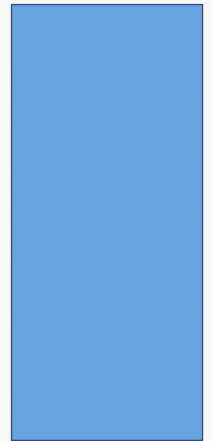




**COMMUNITY BEHAVIORAL HEALTH REBASE
ALASKA MEDICAID
MEETING #2
WAGES AND FRINGE BENEFITS INPUTS**

July 10, 2023



DISCLAIMER

- All information shared in this presentation are in draft form
- The information is being presented via publicly noticed meetings as part of a collaborative stakeholder process for the department to gather feedback prior to finalizing values
- Once the department finalizes values after stakeholder feedback, a regulation package with an adopted by reference fee schedule with proposed rates will be publicly noticed
- The public will be able to provide comments on the proposed rates and components utilized as part of the regulations process

MEETING SCHEDULE

Meeting Time/Date	Meeting Topic
6/27/23 1 – 3 PM AKSDT	Clinic services & Daily Substance Use Services
7/10/23 1 – 3 PM AKSDT	Wages & Fringe Benefit Inputs
7/18/23 1 – 3 PM AKSDT	Productivity & Time Inputs
7/25/23 1 – 3 PM AKSDT	Program Support & Admin Inputs & Draft Proposed Rates

SERVICES

- Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services
 - https://health.alaska.gov/dbh/Documents/Medicaid%20Related/CBH-MHPC-rates-updated_12-23-22.pdf
- Clinic services
 - Assessments
 - Psychotherapy
 - Psychological Testing
 - Neuropsychological Testing
 - Comprehensive Medication Services
 - Short-term Crisis Intervention Services
- Rehab services
 - Case Management
 - Peer Support Services
 - Therapeutic Behavioral Health Services
- Substance Use Services
 - Day treatment
 - Oral Medication Administration
 - Methadone Administration
 - Ambulatory Detoxification
 - Medically Managed Detoxification
 - Clinically Managed Detoxification
 - Medical Evaluation
 - Screening, Brief Intervention, and Referral for Treatment
 - Residential Substance Use Disorder Treatment

PRIOR MEETING SUMMARY

- Clinic Services
 - Draft decision:
 - Change clinic rates 7.5%
- Daily Substance Use Services
 - Draft decision:
 - Leave the codes on the Community Behavioral Health state plan fee schedule at currently published rates
 - Work to sunset the codes

CALCULATION

- Modeled methodology
 - Wages
 - Fringe Benefits
 - Productivity
 - Program Support
 - Administrative & General
 - Time

Modeled Component	Value	Calculation
Wage	\$34.00	A
Fringe Benefit	47%	B
Direct Cost per Hour	\$49.98	C = A * (1+B)
Productivity	38%	D
Direct Service Cost after Productivity	\$68.97	E = C * (1+D)
Program Support	25%	F
Direct Service & Program Support Cost	\$86.22	G = E * (1+F)
Admin.	25%	H
Total Service Cost per Hour	\$107.77	I = G * (1+H)
Time (Hours)	0.25	J
Proposed Rate	\$26.94	K = I * J

WAGE CALCULATION

- Step 1: Calculate the hourly wage per qualified provider type.
- Step 2: Calculate the hourly wage per procedure code by multiplying hourly wage per qualified provider type by the % of the services provided by that qualified provider type to calculate a weighted average.

Service	Psychologist %	MHPC %	Total %
Example	1.60%	98.40%	100.00%

- Example
 - Psychologist Wage (hypothetical) \$75
 - MHPC Wage (hypothetical) = \$40
 - Calc. = $(1.6\% \times \$75) + (98.4\% \times \$40) = \$40.56$

WAGE SOURCES

- Sources
 - Alaska Bureau of Labor Statistics
 - Grants Electronic Monitoring System (GEMS)
 - Medicare Cost Reports
 - Federally Qualified Health Centers (FQHCs)
 - Nursing Homes
 - State
 - Alaska Psychiatric Institute
 - Division of Juvenile Justice
 - Federal
 - Veterans Administration (VA)
 - CBH Provider Survey

PROVIDER SURVEY RESPONSE RATE

- Provider survey was publicly noticed
 - Open from 11/8/22 – 12/2/22
 - 42 responses for Clinical
 - 46 responses for Admin
 - Response Rate as % of Medicaid spend on PT 107
 - 44% of Medicaid units of services

DRAFT WAGE INPUTS BY QUALIFIED PROVIDER

Position	Hourly Wage Model Inputs
Physician / Psychiatrist	\$160.02
Physician Assistant	\$76.52
Advanced Nurse Practitioner	\$73.71
Registered Nurse	\$51.42
Licensed Practical Nurse	\$35.81
Psychologist	\$75.59
Mental Health Professional Counselor	\$40.36
Behavioral Health Clinical Associate	\$24.34
Substance Use Disorder Counselor	\$27.32

