>\$133.40</b>	<b>\$163.51</b>	<b>\$244.02</b>	<b>\$424.70</b>	<b>\$331.26</b>
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02	\$22.02	\$22.02	\$22.02	-
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%	31.89%	31.89%	31.89%	-
	Supervisor Span of Control	1:9	1:9	1:9	1:9	1:9	-
	Supervisor Hours per Week	5	5	5	5	5	-
	<b>Direct Supervision Unit Cost</b>	<b>\$1.65</b>	<b>\$1.77</b>	<b>\$2.17</b>	<b>\$3.24</b>	<b>\$5.63</b>	<b>-</b>
Adjustments	Total Direct Care Unit Cost	\$126.16	\$135.17	\$165.68	\$247.25	\$430.33	\$331.26
	Occupancy Adjustment	1.06	1.06	1.06	1.06	1.06	1.06
	Assumed Staffing Ratio	<i>Staffing ratios are incorporated into the hours per unit calculation.</i>					
	<b>Adjusted Direct Unit Cost</b>	<b>\$133.86</b>	<b>\$143.42</b>	<b>\$175.80</b>	<b>\$262.35</b>	<b>\$456.60</b>	<b>\$351.49</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%	25.69%	25.69%	-
	Program Support Factor (% of Adjusted Direct Unit Cost excl. Levels 5 and 6)	12.64%	12.64%	12.64%	\$20.94	\$20.94	12.64%
	<b>Non-Direct Unit Cost</b>	<b>\$51.31</b>	<b>\$54.97</b>	<b>\$67.38</b>	<b>\$88.34</b>	<b>\$138.24</b>	<b>\$44.43</b>
Rate	<b>Unit Rate</b>	<b>\$185.17</b>	<b>\$198.39</b>	<b>\$243.18</b>	<b>\$350.69</b>	<b>\$594.84</b>	<b>\$395.91</b>
	<b>Current Rate</b>	<b>\$152.66</b>	<b>\$161.71</b>	<b>\$198.22</b>	<b>\$289.75</b>	<b>\$495.18</b>	<b>\$295.82</b>
	Percentage Difference	21.30%	22.68%	22.68%	21.03%	20.13%	33.83%

Community Support Services							
Rate Component	Unit:	15 Minute			Daily		
	Tier:	Basic	Inter.	High	Basic	Inter.	High
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28	\$20.28	\$20.28	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%
	Hours per Unit	0.25	0.25	0.25	6	6	6
	Productivity Factor	1.21	1.21	1.21	1.21	1.21	1.21
	<b>Direct Care Unit Cost</b>	<b>\$8.17</b>	<b>\$8.17</b>	<b>\$8.17</b>	<b>\$196.01</b>	<b>\$196.01</b>	<b>\$196.01</b>
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02	\$22.02	\$22.02	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%	31.89%	31.89%	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9	1:9	1:9	1:9	1:9
	Supervisor Hours per Week	20	20	20	20	20	20
	<b>Direct Supervision Unit Cost</b>	<b>\$0.40</b>	<b>\$0.40</b>	<b>\$0.40</b>	<b>\$9.68</b>	<b>\$9.68</b>	<b>\$9.68</b>
Adjustments	<b>Total Direct Care Unit Cost</b>	<b>\$8.57</b>	<b>\$8.57</b>	<b>\$8.57</b>	<b>\$205.69</b>	<b>\$205.69</b>	<b>\$205.69</b>
	Occupancy Adjustment	1.08	1.08	1.08	1.08	1.08	1.08
	Assumed Staffing Ratio	1:4.5	1:2.5	1:1.5	1:4.5	1:2.5	1:1.5
	<b>Adjusted Direct Unit Cost</b>	<b>\$2.06</b>	<b>\$3.71</b>	<b>\$6.19</b>	<b>\$49.52</b>	<b>\$89.13</b>	<b>\$148.56</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%	25.69%	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	21.18%	21.18%	21.18%	21.18%	21.18%	21.18%
	<b>Non-Direct Unit Cost</b>	<b>\$0.97</b>	<b>\$1.74</b>	<b>\$2.90</b>	<b>\$23.21</b>	<b>\$41.78</b>	<b>\$69.63</b>
Rate	<b>Unit Rate</b>	<b>\$3.03</b>	<b>\$5.45</b>	<b>\$9.09</b>	<b>\$72.73</b>	<b>\$130.91</b>	<b>\$218.18</b>
	<b>Current Rate</b>	<b>\$3.06</b>	<b>\$4.60</b>	<b>\$9.11</b>	<b>\$73.44</b>	<b>\$110.40</b>	<b>\$218.64</b>
	Percentage Difference	-0.98%	18.48%	-0.22%	-0.97%	18.58%	-0.21%

