



South Dakota Department of Social Services Rate Study Advisory Workgroup #4

Mental Health and Substance Use Disorder Services

November 15, 2023

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November 15, 2023

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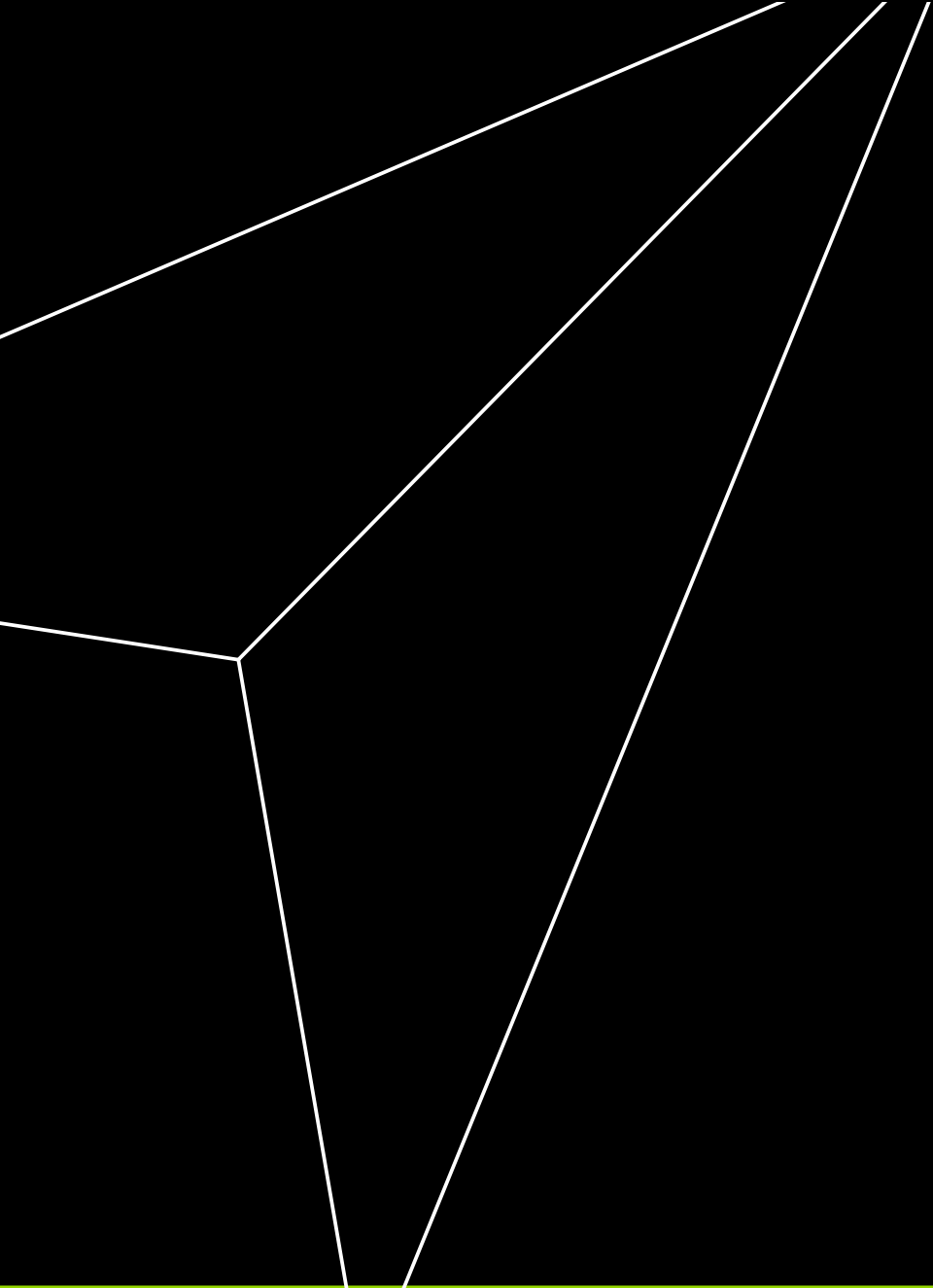
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Overview

Overview

- Wages were set using the national BLS instead of the average reported within the provider cost and wage survey. Depending on the job type, wages were set using either the 75th or 90th percentile. National BLS wage trends were higher in most categories than South Dakota specific BLS wages. On average the national 75th percentile was 42.9% higher than the South Dakota specific mean and the 90th percentile was 84.3% higher than the South Dakota specific mean.
- A no-show adjuster was included in addition to the billable hour adjuster. No-show adjusters are intended to capture the additional impact of no-show appointments. This is a loss in revenue to the provider since the appointment cannot be filled or billed.
- Residential models leverage staffing ratios to determine the daily hours required to provide the appropriate level of care. A combination of job types are included depending on the treatment goals.
- A level of standardization was applied to individual rate components to build in consistency between rate families. Where appropriate Guidehouse has recommended deviation from current standardization.

Fiscal Impact Implications

- Guidehouse rate recommendations indicate increases for the vast majority of rates.
- However, a small number of rates would see slight decreases if established purely on a cost-basis, as current rates appear to be higher than historical and projected costs reported by providers.
- Guidehouse has developed cost-based recommendations for individual rates in the interest of establishing a reasonable cost benchmarks to evaluate rate adequacy today and in the near future, but the decision to increase, decrease, or maintain current rates lies with DSS and the legislature.
- To facilitate transparent budget planning and prepare for the most significant likely budget scenario, Guidehouse analyzed fiscal impact if reduced cost-based rates were held harmless and maintained a current rate levels.
- Hold Harmless sets the rates that have observed decreases to the current rate in effect, resulting in no impact to overall budget. Therefore, the fiscal impact shows only increases or budget neutral impact.

Fiscal Impact – All Services (Federal + State Share)

Rates Hold-Harmless

	Current Approx. Budget	Proposed Approx. Budget	Total Fiscal Impact	Fiscal Impact Increase over Total
Federal	\$16,718,311	\$17,709,162	\$990,850	5.93%
State	\$56,236,880	\$60,865,776	\$4,628,895	8.23%
Total	\$72,955,192	\$78,574,938	\$5,619,746	7.70%

Medicaid Substance Use Disorder				
Federal	\$3,234,076	\$3,497,329	\$263,252	8.14%
State	\$2,289,538	\$2,475,906	\$186,367	8.14%
Total	\$5,523,615	\$5,973,235	\$449,620	8.14%

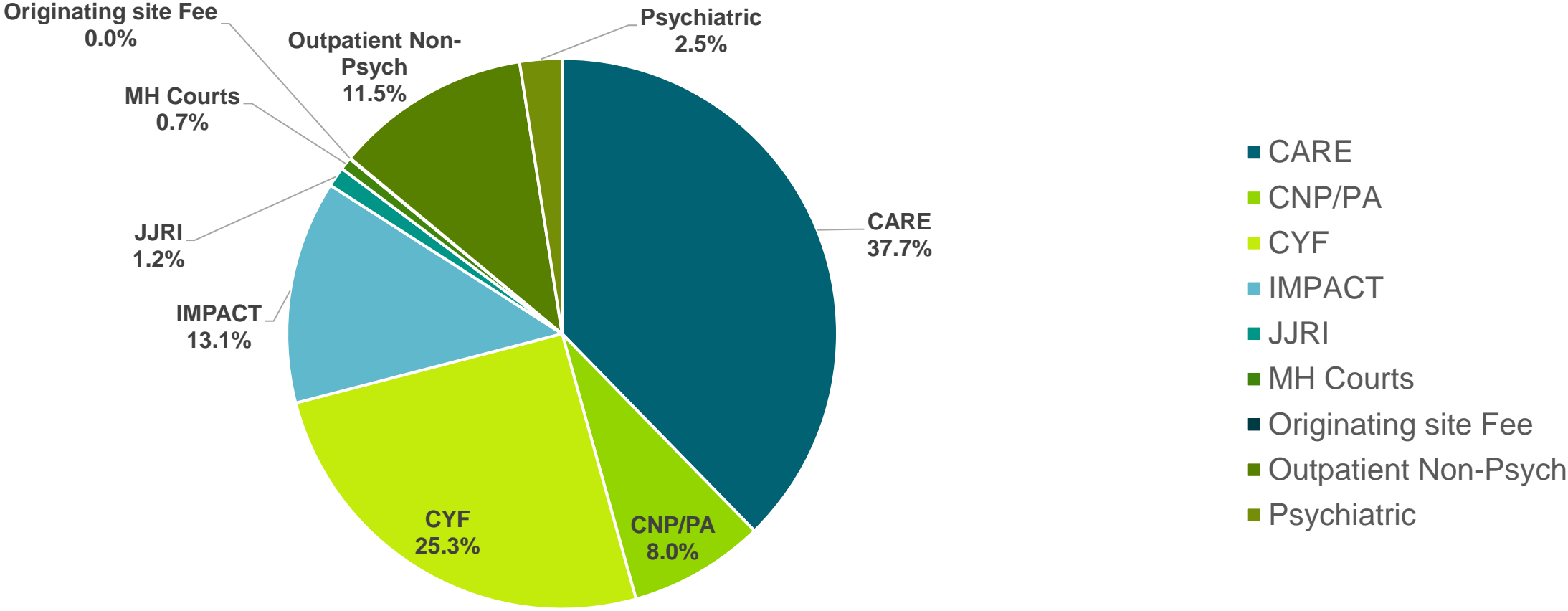
Contracted Substance Use Disorder				
Federal				0.00%
State	\$29,164,330	\$32,491,973	\$3,327,642	11.41%
Total	\$29,164,330	\$32,491,973	\$3,327,642	11.41%