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

WAGE SOURCES

PHYSICIAN/PSYCHIATRIST

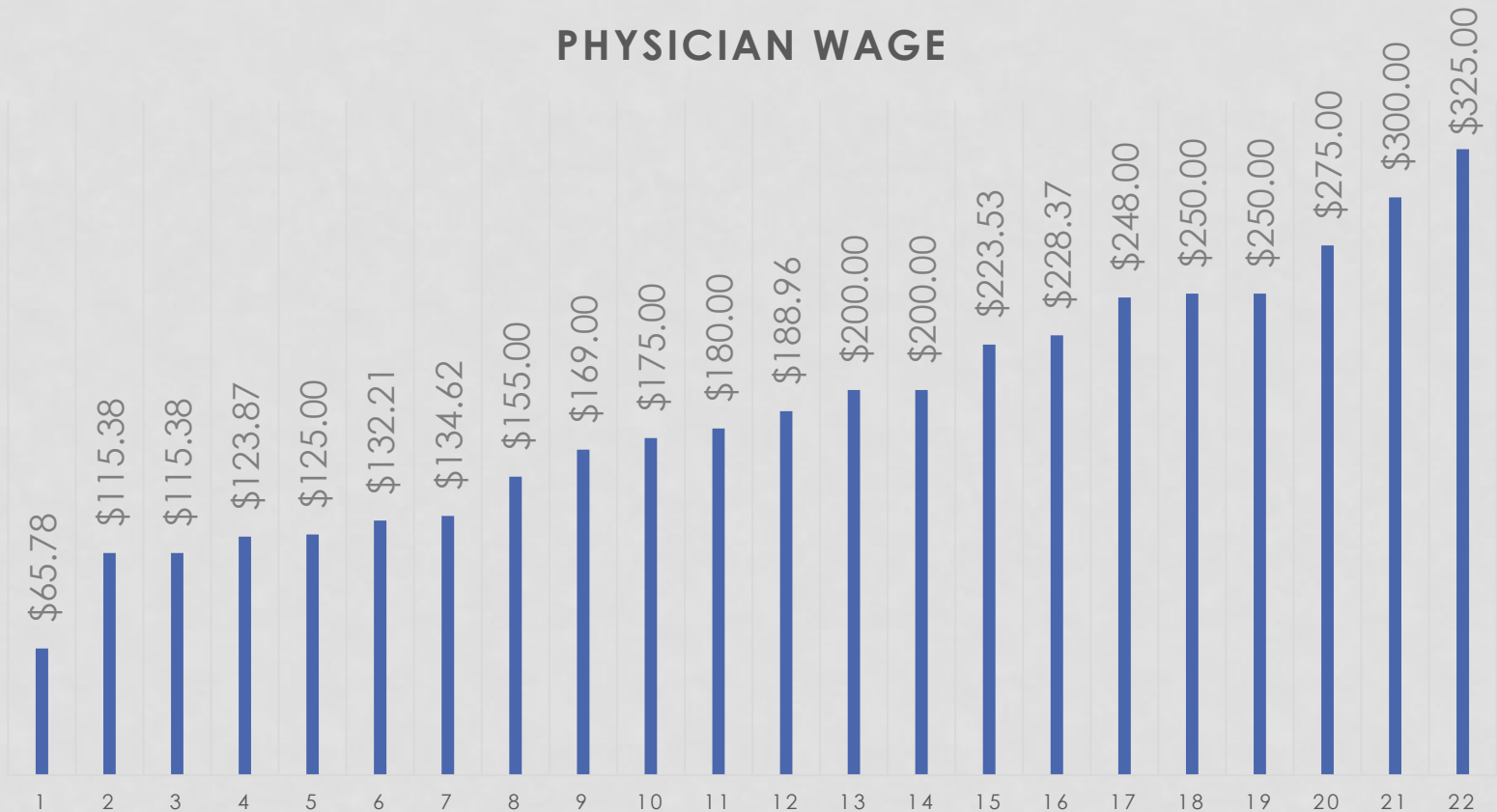
Source	Hourly Wage
Bureau of Labor Statistics	\$103.59
Grants Electronic Management System	\$207.12
Alaska Psychiatric Institute	\$146.02
FQHC 1	\$144.22
FQHC 2	\$194.98
FQHC 3	\$173.26
Veteran's Administration	\$120.04
Provider Survey	\$190.94
Average	\$160.02

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

PHYSICIAN WAGE

PHYSICIAN WAGE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$184.48	3.50%	\$190.94