Companion Services			
Rate Component	Unit:	15 Minute	
	Tier:	Individual	Group up to 3
Wages	Inflated Hourly Wage – Direct Care Worker – Homemaker Only (50th percentile)	\$16.79	\$16.79
	ERE Direct Care Factor (% of Wages)	35.90%	35.90%
	Hours per Unit	0.25	0.25
	Productivity Factor	1.12	1.12
	Direct Care Unit Cost	\$6.41	\$6.41
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9
	Supervisor Hours per Week	10	10
	Direct Supervision Unit Cost	\$0.20	\$0.20
Adjustments	Total Direct Care Unit Cost	\$6.61	\$6.61
	Assumed Staffing Ratio	1:1.0	1:3.0
	Adjusted Direct Unit Cost	\$6.61	\$2.20
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	12.64%	12.64%
	Non-Direct Unit Cost	\$2.53	\$0.84
Rate	Unit Rate	\$9.15	\$3.05
	Current Rate	\$8.51	\$3.49
	Percentage Difference	7.52%	-12.61%

Crisis Intervention Support		
Rate Component	Unit:	15 Minute
Wages	Inflated Hourly Wage – Shift and Unit Supervisors (50th percentile)	\$22.02
	ERE Direct Care Factor (% of Wages)	31.89%
	Hours per Unit	0.25
	Productivity Factor	1.13
	Total Direct Care Unit Cost	\$8.17
Adjustments	Assumed Staffing Ratio	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$8.17</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	8.85%
	<b>Non-Direct Unit Cost</b>	<b>\$2.82</b>
Rate	<b>Unit Rate</b>	<b>\$11.00</b>
	<b>Current Rate</b>	<b>\$8.99</b>
	Percentage Difference	22.36%

Homemaker Services		
Rate Component	Unit:	15 Minute
Wages	Inflated Hourly Wage – Direct Care Worker – Homemaker Only (50th percentile)	\$16.79
	ERE Direct Care Factor (% of Wages)	35.90%
	Hours per Unit	0.25
	Productivity Factor	1.12
	Direct Care Unit Cost	\$6.41
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%
	Supervisor Span of Control	1:9
	Supervisor Hours per Week	10
	Direct Supervision Unit Cost	\$0.20
Adjustments	Total Direct Care Unit Cost	\$6.61
	Assumed Staffing Ratio	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$6.61</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	8.85%
	<b>Non-Direct Unit Cost</b>	<b>\$2.28</b>
Rate	<b>Unit Rate</b>	<b>\$8.90</b>
	<b>Current Rate</b>	<b>\$6.62</b>
	Percentage Difference	34.44%

Individual Habilitation Training		
Rate Component	Unit:	15 Minute
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%
	Hours per Unit	0.25
	Productivity Factor	1.14
	<b>Total Direct Care Unit Cost</b>	<b>\$7.66</b>
Adjustments	Assumed Staffing Ratio	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$7.66</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	21.18%
	<b>Non-Direct Unit Cost</b>	<b>\$3.59</b>
Rate	<b>Unit Rate</b>	<b>\$11.25</b>
	<b>Current Rate</b>	<b>\$8.34</b>
	Percentage Difference	34.89%

Personal Care Services		
Rate Component	Unit:	15 Minute
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%
	Hours per Unit	0.25
	Productivity Factor	1.12
	Direct Care Unit Cost	\$7.57
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%
	Supervisor Span of Control	1:9
	Supervisor Hours per Week	20
	Direct Supervision Unit Cost	\$0.40
Adjustments	Total Direct Care Unit Cost	\$7.98
	Assumed Staffing Ratio	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$7.98</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	8.85%
	<b>Non-Direct Unit Cost</b>	<b>\$2.76</b>
Rate	<b>Unit Rate</b>	<b>\$10.73</b>
	<b>Current Rate</b>	<b>\$8.25</b>
	Percentage Difference	30.06%

Respite					
Rate Component	Unit:	15 Minute		Daily	
	Tier:	Individual	Group of 2	Individual	Group of 2
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%	33.00%	33.00%
	Hours per Unit	0.25	0.25	9	9
	Productivity Factor	1.12	1.12	1.12	1.12
	<b>Direct Care Unit Cost</b>	<b>\$7.57</b>	<b>\$7.57</b>	<b>\$272.70</b>	<b>\$272.70</b>
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9	1:9	1:9
	Supervisor Hours per Week	20	20	20	20
	<b>Direct Supervision Unit Cost</b>	<b>\$0.40</b>	<b>\$0.40</b>	<b>\$14.52</b>	<b>\$14.52</b>
Adjustments	<b>Total Direct Care Unit Cost</b>	<b>\$7.98</b>	<b>\$7.98</b>	<b>\$287.22</b>	<b>\$287.22</b>
	Assumed Staffing Ratio	1:1.0	1:2.0	1:1.0	1:2.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$7.98</b>	<b>\$3.99</b>	<b>\$287.22</b>	<b>\$143.61</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	12.64%	12.64%	12.64%	12.64%
	<b>Non-Direct Unit Cost</b>	<b>\$3.06</b>	<b>\$1.53</b>	<b>\$110.09</b>	<b>\$55.04</b>
Rate	<b>Unit Rate</b>	<b>\$11.04</b>	<b>\$5.52</b>	<b>\$397.31</b>	<b>\$198.65</b>
	<b>Current Rate</b>	<b>\$8.39</b>	<b>\$4.68</b>	<b>\$302.30</b>	<b>\$168.41</b>
	Percentage Difference	31.59%	17.95%	31.43%	17.96%