Medicaid Mental Health				
Federal	\$13,484,235	\$14,211,832	\$727,597	5.40%
State	\$9,546,055	\$10,061,152	\$515,097	5.40%
Total	\$23,030,290	\$24,272,985	\$1,242,694	5.40%

Contracted Mental Health				
Federal				0.00%
State	\$15,236,956	\$15,836,744	\$599,787	3.94%
Total	\$15,236,956	\$15,836,744	\$599,787	3.94%

Mental Health Service Mix

Based on Current Expenditures



Medicaid Mental Health

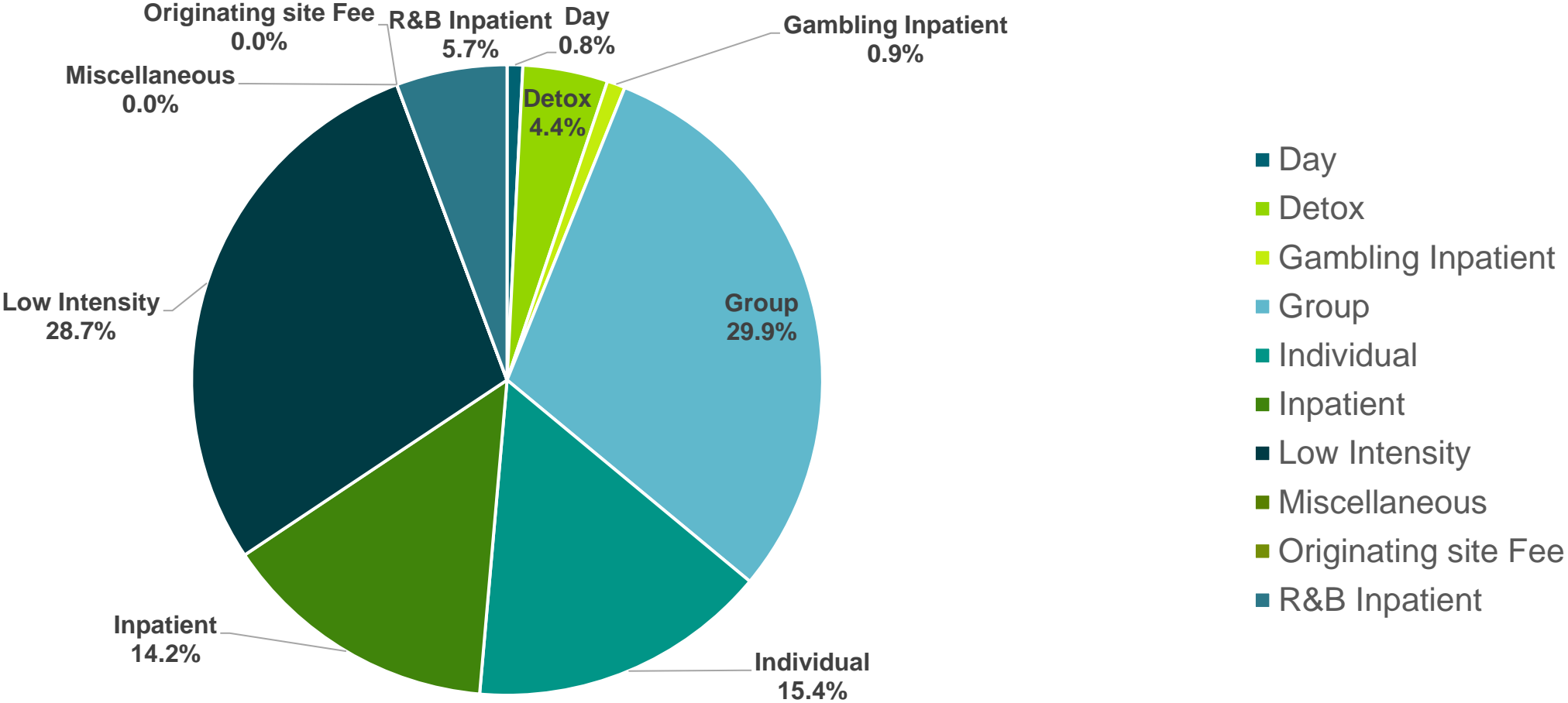
Type of Service	Unit	Current	Proposed	Difference	% Difference	% of Total
CARE	59,660	\$6,007,762	\$6,007,762	\$0	0.0%	26.1%
CYF Individual	109,783	\$4,374,853	\$4,795,321	\$420,469	9.6%	19.0%
CYF Individual Frontier	64,880	\$3,102,562	\$3,400,750	\$298,188	9.6%	13.5%
IMPACT	30,769	\$3,071,669	\$3,397,632	\$325,962	10.6%	13.3%
Outpatient Non-Psych	57,929	\$2,295,965	\$2,372,170	\$76,206	3.3%	10.0%
CNP/PA	16,835	\$1,444,611	\$1,527,787	\$83,176	5.8%	6.3%
CARE Frontier	10,908	\$1,318,232	\$1,318,232	\$0	0.0%	5.7%
Psychiatric	5,317	\$500,044	\$526,627	\$26,583	5.3%	2.2%
JJRI FFT	841	\$252,813	\$252,813	\$0	0.0%	1.1%
CYF Group Frontier	6,684	\$204,998	\$204,998	\$0	0.0%	0.9%
CYF Group	6,801	\$173,766	\$173,766	\$0	0.0%	0.8%
MH Courts	1,089	\$114,095	\$122,575	\$8,480	7.4%	0.5%
JJRI FFT Frontier	171	\$66,830	\$66,830	\$0	0.0%	0.3%
JJRI FFT Rural	96	\$34,632	\$34,632	\$0	0.0%	0.2%
JJRI	607	\$21,327	\$22,678	\$1,351	6.3%	0.1%
JJRI EBP Group - Regular	735	\$18,779	\$18,779	\$0	0.0%	0.1%
Originating site Fee	245	\$8,614	\$8,614	\$0	0.0%	0.0%
JJRI Assessments	231	\$8,244	\$9,240	\$996	12.1%	0.0%
JJRI EBP Individual Regular	155	\$6,177	\$6,770	\$594	9.6%	0.0%
JJRI Collateral	121	\$4,318	\$5,008	\$690	16.0%	0.0%
Total	373,857	\$23,030,290	\$24,272,985	\$1,242,694	5.4%	

Contracted Mental Health

Type of Service	Unit	Current	Proposed	Difference	% Difference	% of Total
CARE	54,881	\$5,526,517	\$5,526,517	\$0	0.0%	36.3%
Outpatient Non-Psych	48,517	\$1,989,760	\$2,051,557	\$61,797	3.1%	13.1%
IMPACT	18,147	\$1,811,615	\$2,003,862	\$192,247	10.6%	11.9%
CNP/PA	17,809	\$1,528,190	\$1,616,185	\$87,995	5.8%	10.0%
CYF Individual	36,675	\$1,461,499	\$1,601,964	\$140,465	9.6%	9.6%
CARE Frontier	9,796	\$1,183,847	\$1,183,847	\$0	0.0%	7.8%
CYF Individual Frontier	16,153	\$772,436	\$846,676	\$74,239	9.6%	5.1%
Psychiatric	4,454	\$422,686	\$448,261	\$25,574	6.1%	2.8%
MH Courts	1,492	\$156,317	\$167,935	\$11,618	7.4%	1.0%
JJRI FFT	484	\$134,898	\$135,126	\$228	0.2%	0.9%
CYF Group	3,067	\$78,362	\$78,362	\$0	0.0%	0.5%
JJRI Referral	119	\$48,782	\$48,782	\$0	0.0%	0.3%
JJRI FFT Frontier	61	\$23,840	\$23,840	\$0	0.0%	0.2%
JJRI IFS	622	\$23,399	\$27,135	\$3,737	16.0%	0.2%
CYF Group Frontier	614	\$18,831	\$18,831	\$0	0.0%	0.1%
JJRI FFT Rural	40	\$14,430	\$14,430	\$0	0.0%	0.1%
Originating site Fee	284	\$9,985	\$9,985	\$0	0.0%	0.1%
EBP - JJRI Group	385	\$9,837	\$9,837	\$0	0.0%	0.1%
JJRI EBP - Individual - Telehealth	146	\$5,818	\$6,377	\$559	9.6%	0.0%
JJRI Assessment	137	\$4,890	\$5,480	\$590	12.1%	0.0%
JJRI EBP - Individual - Frontier	83	\$3,969	\$4,351	\$381	9.6%	0.0%
JJRI - EBP Individual	93	\$3,706	\$4,062	\$356	9.6%	0.0%
JJRI EPB Group - Telehealth	84	\$2,146	\$2,146	\$0	0.0%	0.0%
JJRI EBP Group - Frontier	39	\$1,196	\$1,196	\$0	0.0%	0.0%
Total	214,182	\$15,236,956	\$15,836,744	\$599,787	3.9%	