WAGE SOURCES

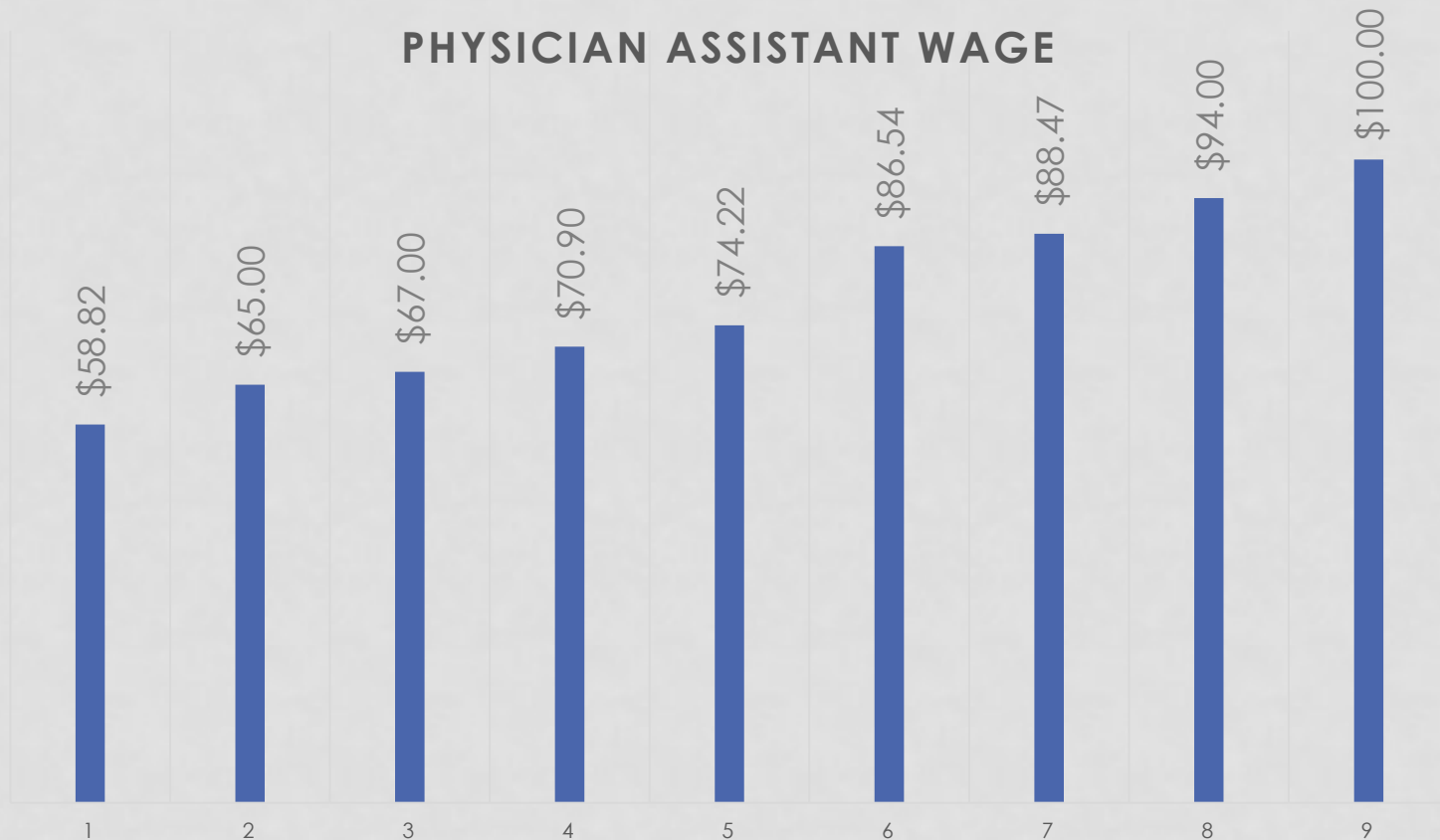
PHYSICIAN ASSISTANT

Source	Hourly Wage
Bureau of Labor Statistics	\$69.89
Grants Electronic Management System	\$74.64
FQHC 1	\$65.12
FQHC 2	\$85.78
FQHC 3	\$86.88
Provider Survey	\$76.82
Average	\$76.52

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

PHYSICIAN ASSISTANT WAGE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$74.22	3.50%	\$76.82

