

Pre-Vocational and Group Employment Support Workgroup Meeting

Ohio Department of Developmental Disabilities

Jeremy Cunningham, FSA, MAAA, Principal and Consulting Actuary

Dennis Finnegan, Senior Health Care Consultant

Kenneth Cox, ASA, MAAA, Associate Actuary

DECEMBER 8, 2023



Agenda

- Preliminary NMT to CIE Rate Model Framework
- NMT to CIE Next Steps

Overview of NMT to CIE Rate Framework

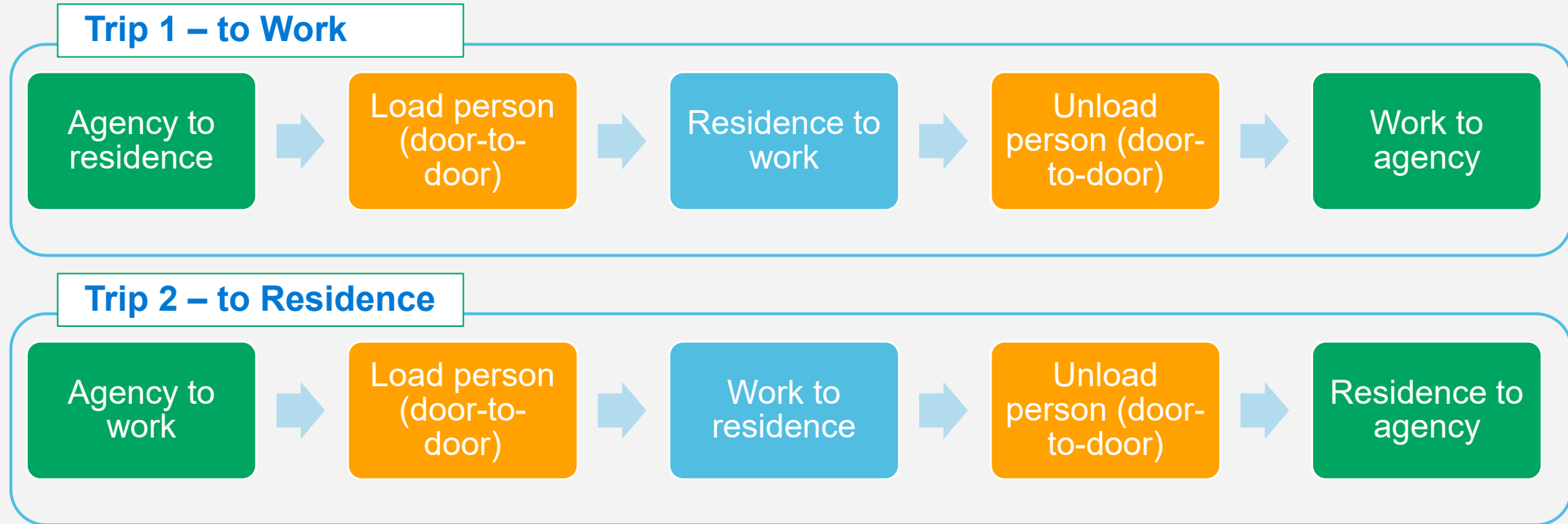
- **Workgroup consensus:** Rate framework includes a base “per trip” component and a “per mile” add-on component
 - *DODD will cap the allowed miles within the mileage component*
- **Proposed rate model framework:** Four different rate options, each consisting of a base trip rate component and miles rate component.

Non-Modified Vehicles
Rate option 1 – agency rate (base trip rate + miles)
Rate option 2 – independent provider rate (base trip rate + miles)

Modified Vehicles
Rate option 3 – agency rate (base trip rate + miles)
Rate option 4 – independent provider rate (base trip rate + miles)

Transportation Overview

For discussion: Are there any major steps in the NMT to CIE process that are missing?