SUD Service Mix

Based on Current Expenditures

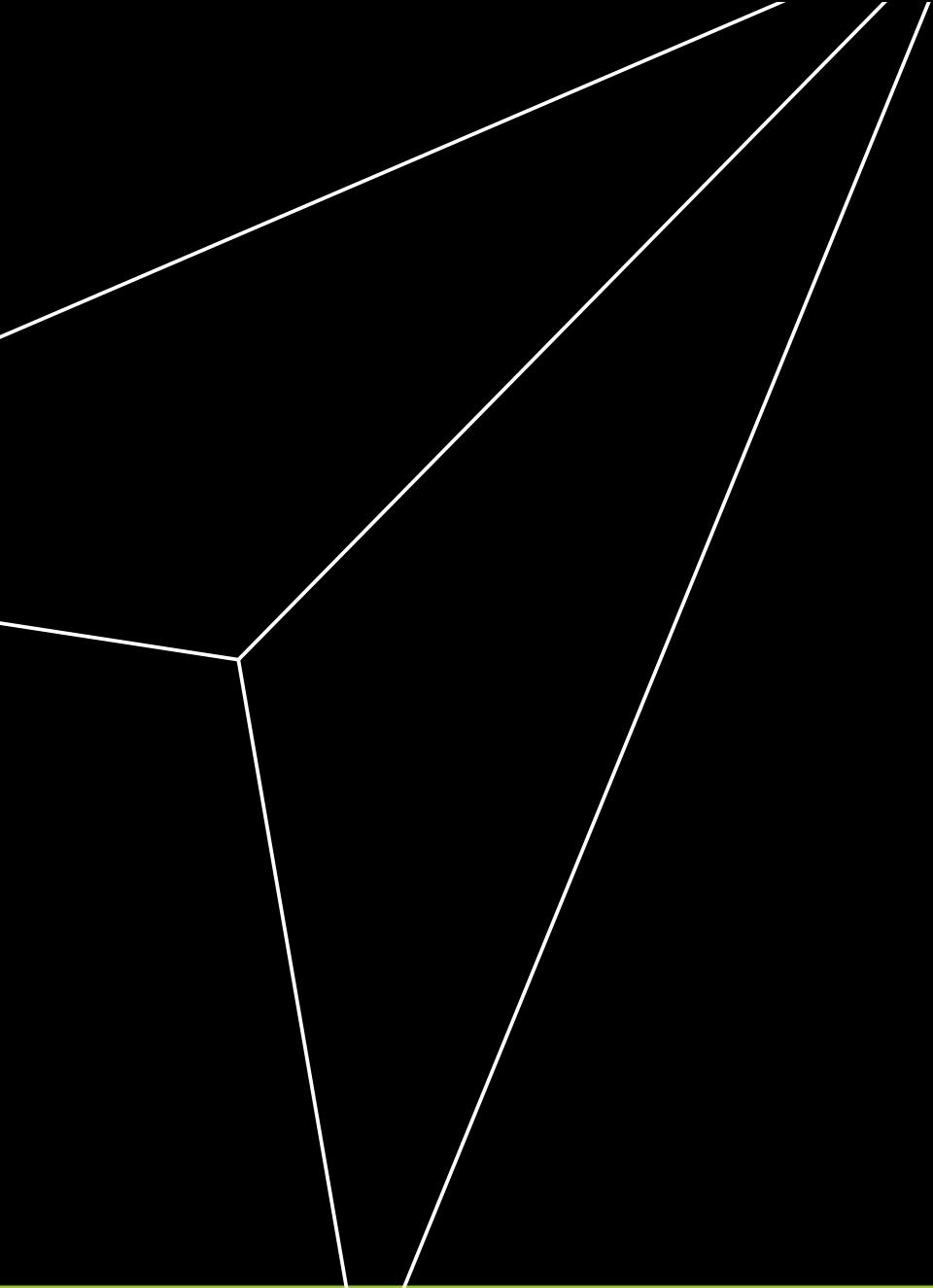


Medicaid Substance Use Disorder

Type of Service	Unit	Current	Proposed	Amount	% Difference	% of Total
Inpatient	7,772	\$1,956,990	\$2,297,170	\$340,180	17.4%	35.4%
Group	207,195	\$1,776,681	\$1,813,998	\$37,317	2.1%	32.2%
Individual	33,489	\$1,030,457	\$1,099,293	\$68,836	6.7%	18.7%
Inpatient LCBH	1,510	\$535,476	\$535,476	\$0	0.0%	9.7%
Individual - Rural	3,188	\$117,733	\$118,747	\$1,014	0.9%	2.1%
Group - Rural	10,335	\$106,244	\$108,518	\$2,274	2.1%	1.9%
Total	263,490	\$5,523,615	\$5,973,235	\$449,620	8.1%	

Contracted Substance Use Disorder

Type of Service	Unit	Current	Proposed	Difference	% Difference	% of Total
Group	766,364	\$6,567,739	\$6,705,905	\$138,165	2.1%	22.5%
Low Intensity	67,761	\$5,268,418	\$6,368,856	\$1,100,439	20.9%	18.1%
Inpatient	20,136	\$5,070,245	\$5,951,598	\$881,353	17.4%	17.4%
Individual	103,161	\$3,174,363	\$3,368,595	\$194,233	6.1%	10.9%
Low Intensity PW	10,237	\$1,854,433	\$2,077,292	\$222,859	12.0%	6.4%
Inpatient LCBH	4,871	\$1,727,354	\$1,727,354	\$0	0.0%	5.9%
R&B Inpatient	32,863	\$1,682,914	\$1,682,914	\$0	0.0%	5.8%
Low Intensity CJI	17,628	\$1,370,577	\$1,656,856	\$286,279	20.9%	4.7%
Detox	16,608	\$953,465	\$1,346,826	\$393,360	41.3%	3.3%
Group - Rural	40,451	\$415,836	\$424,736	\$8,899	2.1%	1.4%
Detox - Medical	1,767	\$337,144	\$378,677	\$41,533	12.3%	1.2%
Gambling Inpatient	909	\$275,445	\$306,315	\$30,870	11.2%	0.9%
Day	1,448	\$237,081	\$264,759	\$27,678	11.7%	0.8%
Individual - Rural - Outpatient	3,301	\$121,906	\$122,956	\$1,050	0.9%	0.4%
Individual - Rural CJI	2,862	\$105,694	\$106,604	\$910	0.9%	0.4%
Miscellaneous	42	\$1,477	\$1,477	\$0	0.0%	0.0%
Individual - Interpreter	14	\$241	\$255	\$14	5.9%	0.0%
Total	1,090,423	\$29,164,330	\$32,491,973	\$3,327,642	11.4%	



Initial Rate Recommendations

Rate Recommendations

The table below presents rate recommendations for Mental Health cost-based fee schedule rates

Mental Health Rates			
Service Description	Current Rate	Proposed Rate	% Change
JJRI Assessments	\$35.69	\$40.00	12.08%
Evaluation, Intake, Screening, Testing - Non Psych	\$42.39	\$40.00	-5.64%
Evaluation, Intake, Screening, Testing - Psychiatrist	\$95.33	\$98.05	2.90%
Evaluation, Intake, Screening, Testing - CNP/PA	\$85.81	\$88.25	2.80%
Psychiatric Services	\$95.33	\$101.35	6.10%
CNP/PA Med Management	\$85.81	\$91.22	6.10%
Individual Therapy	\$42.39	\$43.68	3.04%
Family Therapy	\$42.39	\$43.68	3.04%
JJRI EBP Individual Regular	\$39.85	\$43.68	9.61%
CYF Individual Regular	\$39.85	\$43.68	9.61%
JJRI EBP - Individual Frontier	\$47.82	\$52.42	9.61%
CYF Individual Frontier	\$47.82	\$52.42	9.61%

Rate Recommendations

The table below presents rate recommendations for Mental Health cost-based fee schedule rates (cont'd)

Mental Health Rates			
Service Description	Current Rate	Proposed Rate	% Change
Collateral	\$42.39	\$41.39	-2.36%
JJRI FFT Collateral	\$35.69	\$41.39	16.00%
IFS Regular	\$35.69	\$41.39	16.00%
IFS Frontier	\$42.83	\$49.67	15.97%
Group Therapy (other than a multi-family group)	\$21.92	\$24.00	9.49%
CYF Group Regular	\$25.55	\$24.00	-6.10%
JJRI EBP Group - Regular	\$25.55	\$24.00	-6.10%
CYF Group Frontier	\$30.67	\$28.80	-6.10%
JJRI EBP Group - Frontier	\$30.67	\$28.80	-6.10%
JJRI FFT-Frontier	\$390.82	\$383.27	-1.90%
JJRI FFT - Rural	\$360.75	\$353.79	-1.90%
JJRI FFT	\$300.61	\$294.83	-1.90%
FFT Referral and Engagement Fee	\$409.93	\$221.12	-46.10%

Rate Recommendations

The table below presents rate recommendations for SUD cost-based fee schedule rates