WAGE SOURCES

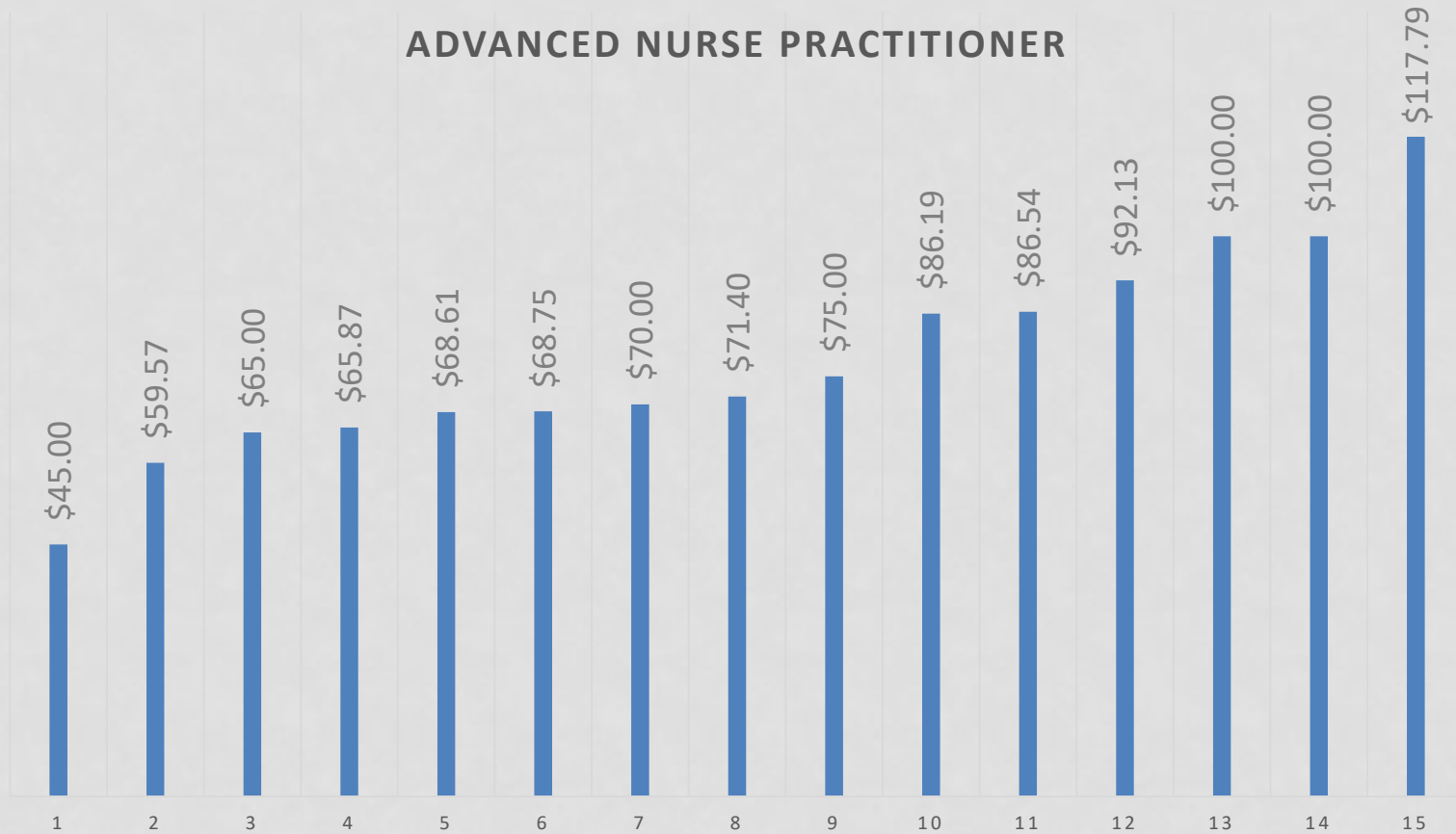
ADVANCED NURSE PRACTITIONER

Source	Hourly Wage
Bureau of Labor Statistics	\$66.72
Grants Electronic Management System	\$76.88
FQHC 1	\$69.41
FQHC 2	\$72.64
FQHC 3	\$82.70
Provider Survey	\$73.90
Average	\$73.71

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

ADVANCED NURSE PRACTITIONER WAGE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$71.40	3.50%	\$73.90

WAGE SOURCES

REGISTERED NURSE

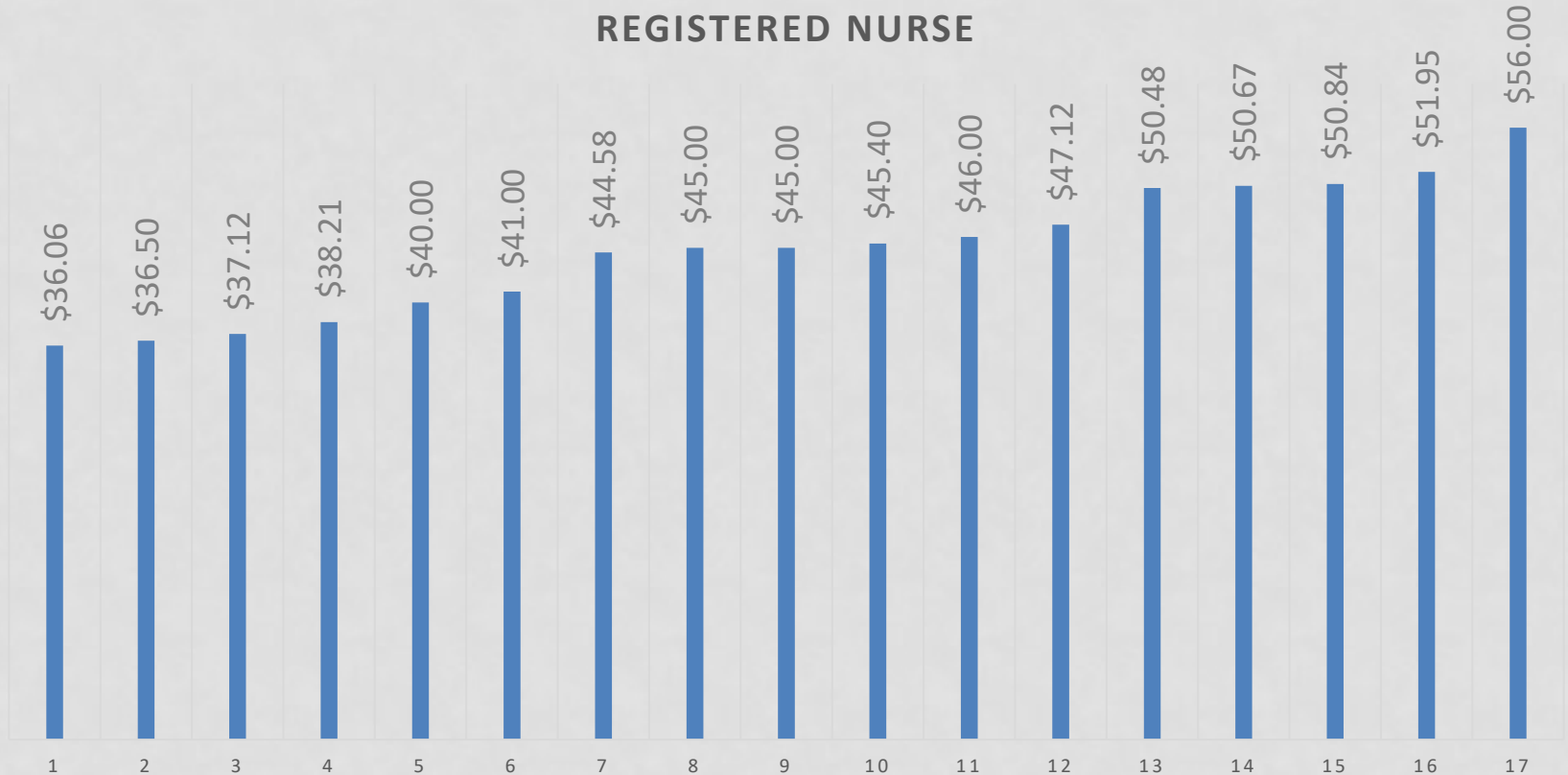
Source	Hourly Wage
Bureau of Labor Statistics	\$53.70
Grants Electronic Management System	\$40.08
Division of Juvenile Justice	\$50.50
Alaska Psychiatric Institute	\$55.27
NH 1	\$58.82
NH 2	\$64.01
NH 3	\$54.69
NH 4	\$45.08
NH 5	\$45.51
Provider Survey	\$46.58
Average	\$51.42