GREEN BOXES REPRESENT UNLOADED TRANSPORTATION

ORANGE BOXES REPRESENT DIRECT TIME

BLUE BOXES REPRESENT LOADED TRANSPORTATION

Other activities by a driver include:

- Vehicle check
- Documentation
- Wait time

Proposed Per Mile and Per Trip Rate Components

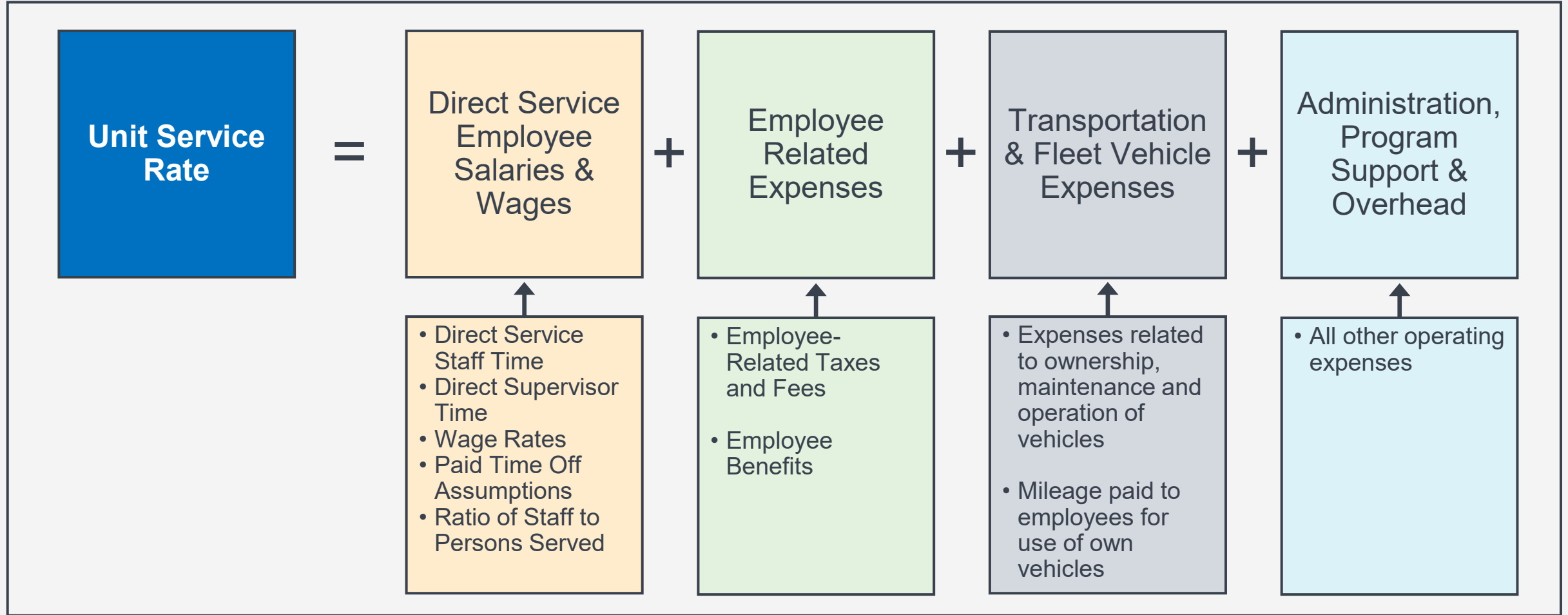
Per Mile Component	
Indirect Time	<ul style="list-style-type: none">• Unload time to pick-up individual and unload time after drop-off
Direct Time	<ul style="list-style-type: none">• Loaded time to/from work
Base Rate Component	
Indirect Time	<ul style="list-style-type: none">• Documentation• Vehicle check• Wait time
Direct Time	<ul style="list-style-type: none">• Load/unload to/from door (work and residence)

<u>Discussion Topics</u>
<ul style="list-style-type: none">• Key assumption: Unload time scaling by 2x with loaded time• Are there any indirect activities (supporting the transportation of an individual) that are missing?• Are there any missing direct activities?• Does a pre-trip vehicle check happen once a day?

Note: Color coding aligns with the portion of the trip from the prior slide.

Independent Rate Model Framework Components

The **per mile** rate will include all four components and the **base rate** will include all components except for vehicle expenses



Potential Adjustments to Rate Model Components for Rate Variation

Base Rate Component	Modified Adjustment	Independent Adjustment	Notes
Driver wage and benefits			DSP Provider Group 2 from ADS proposal (see Appendix A)
Supervisor wage and benefits		X	No supervisor component for independent providers
Direct and indirect time	X		Higher indirect time for modified vehicles
PTO/training time			
Administrative costs		X	Lower overhead for independent providers
Program costs			
Mile Component	Modified Adjustment	Independent Adjustment	Notes
Mileage reimbursement			
Direct and indirect time			
Modified vehicle costs	X		Higher for cost of vehicle modifications

Agency vs Independent NMT Cost Differences

**What are the cost differences between independent providers and agencies for delivering NMT?
Below are potential major cost areas:**

- Administrative overhead (e.g., office staff, corporate fees, routing software etc.)
- Supervisor/dispatcher

Note:

*5123-9-18(B)(2): **Agency provider** means an entity that directly employs at least one person in addition to a director of operations for the purpose of providing services...*

Modified vs Non-Modified NMT Service Differences

What are the cost and time differences between trips with a modified vehicle and non-modified vehicle?