Substance Use Disorder Rates			
Service Description	Current Rate	Proposed Rate	% Change
Assessments	\$30.77	\$35.54	15.50%
Local Individual and Gambling Home Based Counseling	\$30.77	\$31.04	0.90%
Local/HB Family Counseling	\$30.77	\$31.04	0.90%
Crisis Intervention/Gambling Crisis Intervention	\$30.77	\$31.04	0.90%
Early Intervention Services	\$30.77	\$31.04	0.90%
Local Individual and Gambling Home Based Counseling - Rural	\$36.93	\$37.25	0.90%
Rural/HB Family Counseling	\$36.92	\$37.25	0.90%
Crisis Intervention/Gambling Crisis Intervention - Rural	\$36.93	\$37.25	0.90%
Collateral Contacts/Referral	\$30.77	\$30.93	0.50%
CBISA/MRT Collateral Contacts	\$30.77	\$30.93	0.50%
Adolescent SUD EBP - Collateral Contacts	\$30.77	\$30.93	0.50%
Interpreter Services	\$17.19	\$18.21	5.90%
Rural Group and Gambling Counseling	\$10.28	\$10.50	2.10%
Local/Group and Gambling Counseling	\$8.57	\$8.75	2.10%

Rate Recommendations

The table below presents rate recommendations for SUD cost-based fee schedule rates (cont'd)

Substance Use Disorder Rates			
Service Description	Current Rate	Proposed Rate	% Change
Individual Nursing/Health Services	\$30.77	\$32.44	5.40%
CBISA - Individual	\$30.77	\$31.04	0.90%
Adolescent SUD EBP-Individual/Family	\$30.77	\$31.04	0.90%
MRT - Individual	\$30.77	\$31.04	0.90%
CBISA - Rural Individual	\$36.93	\$37.25	0.90%
Adolescent SUD EBP - Individual/Family Rural	\$36.93	\$37.25	0.90%
MRT- Rural Individual	\$36.93	\$37.25	0.90%
Recovery Support Services	\$14.93	\$17.48	17.10%
Group Nursing/Health Services	\$8.57	\$9.27	8.20%
CBISA - Group	\$8.57	\$8.75	2.10%
Adolescent SUD EBP-Group	\$8.57	\$8.75	2.10%
MRT - Group	\$8.57	\$8.75	2.10%
CBISA - Rural Group	\$10.28	\$10.50	2.10%
Adolescent SUD Rural Group	\$10.28	\$10.50	2.10%
MRT - Rural Group	\$10.28	\$10.50	2.10%

Rate Recommendations

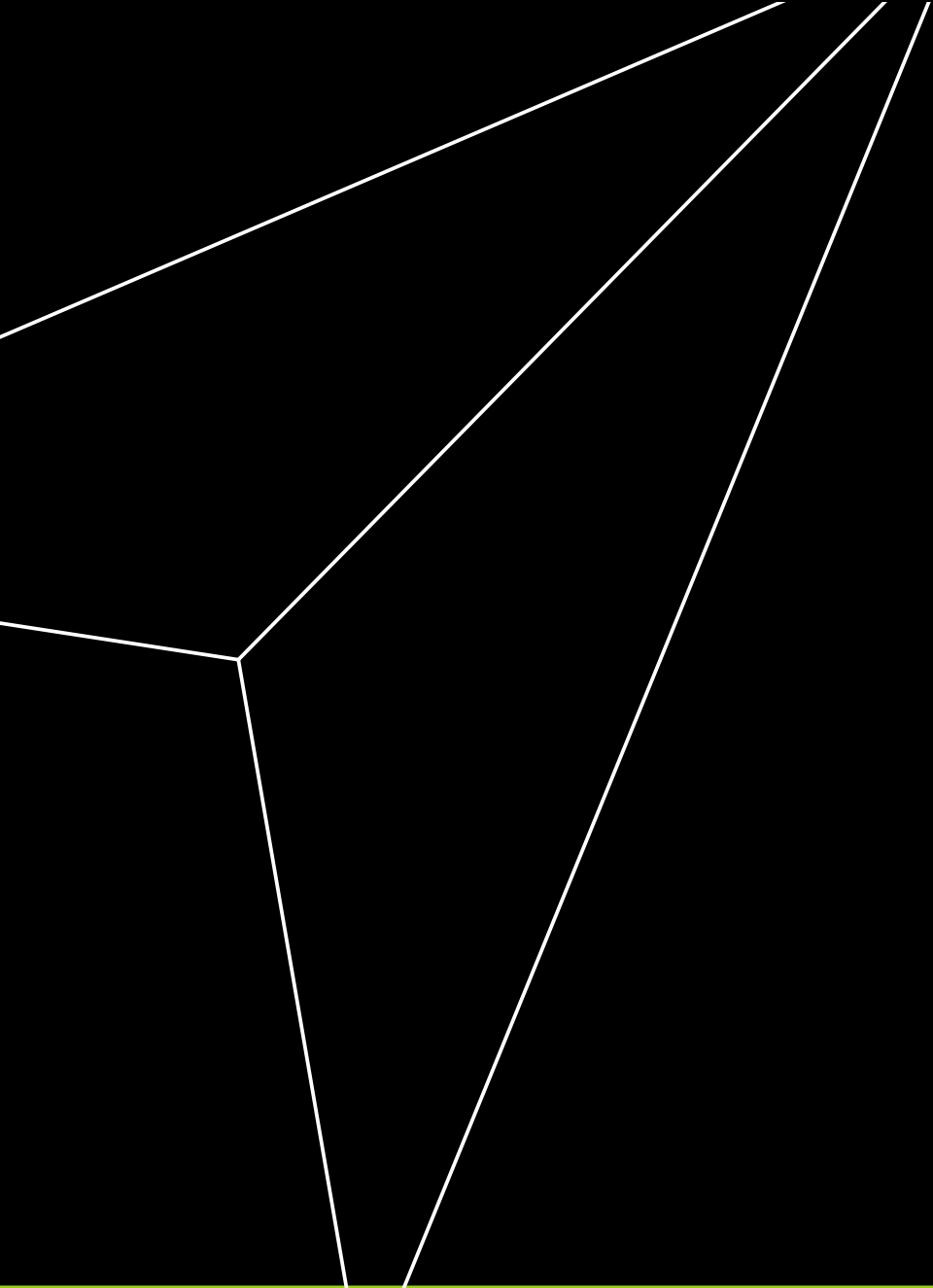
The table below presents rate recommendations for Residential and team-based fee schedule rates

Residential & Team-Based Rates			
Service Description	Current Rate	Proposed Rate	% Change
Intensive Day and Gambling Day Treatment	\$163.73	\$182.84	11.70%
Low Intensity Residential	\$77.75	\$93.99	20.89%
Low Intensity Residential - CJI	\$77.75	\$93.99	20.89%
IMT-Low Intensity Residential	\$77.75	\$93.99	20.89%
Low Intensity Residential - Pregnant women	\$181.15	\$202.92	12.00%
Low Intensity Residential - Individual/Family	\$30.77	\$31.04	0.90%
Low Intensity Residential - Pregnant women - Individual/Family	\$30.77	\$31.04	0.90%
IMT - Individual	\$30.77	\$31.04	0.90%
Low Intensity Residential - Group	\$8.57	\$8.75	2.10%
IMT - Group	\$8.57	\$8.75	2.10%
Low Intensity Residential - Pregnant women- Group	\$8.57	\$8.75	2.10%
Detoxification	\$57.41	\$81.10	41.30%
Gambling Intensive Residential Treatment	\$303.02	\$336.98	11.20%
Intensive Inpatient	\$251.80	\$295.57	17.40%
Intensive Inpatient - Room and Board	\$51.21	\$41.41	-19.10%

Rate Recommendations

The table below presents rate recommendations for Residential and team-based fee schedule rates (cont'd)

Residential & Team-Based Rates			
Service Description	Current Rate	Proposed Rate	% Change
Transition Age Youth-Residential	\$162.26	\$163.48	0.80%
SMI - CARE Regular	\$100.70	\$94.91	-5.70%
SMI - CARE Frontier	\$120.85	\$113.89	-5.80%
SMI IMPACT - BMS, CACS, NEMH, CCS, SEBH, LCBHS	\$99.83	\$110.42	10.60%
SMI FACT	\$104.77	\$112.56	7.40%



Rate Methodology Overview

Rate Model Overview

Wages	=	<u>Hourly Wage</u> BLS National Wage + 3.60% BLS supplemental Pay + 3.0% CES inflation	X	1 + ERE* (32.8% of Wages)
Billable Time <i>(Adjustment Factor)</i>	=	<u>Total Hours Per Week</u> 40 Hours	/	<u>Billable Hours</u> Product of Average Direct Care Percentage from Survey Results and 40 Hours
Supervision	=	<u>Supervisor Cost Per Hour</u> Supervisor Hourly Wage * (1+ERE)	X	<u>Supervisor Cost Per Staff Per</u> <u>Hour</u> Hours per week (Survey) * Span of Control (Survey)