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

RN WAGE

REGISTERED NURSE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$45.00	3.50%	\$46.58

WAGE SOURCES

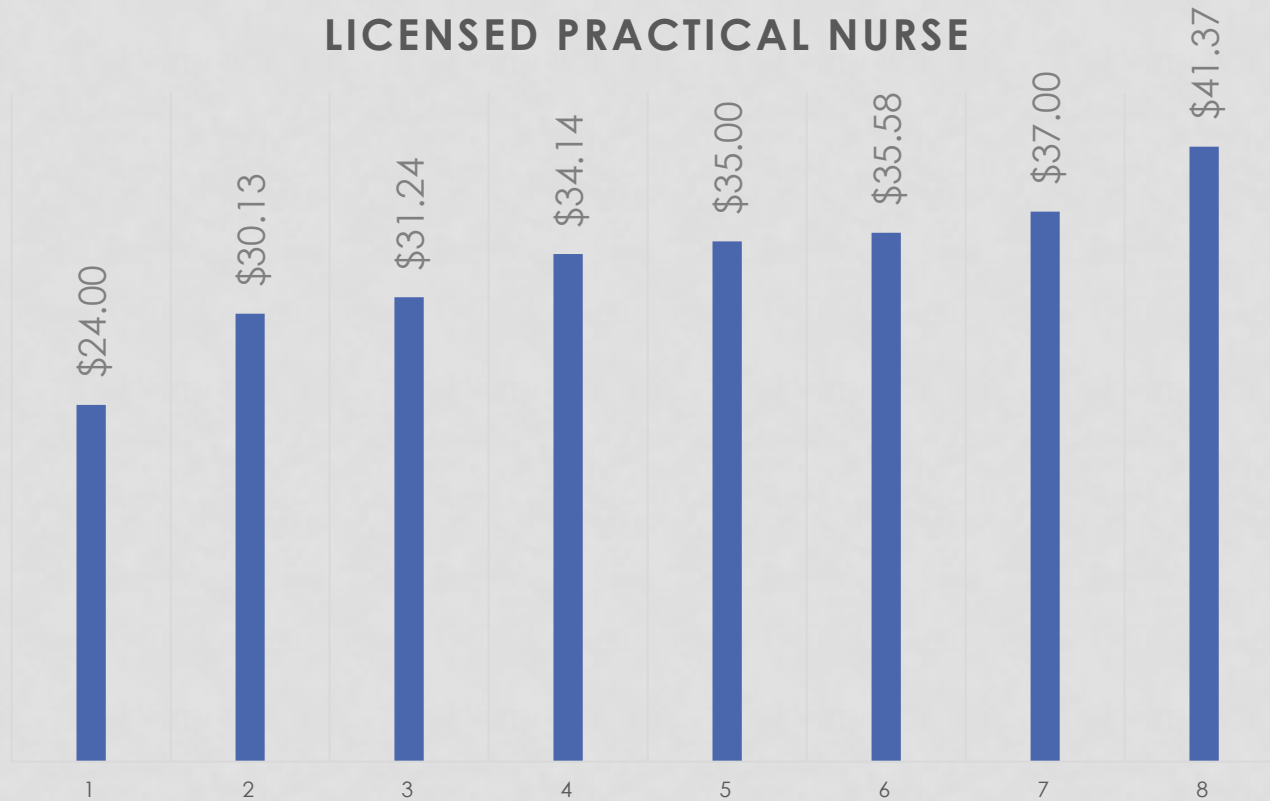
LICENSED PRACTICAL NURSE

Source	Hourly Wage
Bureau of Labor Statistics	\$33.42
Grants Electronic Management System	\$24.96
NH 1	\$46.24
NH 2	\$43.71
NH 3	\$36.20
NH 4	\$32.67
NH 5	\$33.47
Provider Survey	\$35.78
Average	\$35.81

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

LICENSED PRACTICAL NURSE WAGE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$34.57	3.50%	\$35.78

WAGE SOURCES

PSYCHOLOGIST

Source	Hourly Wage
Grants Electronic Management System	\$59.05
FQHC 1	\$58.39
FQHC 2	\$84.10
FQHC 3	\$114.30
Provider Survey	\$62.10
Average	\$75.59

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY PSYCHOLOGIST WAGE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$60.00	3.50%	\$62.10

