

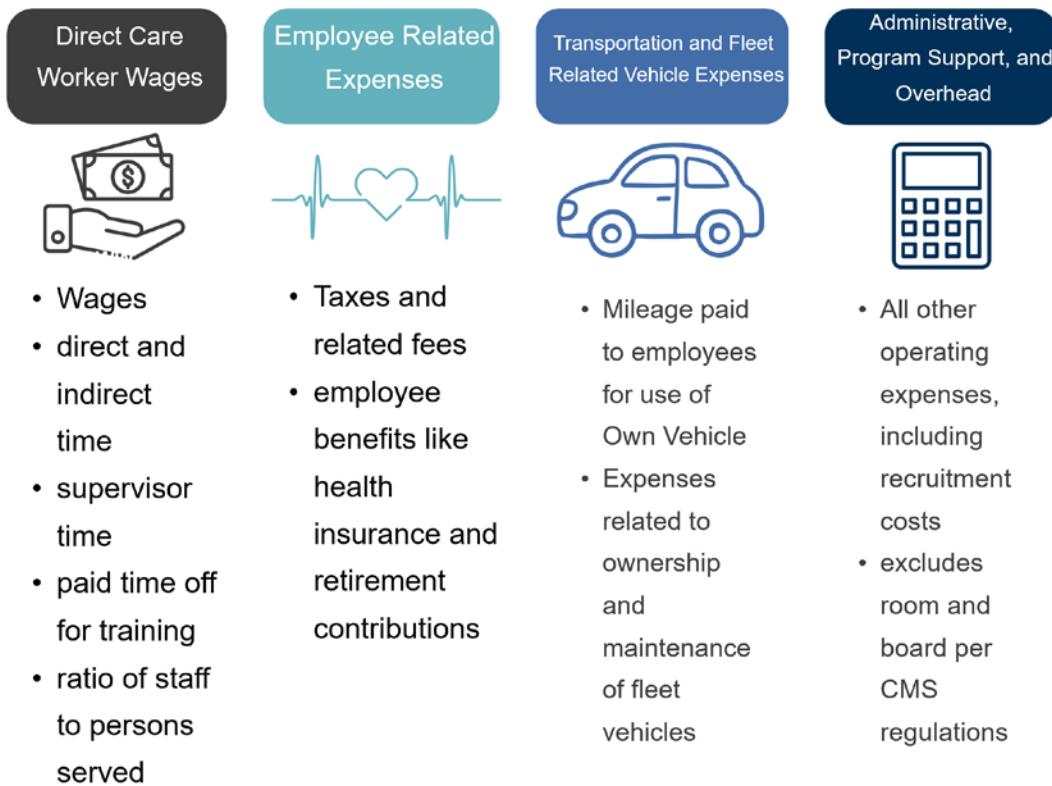
## Overview of newly released LDH HCBS Rate Study

- LDH recently released the Home- and Community Based Rate Study.
- LDH consulted with the legislature, interested provider groups (Community Provider Association, The Arc of Louisiana), and advocacy organizations (The Developmental Disabilities Council) to select a rate study vendor.
- Milliman conducted a comprehensive review of payment rates for Louisiana's Medicaid-Funded Home- and Community-Based Services (HCBS).
- The rate study used an independent rate model approach to develop payment rates, with clear payment assumptions.
- This will standardize payment rates and payment rate development across services for programs with similar services.
- The study recommends rate increases to a majority of the existing HCBS services totaling \$166.9M.

## How the study was completed

<p><b>State and National Data Sources</b></p> <ul style="list-style-type: none"> <li>• Louisiana specific wage and employee benefit information</li> <li>• Consumer Price index</li> <li>• federal mileage rate</li> </ul> 	<p><b>Stakeholder Feedback</b></p> <ul style="list-style-type: none"> <li>• all-provider meeting</li> <li>• provider technical workgroup</li> <li>• feedback sessions</li> <li>• suggestions submitted to the project in-box</li> </ul> 
<p><b>Louisiana HCBS Provider Cost Report Review</b></p> <ul style="list-style-type: none"> <li>• High level review of the FY 2023 cost reports indicated that costs were not allocated consistently.</li> <li>• Conducted a review of a subset of provider cost reports for FY 2024 with providers submitting backup financial documentation</li> </ul> 	<p><b>Service Requirements and LDH Program Input</b></p> <ul style="list-style-type: none"> <li>• Federal and state requirements, including provider requirements and service parameters</li> <li>• LDH programmatic input about what is expected</li> <li>• Similar payment rate assumptions to other states</li> </ul> 

## Components that went into rate development



## Impact

- Preliminary payment rate increase HCBS expenditures, reflecting an estimated 14.4% overall increase.
- In-home services represent 95% of the projected increase.
- Model rate moves IFS service from \$18.50/hr to \$21.20/hr, and assumes a minimum DSP wage of \$11.48.

	Estimated Payments		Including all Rate changes	
	Current Rates	Draft Model Rates	Estimated Fiscal Impact (total dollars)	Percent Change
<b>All HCBS Programs</b>	\$1,158,878,233	\$1,325,765,924	\$166,878,691	14.4%
<b>Medicaid program Subtotal</b>	\$17,493,733	\$19,647,389	\$2,153,656	12.3%
<b>OAAS program Subtotal</b>	\$431,024,176	\$492,383,455	\$61,359,279	14.2%
<b>OCDD program Subtotal</b>	\$710,360,324	\$813,735,756	\$103,374,756	14.4%