

Nursing Facility Provider Rate Workgroup #1 Meeting Minutes

May 24, 2022
10:00 AM –12:00 PM (MST)

Meeting Information:

Join Zoom Meeting

<https://mt-gov.zoom.us/j/89339493677?pwd=M2VUS3JNa3cxUmJlMUJPSmFFSFNidz09>

Meeting ID: 893 3949 3677

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Agenda

1. Introductions

- Jackie Jandt from Montana DPHHS opened the meeting. Montana staff, Guidehouse staff, and workgroup members introduced themselves.

2. Study Stakeholder Workgroup

- Guidehouse provided an overview of the workgroup makeup, structure, and purpose.

3. Study Overview

- Guidehouse provided an overview of the study.
- Q: Has the legislature allocated new funds for any rate changes, or would this be a reallocation of existing funds?
 - Montana: Guidehouse was contracted to engage in a rate study for best administration and rate structure, along with a review of best delivery method of services. They are trying to develop the rate that is best. The budget is set for the program so there is no new money to allocate that this time.

- Q: Can you clarify the confidentiality of the group?
 - GH: We want to make sure that members are aware to try and avoid any conjecture on behalf of what Guidehouse is trying to accomplish or recommend, but all information on the meetings is publicly available.
- Q: Is there any consideration of adjusting the rates for SFY23, or would this be for SFY24 at the earliest?
 - Montana: Unlikely there is any time to implement rate changes for SFY23. These are primarily for purposes moving forward and future considerations.

4. Rate Development 101

- Guidehouse provided an overview of the rate development process.
- Q: I didn't see anything on collecting up-to-date wage data. Cost reports are updated on a regular basis, but facility labor costs change every two to three months. While the cost reports are good, looking at the up-to-date information on labor is important.
 - GH: Unfortunately, the timeline does not permit a survey of individual facilities. We will be relying on the cost reports but adjusting for inflation to capture salary, utility, and other changing expenses.
 - Follow-up: That is going to be a concern, as the up-to-date data is important.
 - GH: We definitely understand this and know the impacts that inflation has had to everyone. We will to the extent possible leverage all data and take into account the lag time. This study will work to be reviewed in the future and adapted for subsequent inflation and changes.
- Q: Is the Guidehouse study influenced by the budget in place?
 - GH: No. Our study is being conducted through a fact-based approach and analysis and then presented to the state. It is up to them to decide what, if any, changes to make.
- Q: If Guidehouse finds the current rates insufficient, is the state considering short-term adjustments?
 - Montana: There are no current funds available for immediate relief or changes. We want to use this study to look forward. We cannot commit for funds we don't have.

5. Timelines

- Guidehouse provided an update on the project timeline.
- Q: Is an August timeline for the final report feasible if you are going to survey providers?
 - GH: We will not be able to survey providers due to the condensed timeline.

6. Questions

- Guidehouse allowed for questions from workgroup participants.
- Q: What is the most recent cost report data available?
 - GH: We have the 2540s for 2020 and going back several years. The state has also provided 2020 data to Guidehouse.
- Comment: If 2020 is the most recent it may not be best as a lot has changed for providers.
 - GH: We have to work with the information that is available and use inflation metrics and outside studies to compliment and adjust the data.
- Q: Does the study account for contract labor?
 - It is included to the extent it is in the cost reports. However, we welcome up-to-date information and data informally from the workgroup.
- Comment: The amount of contract labor has increased over the last few years which the cost reports might not accurately capture and may not be reflected through the inflation adjustments.
 - GH: We will take that into account.
- Q: How will the state and Guidehouse be working in mandatory staffing ratios, current understaffing and the additional costs that will be required that are not in our current costs? How will those recommendations show in the final report?
 - GH: We adjust for understaffing and the rates are set on the minimum standards and state and federal requirements.
- Q: How is resident acuity accounted for in the study?
 - GH: This is taken into account with the data. In the community setting rate study they look at acuity and other variables like staffing ratios, BH and mental illness, bariatric care. This is input we would like on acuity for day-to-day rates.
- Q: What tools are used for acuity basis?
 - GH: The minimum data set. State data has an add-on reimbursement, and we are drawing inferences for additional staffing and looking for patterns.
- Comment: A possible idea, if a facility has a higher percentage of add on rates in place, would they simply have a different/higher facility rate rather than continue to complete the add on requests? This would show acuity level in a facility.
 - GH: Thank you.
- Q: Are you using staffing report info from facilities that include contract labor from previous years? There was also a mention of quality. Is this included? Is it through inspection data to gauge the quality of services provided and trends?

- GH: We do have those reports and they are taken into account. We are not planning an extensive study to account for quality incentives due to capacity concerns for the project, but we recommend it is revisited in the future.

7. Public Comment

- There was no additional public comment. Jackie Jandt from Montana DPHHS closed the meeting.

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