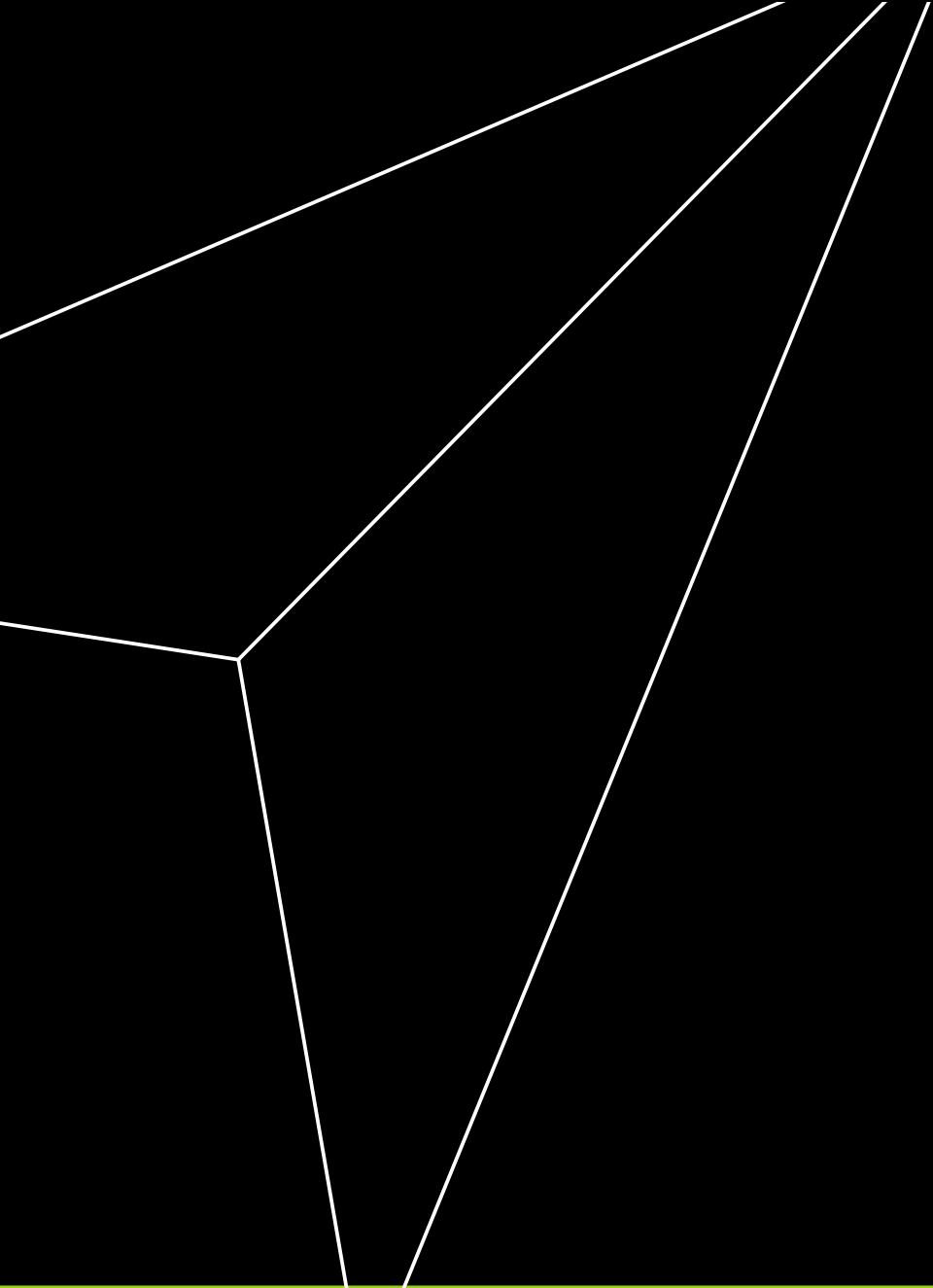
*Varies based on job type, ERE represented is for LCSW

Rate Model Overview (Cont'd)

Staffing	=	<u>Total Hourly Compensation</u> <small>(From Supervision)</small>	/	Number of Clients per Staff
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Admin + Program	=	<u>Administrative Overhead Hourly Factor</u> <small>Hourly Compensation per Staff (from Staffing) * Administrative overhead Percentage</small>	+	<u>Program Support Hourly Factor</u> <small>Hourly Compensation per Staff (from Staffing) * Program Support Percentage</small>
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Rates	=	[<u>Hourly Compensation per Staff</u>	+	<u>Indirect Costs</u>]	/	<u>Unit Increment</u> <small>(For example: 15 mins would be Hourly Rate ÷ 4)</small>
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Rate Models

Rate Model Assumptions

Assumptions were developed based on a combination of public data, survey results and workgroup feedback.

- Services were evaluated to incorporate appropriate staff types, supervision hours, staffing ratios and billable time adjusters. Primary job types includes are Licensed Clinical Social Workers and Licensed Addiction Counselors.
- Billable time adjusters vary by service delivery. On average Mental Health services landed at **59.0%** and SUD services landed at **69.0%**.
- In addition to the billable time adjuster, a no-show adjuster of 30% is applied.
- Overall indirect costs are set to **39.2%** for indirect costs for all services. This is 2.0% more than the RBRVS indirect cost percentage of 37.2% and generally higher than indirect costs found within public information.
- Employee related expense (ERE) vary dependent on the job and wage. As annual wages increase the ERE percentage decreases. As an example, a LCSW has an ERE of **32.8%** based on information provided within the survey. However, a RN with a higher wage than LCSW has a ERE of **30.8%**. The benefit plans evaluated showed competitive and comprehensive benefits. ERE percentages vary based on wages. The higher the wages, the lower the percentage.
- Supervision span of control ranges from 2 to 10 for mental health services and 3 to 8 for SUD services.
- The Rural and Frontier differential was kept at **20%** of the regular rate.

Mental Health Rate Model

Psychiatric Services

	Description	Psychiatric Services	Evaluation, Intake, Screening, Testing - Psychiatrist
Wages	Direct Services Staff	Psychiatrist	Psychiatrist
	Total Hourly Wages	\$130.70	\$130.70
	ERE (% of Wages)	27.14%	27.14%
	Hourly Compensation	\$166.18	\$166.18
Billable Time	Billable Time %	75%	60%
	Billable Time Adjustment	1.33	1.67
	Hourly Comp. after Adjust.	\$221.82	\$276.99
Supervision	Supervisor	Clinical Director	Clinical Director
	Hourly Supervisor Wage	\$75.66	\$75.66
	Supervisor ERE	29.95%	29.95%
	Hourly Supervisor Compensation	\$98.32	\$98.32
	Supervision Hours per Week	5.5	16.06
	Supervisor Span of Control	6	10.43
No Show Adjuster	No Show Adjustment	0.00%	0.00%
Staffing	Number of Clients per Staff	1	1
Indirect Cost	Indirect Cost Percent	39.20%	39.20%
	Indirect Cost Hourly Factor	\$109.97	\$109.97
	Transportation	\$0.00	\$1.43
	Proposed Rate	\$101.35	\$98.05
	Current Rate	\$95.33	\$95.33
	Percentage Change	6.31%	2.85%

Mental Health Rate Model

Individual Therapy, Collateral, Intensive Family Services, Group Therapy

	Description	Individual Therapy	Collateral	Intensive Family Services (IFS)	Group Therapy
Wages	Direct Services Staff	Licensed Clinical Social Worker (LCSW)	Licensed Clinical Social Worker (LCSW)	Licensed Clinical Social Worker (LCSW)	Licensed Clinical Social Worker (LCSW)
	Total Hourly Wages	\$38.60	\$38.60	\$38.60	\$38.60
	ERE (% of Wages)	32.79%	32.79%	32.79%	32.79%
	Hourly Compensation	\$51.26	\$51.26	\$51.26	\$51.26
Billable Time	Billable Time %	55%	58%	58%	50%
	Billable Time Adjustment	1.85	1.73	1.73	2
	Hourly Comp. after Adjust.	\$94.65	\$88.85	\$88.85	\$102.52
Supervision	Hourly Supervisor Wage	\$43.71	\$43.71	\$43.71	\$43.71
	Supervisor	Clinical Supervisor	Clinical Supervisor	Clinical Supervisor	Clinical Supervisor
	Supervisor ERE	31.29%	31.29%	31.29%	31.29%
	Hourly Supervisor Compensation	\$57.39	\$57.39	\$57.39	\$57.39
	Supervision Hours per Week	15.67	12.53	12.53	13.5
	Supervisor Span of Control	8.21	9.63	9.63	9.57
No Show Adjuster	No Show Adjustment	30%	30%	30%	30%
Staffing	Number of Clients per Staff	1	1	1	2
Indirect Cost	Indirect Cost Percent	39.20%	39.20%	39.20%	39.20%
	Indirect Cost Hourly Factor	\$48.77	\$46.19	\$46.19	\$26.61
	Transportation	\$1.43	\$1.43	\$1.43	\$1.43
	Proposed Rate	\$43.68	\$41.39	\$41.39	\$24.00
	Current Rate	\$42.39	\$35.69	\$35.69	\$25.55
	Percentage Change	3.04%	15.97%	15.97%	-6.07%

Mental Health Rate Model

Functional Family Therapy

	Description	JJRI - Functional Family Therapy (FFT)	Functional Family Therapy (FFT) Referral and Engagement
Wages	Direct Services Staff	Licensed Clinical Social Worker (LCSW)	Licensed Clinical Social Worker (LCSW)
	Total Hourly Wages	\$38.60	\$38.60
	ERE (% of Wages)	32.79%	32.79%
	Hourly Compensation	\$51.26	\$51.26
Billable Time	Billable Time %	40%	40%
	Billable Time Adjustment	2.5	2.5
	Hourly Comp. after Adjust.	\$128.14	\$128.14
Supervision	Hourly Supervisor Wage	\$43.71	\$43.71
	Supervisor	Clinical Supervisor	Clinical Supervisor
	Supervisor ERE	31.29%	31.29%
	Hourly Supervisor Compensation	\$57.39	\$57.39
	Supervision Hours per Week	2	2
	Supervisor Span of Control	2	2
No Show Adjuster	No Show Adjustment	30%	30%
Staffing	Number of Clients per Staff	1	1
Indirect Cost	Indirect Cost Percent	39.20%	39.20%
	Indirect Cost Hourly Factor	\$65.98	\$65.98
	Transportation	\$1.43	\$1.43
Proposed Rate (Session: 1 hr 15 mins)		\$294.83	\$221.12
Current Rate		\$300.61	\$409.93
Percentage Change		-1.92%	-46.06%