WAGE SOURCES

MENTAL HEALTH PROFESSIONAL COUNSELOR

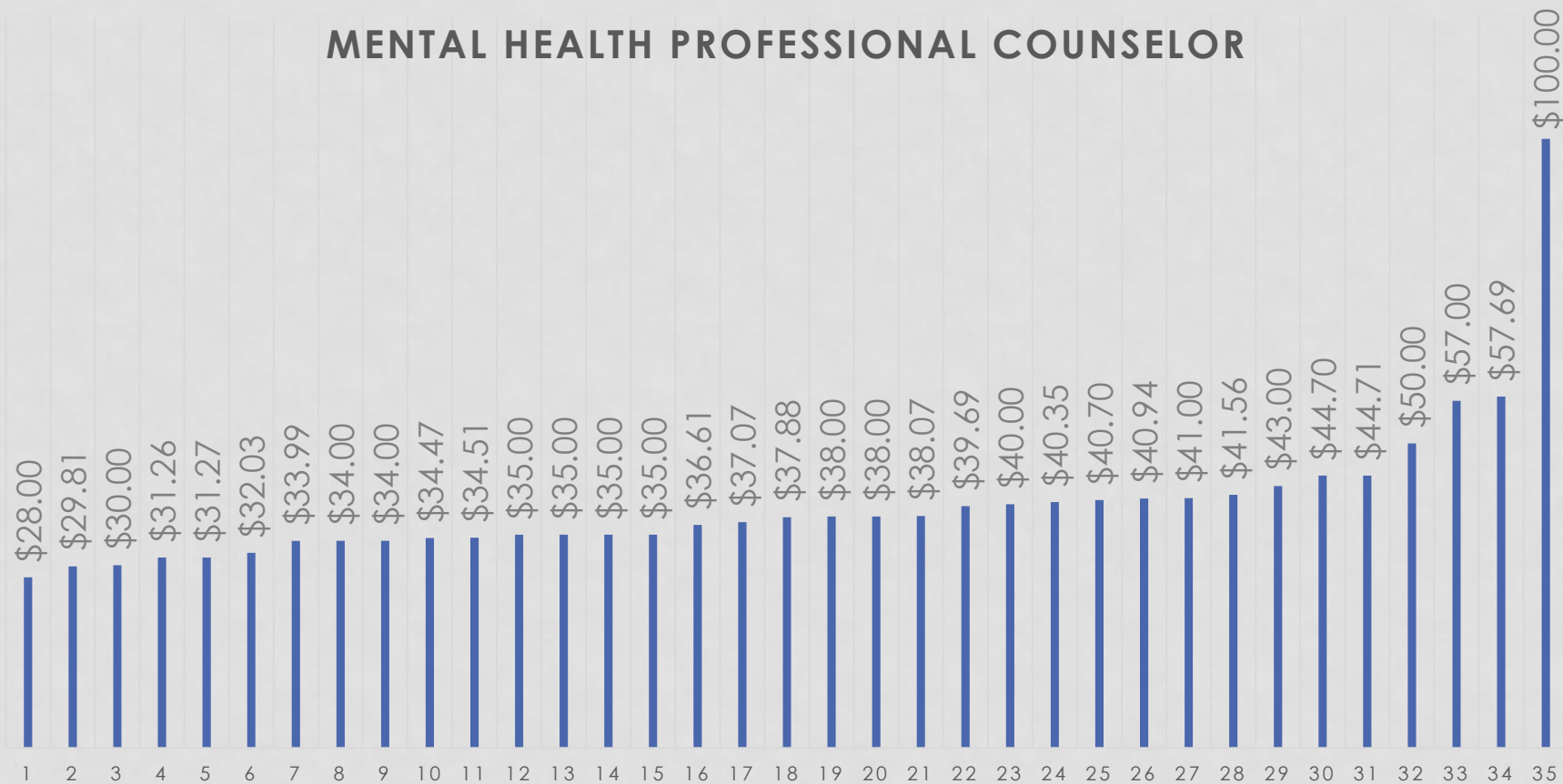
Source	Hourly Wage
Bureau of Labor Statistics	\$38.52
Grants Electronic Management System	\$34.28
Alaska Psychiatric Institute	\$48.85
Division of Juvenile Justice	\$40.29
FQHC 1	\$41.00
Provider Survey	\$39.21
Average	\$40.36