Below are potential major areas for considerations:

- Loading and unloading a person
 - *What is the difference in time it takes to load or unload a person from a modified vehicle versus a non-modified vehicle?*
- Cost difference for vehicle modifications
 - *What is the average purchase and installation cost for a modified vehicle?*
 - *What is the average ongoing cost difference for maintaining a modified vehicle versus a non-modified vehicle?*
 - *Are modified vehicles typically the same as non-modified (e.g., sedan vs. van)?*

Mileage Cap

DODD will cap the allowed miles within the mileage component for the standard NMT to CIE rates

For Discussion:

- **Is there a reasonable mileage cap that can be applied to the mileage component (assuming a one-way trip)?**
- **How have longer trips historically been reimbursed?**

Next Steps

Milliman will be developing a draft rate model for the January 12, 2024 meeting. We will be working with stakeholders to:

- Adjust the rate model framework based upon feedback from today's meeting
- Capture information in the NMT to CIE Survey to inform rate model assumptions
 - NMT statistics (percent of modified vehicle trips in SFY 2023)
 - Average transportation service details:
 - Urban and rural
 - Modified, non-modified, and other vehicles
 - Average vehicle costs – purchase and annual maintenance (modified and non-modified vehicles)
- **Follow-up feedback is due by December 20, 2023 via email to OH.DODD@milliman.com**

Limitations

The information contained in this presentation has been prepared for the Ohio Department of Developmental Disabilities (DODD).

This presentation is intended to represent preliminary rate framework assumptions and rate setting considerations for DODD and NMT stakeholders. This presentation should not be used for any other purpose. The contents of this presentation are not intended to represent a legal or professional opinion or interpretation on any matters. No portion of this presentation may be provided to third parties without Milliman's prior written consent. In the event such consent is provided, this presentation must be provided in its entirety.

Milliman has developed certain models to estimate the values included in this correspondence. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP). The models rely on data and information as input to the models. We have relied upon certain data and information provided by the client for this purpose and accepted it without audit. To the extent that the data and information provided is not accurate, or is not complete, the values provided in this correspondence may likewise be inaccurate or incomplete. The models, including all input, calculations, and output may not be appropriate for any other purpose.

Milliman makes no representations or warranties regarding the contents of this document to third parties. Similarly, third parties are instructed that they are to place no reliance upon this information prepared for DODD by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties.

Jeremy Cunningham and Kenneth Cox are members of the American Academy of Actuaries and meet the Qualification Standards of the Academy for performing the analyses contained herein. To the best of our knowledge and belief, this information is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Appendix A – Provider Groupings from ADS Proposal



Wage Comparison – Survey vs Proposed Wages

Proposed model wages were informed by information from the Bureau of Labor Statistics (BLS) for Ohio and provider survey information.

PROVIDER GROUPING	PROPOSED MODEL WAGE	PROVIDER SURVEY MEDIAN WAGE
Direct Care Staff 1 – Facility-based DSP, Transportation Aide, Homemaker / Personal Care (HPC)	\$ 16.27	\$ 14.00
Direct Care Staff 2 – Med Cert 1: Facility-based DSP, HPC, Community-based DSP Community-based DSP ,Transportation Professional	\$ 17.40	\$ 14.28
Direct Care Staff 3 – Med Cert 2: Facility-based DSP, HPC, Community-based DSP Group Employment Services, Job Coach / Individual Employment Supports	\$ 17.44	\$ 14.63
Direct Care Staff 4 – Med Cert 3: Facility-based DSP, HPC, Community-based DSP Job Developer, Job Coach with CESP, Behavior Technician	\$ 21.15	\$ 16.15
Direct Care Staff 5 – Job Developer with CESP, Supports Coordinator Assistant / Habilitation Coordinator (Case Manager)	\$ 23.64	\$ 17.78