Substance Use Disorder Rate Models

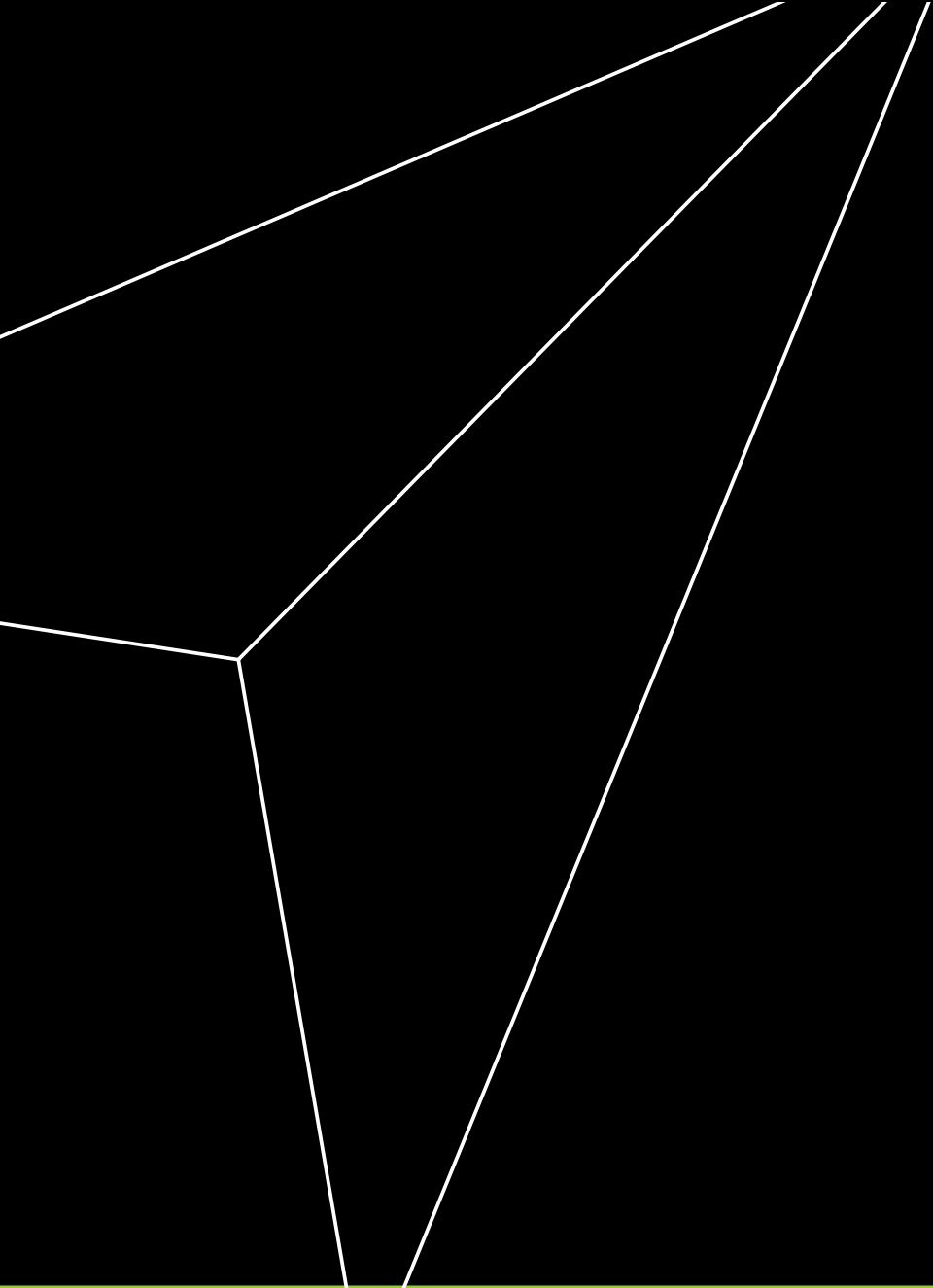
Assessments, Counseling, and Collateral

	Description	Assessments	Local Individual Counseling	Collateral Contacts/Referral	Local/Group Counseling - Group
Wages	Direct Services Staff	Licensed Addiction Counselor	Licensed Addiction Counselor	Licensed Addiction Counselor	Licensed Addiction Counselor
	Total Hourly Wages	\$34.03	\$34.03	\$34.03	\$34.03
	ERE (% of Wages)	33.91%	33.91%	33.91%	33.91%
	Hourly Compensation	\$45.57	\$45.57	\$45.57	\$45.57
Billable Time	Billable Time %	60%	68%	68%	68%
	Billable Time Adjustment	1.67	1.47	1.47	1.47
	Hourly Comp. after Adjust.	\$75.96	\$66.80	\$66.80	\$66.80
Supervision	Hourly Supervisor Wage	\$43.71	\$43.71	\$34.03	\$43.71
	Supervisor	Clinical Supervisor	Clinical Supervisor	Clinical Supervisor (75 th)	Clinical Supervisor
	Supervisor ERE	31.29%	31.29%	31.29%	31.29%
	Hourly Supervisor Compensation	\$57.39	\$57.39	\$44.67	\$57.39
	Supervision Hours per Week	6.4	3.4	3.4	3.2
	Supervisor Span of Control	5	4.7	4.7	5
No Show Adjuster	No Show Adjustment	30%	30%	30%	30%
Staffing	Number of Clients per Staff	1	1	1	3.5
Indirect Cost	Indirect Cost Percent	39.20%	39.20%	39.20%	39.20%
	Indirect Cost Hourly Factor	\$39.61	\$34.53	\$34.42	\$9.85
	Transportation	\$1.43	\$1.43	\$1.43	\$0.00
	Proposed Rate	\$35.54	\$31.04	\$30.93	\$8.75
	Current Rate	\$30.77	\$30.77	\$30.77	\$8.57
	Percentage Change	15.50%	0.88%	0.52%	2.10%

Substance Use Disorder Rate Models

Nursing/Health Services

	Description	Individual Nursing/Health Services	Group Nursing/Health Services
Wages	Direct Services Staff	Registered Nurse (RN)/Nurse	Registered Nurse (RN)/Nurse
	Total Hourly Wages	\$47.04	\$47.04
	ERE (% of Wages)	30.82%	30.82%
	Hourly Compensation	\$61.54	\$61.54
Billable Time	Billable Time %	88%	88%
	Billable Time Adjustment	1.15	1.15
	Hourly Comp. after Adjust.	\$71.00	\$71.00
Supervision	Hourly Supervisor Wage	\$67.63	\$67.63
	Supervisor	Nurse Supervisor/Director	Nurse Supervisor/Director
	Supervisor ERE	29.28%	29.28%
	Hourly Supervisor Compensation	\$87.43	\$87.43
	Supervision Hours per Week	2.6	2.6
No Show Adjuster	Supervisor Span of Control	8	8
Staffing	No Show Adjustment	30%	30%
	Number of Clients per Staff	1	3.5
Indirect Cost	Indirect Cost Percent	39.17%	39.17%
	Indirect Cost Hourly Factor	\$36.51	\$10.43
	Transportation	\$1.43	\$1.43
	Proposed Rate	\$32.44	\$9.27
	Current Rate	\$30.77	\$8.57
	Percentage Change	5.43%	8.17%



Residential Models

Residential Rate Model Assumptions

Intensive Day Treatment- Partial Hospitalization

- **Services:**

- Intensive Day Treatment: H2036
- Adolescents: H2036 HA
- Gambling Day Treatment: H2036 HV
- ASAM 2.5 has specific requirements that were incorporated into the rate model
- Interdisciplinary team of appropriately credentialed addiction **treatment professionals** including **counselors**, psychologists, social workers, **addiction-credentialed physicians**, and **program staff**, many of whom have cross-training to aid in interpreting mental disorders and deliver intensive outpatient services
- Therapies: Level 2.5 intensive outpatient services include **individual** and **group** counseling with additional support staff.
- Assumption of 4 or 3-hour sessions dependent on adolescent's vs adults with groups of 8. These time estimates equate to the 20-hour/15-hour time estimate per week, assuming 5 days a week.
- Additional time considerations for 1:1 individual therapy within the daily session