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

MHPC WAGE

MENTAL HEALTH PROFESSIONAL COUNSELOR



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$37.88	3.50%	\$39.21

WAGE SOURCES

BEHAVIORAL HEALTH CLINICAL ASSOCIATE

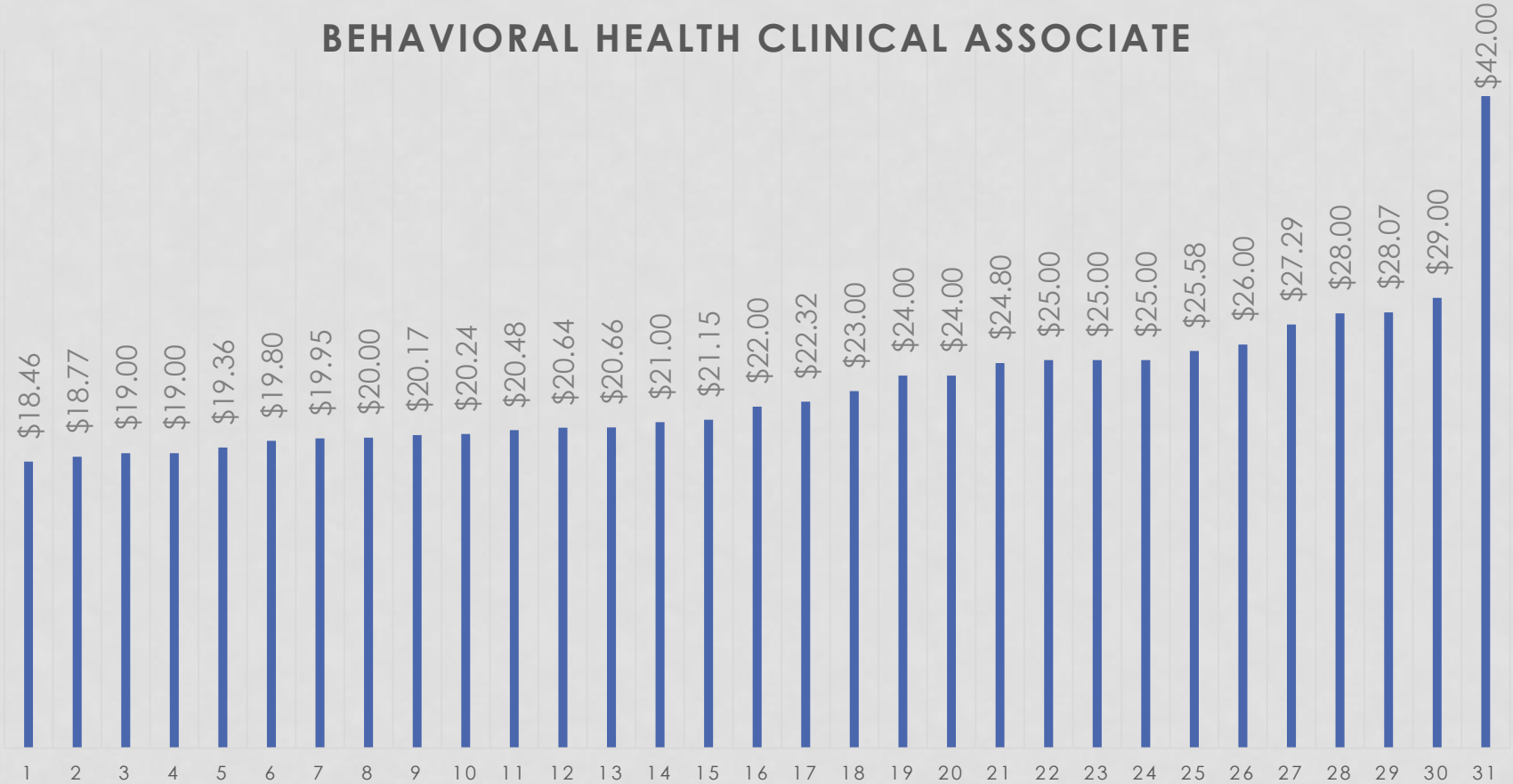
Source	Hourly Wage
Bureau of Labor Statistics	\$27.84
Grants Electronic Management System	\$22.00
Alaska Psychiatric Institute	\$24.77
Provider Survey	\$22.77
Average	\$24.34

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

BEHAVIORAL HEALTH CLINICAL ASSOCIATE WAGE

BEHAVIORAL HEALTH CLINICAL ASSOCIATE



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$22.00	3.50%	\$22.77

WAGE SOURCES

SUBSTANCE USE DISORDER COUNSELOR

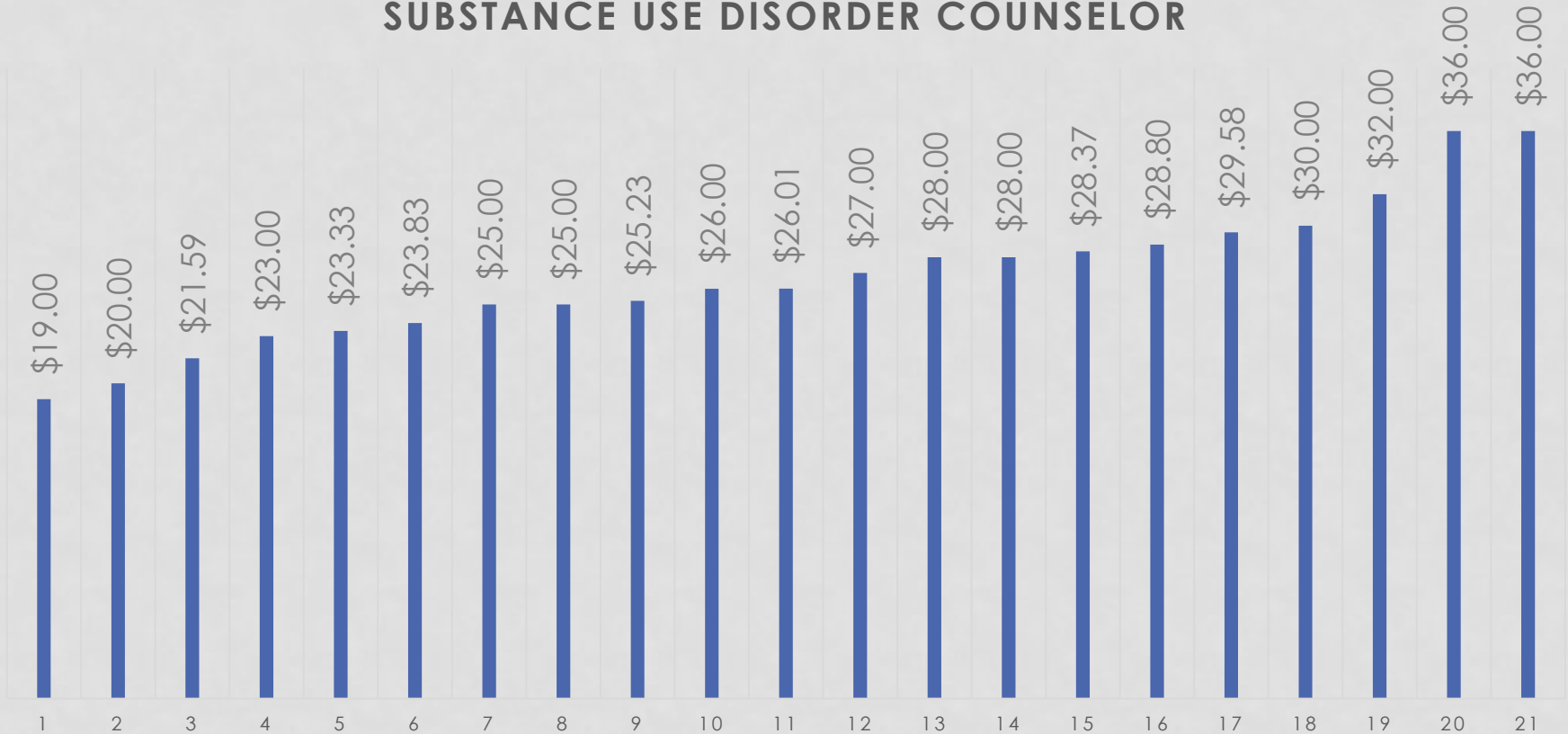
Source	Hourly Wage
Bureau of Labor Statistics	\$26.45
Grants Electronic Management System	\$28.59
Provider Survey	\$26.92
Average	\$27.32