Supported Employment Services				
Rate Component	Unit:	15 Minute		
	Tier:	Individual	Group	Supp. Empl. Follow Along
Wages	Inflated Hourly Wage – Job Coaches and Vocational Trainers (75th percentile)	\$20.28	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%	33.00%
	Hours per Unit	0.25	0.25	0.25
	Productivity Factor	1.13	1.13	1.13
	<b>Direct Care Unit Cost</b>	<b>\$7.64</b>	<b>\$7.64</b>	<b>\$7.64</b>
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9	1:9
	Supervisor Hours per Week	20	20	20
	<b>Direct Supervision Unit Cost</b>	<b>\$0.40</b>	<b>\$0.40</b>	<b>\$0.40</b>
Adjustments	<b>Total Direct Care Unit Cost</b>	<b>\$8.05</b>	<b>\$8.05</b>	<b>\$8.05</b>
	Assumed Staffing Ratio	1:1.0	1:4.0	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$8.05</b>	<b>\$2.01</b>	<b>\$8.05</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	12.64%	12.64%	12.64%
	<b>Non-Direct Unit Cost</b>	<b>\$3.08</b>	<b>\$0.77</b>	<b>\$3.08</b>
Rate	<b>Unit Rate</b>	<b>\$11.13</b>	<b>\$2.78</b>	<b>\$11.13</b>
	<b>Current Rate</b>	<b>\$9.22</b>	<b>\$3.09</b>	<b>\$9.22</b>
	Percentage Difference	20.72%	-10.03%	20.72%

Transportation Services			
Rate Component	Unit:	5 Mile Trip	10 Mile Trip
Wages	Inflated Hourly Wage – Direct Care Worker (75th percentile)	\$20.28	\$20.28
	ERE Direct Care Factor (% of Wages)	33.00%	33.00%
	Hours per Unit	0.25	0.25
	Productivity Factor	1.48	1.48
	Direct Care Unit Cost	\$9.99	\$9.99
Supervision	Inflated Supervisor Hourly Wage – Shift and Unit Supervisor (50th percentile)	\$22.02	\$22.02
	ERE Supervisor Factor (% of Wages)	31.89%	31.89%
	Supervisor Span of Control	1:9	1:9
	Supervisor Hours per Week	20	20
	Direct Supervision Unit Cost	\$0.40	\$0.40
Adjustments	Total Direct Care Unit Cost	\$10.39	\$10.39
	Assumed Staffing Ratio	1:1.0	1:1.0
	<b>Adjusted Direct Unit Cost</b>	<b>\$10.39</b>	<b>\$10.39</b>
Indirect Costs	Administrative Factor (% of Adjusted Direct Unit Cost)	25.69%	25.69%
	Program Support Factor (% of Adjusted Direct Unit Cost)	2.84%	2.84%
	Mileage Costs	\$3.35	\$6.70
	<b>Non-Direct Unit Cost</b>	<b>\$6.31</b>	<b>\$9.66</b>
Rate	<b>Unit Rate</b>	<b>\$16.71</b>	<b>\$20.06</b>
	<b>Current Rate</b>	<b>\$14.77</b>	<b>\$18.25</b>
	Percentage Difference	13.13%	9.92%

## **Appendix B: Provider Agencies Which Completed the Provider Cost and Wage Survey**

This appendix lists the provider agencies and independent providers which completed the provider cost and wage survey in this rebase.

- Able Hands
- Align Services
- Arc of Natrona County
- Arcuri
- Ark
- Ashley Krug
- Aspire
- Big Horn Enterprises
- Community Entry Services
- Constant Companion LLC
- Diversified Services
- Easterseals – Goodwill
- Heart Mountain Healthcare
- IReach 2
- Jacque Hunter
- Jennifer Peterson
- Lee Allen
- Life's Adventures & Daily Living
- Lincoln Self Reliance
- Live and Learn Center, Inc.
- Linda & Terry Layher
- Lori Sanders
- Lori Wilkerson
- Magic City
- Mark Hillman
- Melissa Leshar
- Mountain Regional Services
- Pepper Morrison
- Personalized Support Services
- Positive Solutions
- Quality Case Management
- Rochelle Denevan
- Star Shine
- Susan Loveland
- Tabitha Sockey
- Tammy Rosier & Judy Franks
- Teresa Bowen