Intensive Day Treatment

Intensive Day and Gambling Day Treatment

				Intensive Day Treatment
				(H2036)
Cost Center	Cost Specifics	Description	Time	Costs
Direct Care Costs	Group	Behavioral Specialist/Technician	3.75 hours	\$21.54
		ERE (% of Wages)		36.2%
		Licensed Clinical Social Worker (LCSW)		\$34.03
		ERE (% of Wages)		33.9%
		Staff Cost per 3-hour Group Session		\$280.87
		Group Cost Per Person - 8 Person Group		\$35.11
	Individual	Licensed Addiction Counselor	15 minutes	\$34.03
		ERE (% of Wages)		33.9%
		Staff Cost per Individual Therapy - 15 Minutes		\$11.39
		Group Cost Per Person + Individual Therapy Cost		\$46.50
	Billable Time Adjustment	Total Hours		40.0
		Billable Hours- 72%		28.8
		Billable Time Adjustment		1.39
		Cost Per Person- Billable Time Adjusted	\$64.59	
	Supervision	Hourly Supervisor Compensation - Clinical Director		\$75.66
		ERE (% of Wages)		29.9%
		Supervision Hours per Staff per Hour		0.05
		Supervision Cost per Staff per Hour		\$14.75
		Hourly Total Compensation (Supervision + Direct Care Staff)	\$79.33	
	Additional Staff	Case Manager	1 hour	\$22.98
		ERE (% of Wages)		36.1%
		Psychiatrist		\$130.70
		ERE (% of Wages)		27.1%

Intensive Day Treatment

Adult

				Intensive Day Treatment (H2036)
Cost Center	Cost Specifics	Description	Time	Costs
	Group Cost	Group Cost Per Person - 8 Person Group		\$52.05
		Per Person Cost- Direct Care		\$131.39
Indirect Cost	Admin + Program Support	Indirect Cost Percent		39.2%
		Indirect Cost Hourly Factor		\$51.46
		Daily Rate		\$182.84

Proposed Rate (Per Diem)	\$182.84
Current Rate (Per Diem)	\$163.73
Percent Change	11.7%

Residential Rate Model

Low Intensity Residential

- **Services:**
 - Low Intensity Residential IMT: H0016 HB HF HG
 - Low Intensity Residential SUD: H0016 HF
 - Low Intensity Residential SUD - CJI: H0016 CJ
- **Setting:** Services are provided in a 24-hour environment, such as a group home. Both clinic-based services and community-based recovery services are provided.
- **Provider Type:** Team of appropriately credentialed medical, addiction, and mental health professionals provide clinical services.
- **Staffing Ratio:** 1:14
- **Therapies:** Service H0015 can be billed separately for therapies.

		Low Intensity Residential (H0016 HF)
Job Type		
Behavioral Specialist/Technician	Behavioral Specialist/Technician Primary Hours	625.7
	Behavioral Specialist/Technician Substitute Hours	80.9
	Hourly Behavioral Specialist/Technician Wage	\$21.54
	Behavioral Specialist/Technician ERE	36.2%
	Hourly Compensation	\$29.33
Case Manager	Case Manager Hours	74.3
	Hourly Case Manager Wage	\$26.63
	Case Manager ERE	36.1%
	Hourly Compensation	\$36.25

Proposed Rate (per Unit)	\$93.99
Current Rate	\$77.75
Percent Change	20.9%

Residential Rate Model

SUD Low Intensity Residential – Pregnant

- **Services:**

- SUD Low Intensity Residential – Pregnant Women H0016 HD
- SUD Low Intensity Residential – Pregnant Adolescents: H0016 HA HD

- **Therapies:** Therapy is included within rate. Additional nursing time based on population specific service

- **Staffing Ratio:** 1:12

		Low Intensity Residential – Pregnant Women (H0016 HD)
Job Type		
Behavioral Specialist/Technician	Behavioral Specialist/Technician Primary Hours	730.0
	Behavioral Specialist/Technician Substitute Hours	141.6
	Hourly Behavioral Specialist/Technician Wage	\$21.54
	Behavioral Specialist/Technician ERE	36.2%
	Hourly Compensation	\$29.33
Licensed Addiction Counselor	Licensed Addiction Counselor Hours	347.0
	Hourly Licensed Addiction Counselor Wage	\$34.03
	Licensed Addiction Counselor ERE	33.9%
	Hourly Compensation	\$45.57
Case Manager	Case Manager Hours	87.0
	Hourly Case Manager Wage	\$26.63
	Case Manager ERE	36.1%
	Hourly Compensation	\$36.25
Registered Nurse (RN)/Nurse	Registered Nurse (RN)/Nurse RN Hours	87.0
	Hourly Registered Nurse (RN)/Nurse Wage	\$53.42
	Registered Nurse (RN)/Nurse ERE	30.8%
	Hourly Compensation	\$69.88
Proposed Rate (Per Diem)		\$202.92
Current Rate (Per Diem)		\$181.15
Percent Change		12.0%

Residential Rate Model

SUD Detoxification

- **Services:**
 - SUD Detoxification: H0014
- **Staffing Ratio:** 1:12
- **Additional Staff:** Licensed addiction counselor provides 5 hours of therapy a week. Partial case manager to assist with intensive case management and registered nurse to oversee medication assisted treatment.
- **Setting:** 24-hour structure and support
- **Rate:** This is a half day rate, in comparison to a full day.

Job Type		SUD Detoxification (H0014)
Behavioral Specialist/Technician	Behavioral Specialist/Technician Primary Hours	730.0
	Behavioral Specialist/Technician Substitute Hours	94.41
	Hourly Behavioral Specialist/Technician Wage	\$21.54
	Behavioral Specialist/Technician ERE	36.2%
	Hourly Compensation	\$29.33
Licensed Addiction Counselor	Licensed Addiction Counselor Hours	260
	Hourly Licensed Addiction Counselor Wage	\$34.03
	Licensed Addiction Counselor ERE	33.9%
	Hourly Compensation	\$45.57
Case Manager	Case Manager Hours	43
	Hourly Case Manager Wage	\$22.98
	Case Manager ERE	36.1%
	Hourly Compensation	\$31.28
Registered Nurse (RN)/Nurse	Registered Nurse (RN)/Nurse Hours	43
	Hourly Registered Nurse (RN)/Nurse Wage	\$53.42
	Registered Nurse (RN)/Nurse ERE	30.8%
	Hourly Compensation	\$69.88
Proposed Rate (per ½ Day)		\$81.10
Current Rate per ½ Day		\$57.41
Percent Change		41.3%

Residential Rate Model Assumptions

SUD Intensive Inpatient (ASAM 3.7)

- **Services:**
 - SUD Intensive Inpatient: H0019
 - SUD Intensive Inpatient - Pregnant Women: H0019 HD
 - SUD Intensive Inpatient - Gambling Treatment: H0019 HV
- **Setting:** Services are provided in freestanding, appropriately licensed facilities located in a community setting or a specialty unit in a general or psychiatric hospital or other licensed health care facility.
- **Provider Type:** Interdisciplinary team is made up of physicians credentialed in addiction who are available on-site 24 hours daily, registered nurses, and additional appropriately credentialed nurses, addiction counselors, behavioral health specialists, clinical staff
- **Therapies:** A combination of group and individual therapy, nursing services, counseling and clinical monitoring, medication monitoring and evidence-based practices
- **Staffing Ratios:** 1:8, therapies are time dependent to ensure appropriate levels of therapy a week.

SUD Intensive Inpatient

Job Type		Intensive Inpatient (H0019)	Pregnant Women (H0019 HD)	Gambling Treatment (H0019 HV)
Behavioral Specialist/Technician	Behavioral Specialist/Technician Primary Hours	260.0	260.0	260.0
	Hourly Behavioral Specialist/Technician Wage	\$21.54	\$21.54	\$21.54
	Behavioral Specialist/Technician ERE	36.2%	36.2%	36.2%
	Hourly Compensation	\$29.33	\$29.33	\$29.33
Counselor	Counselor Hours	468.0	468.0	468.0
	Hourly Counselor Wage	\$34.03	\$34.03	\$34.03
	Counselor ERE	36.0%	36.0%	36.0%
	Hourly Compensation	\$46.29	\$46.29	\$46.29
Licensed Addiction Counselor - Individual	Licensed Addiction Counselor – Individ. Hours	546.0	546.0	546.0
	Hourly Licensed Addiction Counselor – Individ. Wage	\$34.03	\$34.03	\$34.03
	Licensed Addiction Counselor – Individ. ERE	33.9%	33.9%	33.9%
	Hourly Compensation	\$45.57	\$45.57	\$45.57
Licensed Addiction Counselor - Group	Licensed Addiction Counselor - Group Hours	137.0	137.0	137.0
	Hourly Licensed Addiction Counselor - Group Wage	\$34.03	\$34.03	\$34.03
	Licensed Addiction Counselor - Group ERE	33.9%	33.9%	33.9%
	Hourly Compensation	\$45.57	\$45.57	\$45.57
Registered Nurse (RN)/Nurse	Registered Nurse (RN)/Nurse Hours	260.0	260.0	260.0
	Registered Nurse (RN)/Nurse Hourly Wage	\$53.42	\$53.42	\$53.42
	Registered Nurse (RN)/Nurse ERE	30.8%	30.8%	30.8%
	Hourly Compensation	\$69.88	\$69.88	\$69.88
Psychiatrist	Psychiatrist Hours	33.0	33.0	33.0
	Psychiatrist Hourly Wage	\$130.70	\$130.70	\$130.70
	Psychiatrist ERE	27.1%	27.1%	27.1%
	Hourly Compensation	\$166.18	\$166.18	\$166.18
	Proposed Rate (Per Diem)	\$295.57	\$295.57	\$336.98
	Current Rate (Per Diem)	\$251.80	\$251.80	\$303.02
	Percent Change	17.4%	17.4%	11.2%
	Proposed R&B Rate	\$41.41	\$41.41	N/A

Team-Based Model

IMPACT, FACT, CARE Services

Overview: ACT is an evidence-based practice that provides community-based, multi-disciplinary mental health treatment for individuals with severe and persistent mental illness. The teams work collaboratively to provide services in community locations that can be available 24 hours a day and 365 days a year.

Services: Assessments, crisis assessments, case management, psychiatric services, nursing, individual and group therapies/counseling, recovery supports, psychosocial rehab, collateral contacts and direct assistance to ensure ongoing activities of daily life

Staffing: IMPACT services may not exceed a ratio of at least one primary therapist for every 12 clients served. A center shall provide clients with an average of 16 contacts per month with IMPACT staff and more often if clinically appropriate. Larger caseloads were included for the non-therapy services.

The service has been developed using industry standards and South Dakota specific administrative rules, not necessarily how the service is being delivered today.

Team-Based Model

IMPACT, FACT, CARE Services

Care Type	Job Type		IMPACT	FACT	CARE
Direct	Clinical Director	<i>FTEs</i>	1.00	1.00	1.00
		<i>FTE Adjustment</i>	\$204,508.67	\$204,508.67	\$204,508.67
Direct	Registered Nurse (RN)/Nurse	<i>FTEs</i>	1.00	1.00	1.00
		<i>FTE Adjustment</i>	\$145,346.37	\$145,346.37	\$145,346.37
Direct	Psychiatrist	<i>FTEs</i>	1.00	1.00	1.00
		<i>FTE Adjustment</i>	\$345,648.53	\$345,648.53	\$345,648.53
Indirect	Clinical Specialist	<i>FTEs</i>	1.00	1.00	1.00
		<i>FTE Adjustment</i>	\$65,070.37	\$65,070.37	\$65,070.37
Indirect	Licensed Professional Counselor	<i>FTEs</i>	1.00	1.25	1.00
		<i>FTE Adjustment</i>	\$107,417.92	\$134,272.40	\$107,417.92
Indirect	Certified Peer Support Specialist	<i>FTEs</i>	1.00	1.00	1.00
		<i>FTE Adjustment</i>	\$65,494.36	\$65,494.36	\$65,494.36
Indirect	Licensed Addiction Counselor	<i>FTEs</i>	0.25	0.25	0.25
		<i>FTE Adjustment</i>	\$23,695.49	\$23,695.49	\$23,695.49
Indirect	Job Coach	<i>FTEs</i>	0.25	0.25	0.25
		<i>FTE Adjustment</i>	\$19,214.71	\$19,214.71	\$19,214.71
Individual Therapy	Licensed Clinical Social Worker (LCSW)	<i>FTEs</i>	1.00	1.00	1.00
		<i>FTE Adjustment</i>	\$103,438.13	\$103,438.13	\$103,438.13

IMPACT, FACT, CARE

Annual team calculations

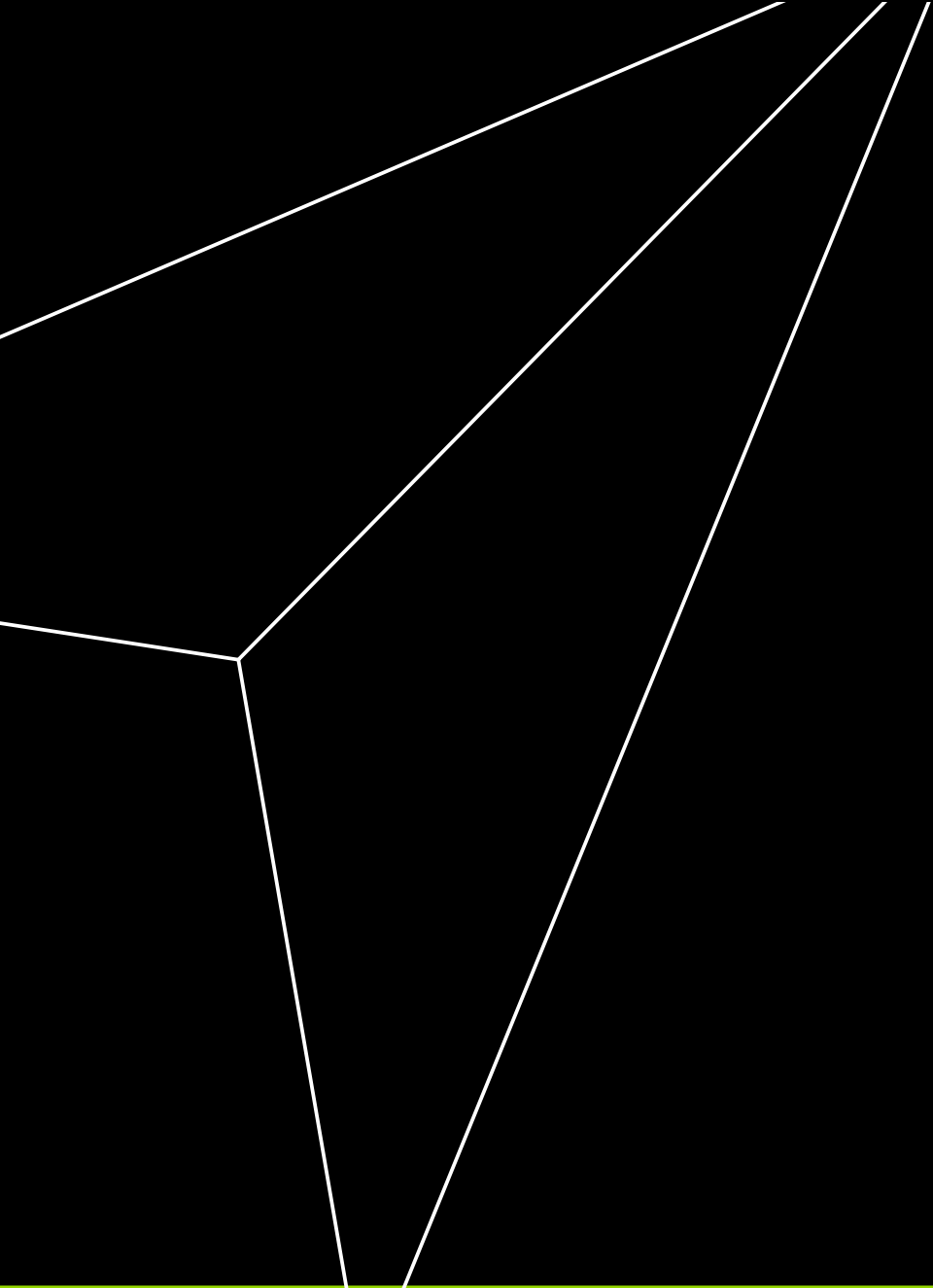
<i>Clients Served- Team</i>	48.00	48.00	60.00
<i>Client Served LCSW - Individual</i>	12.00	12.00	12.00
<i>Total Indirect Cost- LCSW</i>	\$40,513.41	\$40,513.41	\$40,513.41
<i>Total Indirect Cost- Team</i>	\$382,423.31	\$392,941.35	\$382,423.31
<i>LCSW Cost</i>	\$143,951.54	\$143,951.54	\$143,951.54
<i>Team Cost</i>	\$1,358,819.72	\$1,396,192.25	\$1,358,819.72
<i>Total Annual Cost</i>	\$1,502,771.27	\$1,540,143.79	\$1,502,771.27
<i>Annual Cost Per Person- LCSW</i>	\$11,995.96	\$11,995.96	\$11,995.96
<i>Annual Cost Per Person- Team</i>	\$28,308.74	\$29,087.34	\$22,647.00
<i>Total Annual Cost Per Person</i>	\$40,304.71	\$41,083.30	\$34,642.96
<i>Proposed Rate</i>	\$110.42	\$112.56	\$94.91
<i>Current Rate per Day</i>	\$99.83	\$104.77	\$100.70
<i>Percent Change</i>	10.6%	7.4%	-5.8%

Residential Rate Model

Transition Age Youth - Residential

- **Staffing Ratio:** 1:12
- **Team Structure:** Direct support staff for 24-hour structure with support LCSW and case manager time. Case manager assists in coordination of services for transitioning youth.

		Transition Age Youth - Residential
Job Type		
Behavioral Specialist/Technician	Behavioral Specialist/Technician Primary Hours	730.0
	Behavioral Specialist/Technician Substitute Hours	141.61
	Behavioral Specialist/Technician Wage	\$21.54
	Behavioral Specialist/Technician ERE	36.2%
	Hourly Compensation	\$29.33
Licensed Clinical Social Worker (LCSW)	Licensed Clinical Social Worker (LCSW) Hours	173.0
	Licensed Clinical Social Worker (LCSW) Wage	\$38.60
	Licensed Clinical Social Worker (LCSW) ERE	32.8%
	Hourly Compensation	\$51.26
Case Manager	Case Manager Hours	173.0
	Case Manager Wage	\$26.63
	Case Manager ERE	36.1%
	Hourly Compensation	\$36.25
Proposed Rate (Per Diem)		\$163.48
Current Rate (Per Diem)		\$162.26
Percent Change		0.8%



Next Steps

Next Steps

- We will have one more workgroup pending scheduling of an additional workgroup after Thanksgiving.
- A report on these rate recommendations will be provided to the State and distributed to workgroup members.
- These are proposed rate recommendations and does not guarantee the rates will be implemented.
- Further conversations may still take place between Guidehouse and the State to determine final modifications to the rates presented today.

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Thank You

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