- 1) Not all sources come from the same year
- 2) Wages are inflated to the rate year

PROVIDER SURVEY

SUBSTANCE USE DISORDER COUNSELOR WAGE

SUBSTANCE USE DISORDER COUNSELOR



Category	Uninflated Responses	Inflation	Inflated Response
Median	\$26.01	3.50%	\$26.92

WAGES

SOURCE OF WEIGHT

- Step 1: Calculate the hourly wage per qualified provider type.
- Step 2: Calculate the hourly wage per procedure code by multiplying hourly wage per qualified provider type by the % of the services provided by that qualified provider type to calculate a weighted average.
 - Source for % of service provided = Alaska Automated Information Management System (AKAIMS)

SOURCE OF WAGE WEIGHT

AKAIMS %

Service	T1023
	Behavioral Health Screen - AK Screen Tool
Category	% of Service
Physician	1.65%
PA	
APRN	
RN	
LPN	
Psychologist	0.77%
MHPC	51.60%
BHCA	16.74%
SUDC	29.25%
Proposed Wage	\$36.11

Service	H0001
	Alcohol and/or Drug Assessment
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	0.36%
MHPC	4.72%
BHCA	25.18%
SUDC	69.73%
Proposed Wage	\$27.36

SOURCE OF WAGE WEIGHT

AKAIMS %

Service	H2011
	Short-term Crisis Stabilization Service
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	0.05%
MHPC	14.20%
BHCA	30.69%
SUDC	55.06%
Proposed Wage	\$28.28

Service	T1016
	Case Management
Category	% of Service
Physician	
PA	
APRN	
RN	0.17%
LPN	
Psychologist	0.61%
MHPC	7.27%
BHCA	70.37%
SUDC	21.58%
Proposed Wage	\$26.51

SOURCE OF WAGE WEIGHT

AKAIMS %

Service	H2019
	Therapeutic BH Services - Individual
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	
MHPC	0.17%
BHCA	99.56%
SUDC	0.27%
Proposed Wage	\$24.38

Service	H0038
	Peer Support Services - Individual
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	
MHPC	0.05%
BHCA	90.11%
SUDC	9.83%
Proposed Wage	\$24.64

SOURCE OF WAGE WEIGHT

AKAIMS %

Service	H2012
	Day Treatment for Children
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	
MHPC	
BHCA	100.00%
SUDC	
Proposed Wage	\$24.34

Service	T1007
	Treatment Plan Review for Methadone Recipient
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	
MHPC	
BHCA	75.00%
SUDC	25.00%
Proposed Wage	\$25.09

SOURCE OF WAGE WEIGHT

AKAIMS %

Service	H0033 and H0033 HK
	Oral Medication Administration, direct observation
Category	% of Service
Physician	
PA	
APRN	
RN	100.00%
LPN	
Psychologist	
MHPC	
BHCA	
SUDC	
Proposed Wage	\$51.42

Service	H0020
	Methadone Administration and/or service
Category	% of Service
Physician	
PA	
APRN	
RN	100.00%
LPN	
Psychologist	
MHPC	
BHCA	
SUDC	
Proposed Wage	\$51.42

SOURCE OF WAGE WEIGHT

AKAIMS %

Service	H0002 and H0002 HF Medical Evaluation for Recipient
Category	% of Service
Physician	62.50%
PA	
APRN	
RN	37.50%
LPN	
Psychologist	
MHPC	
BHCA	
SUDC	
Proposed Wage	\$118.73

Service	99408 Screening, Brief Intervention, and Referral for Treatment (SBIRT)
Category	% of Service
Physician	
PA	
APRN	
RN	
LPN	
Psychologist	
MHPC	45.49%
BHCA	41.20%
SUDC	13.30%
Proposed Wage	\$31.06

WAGE

Questions:

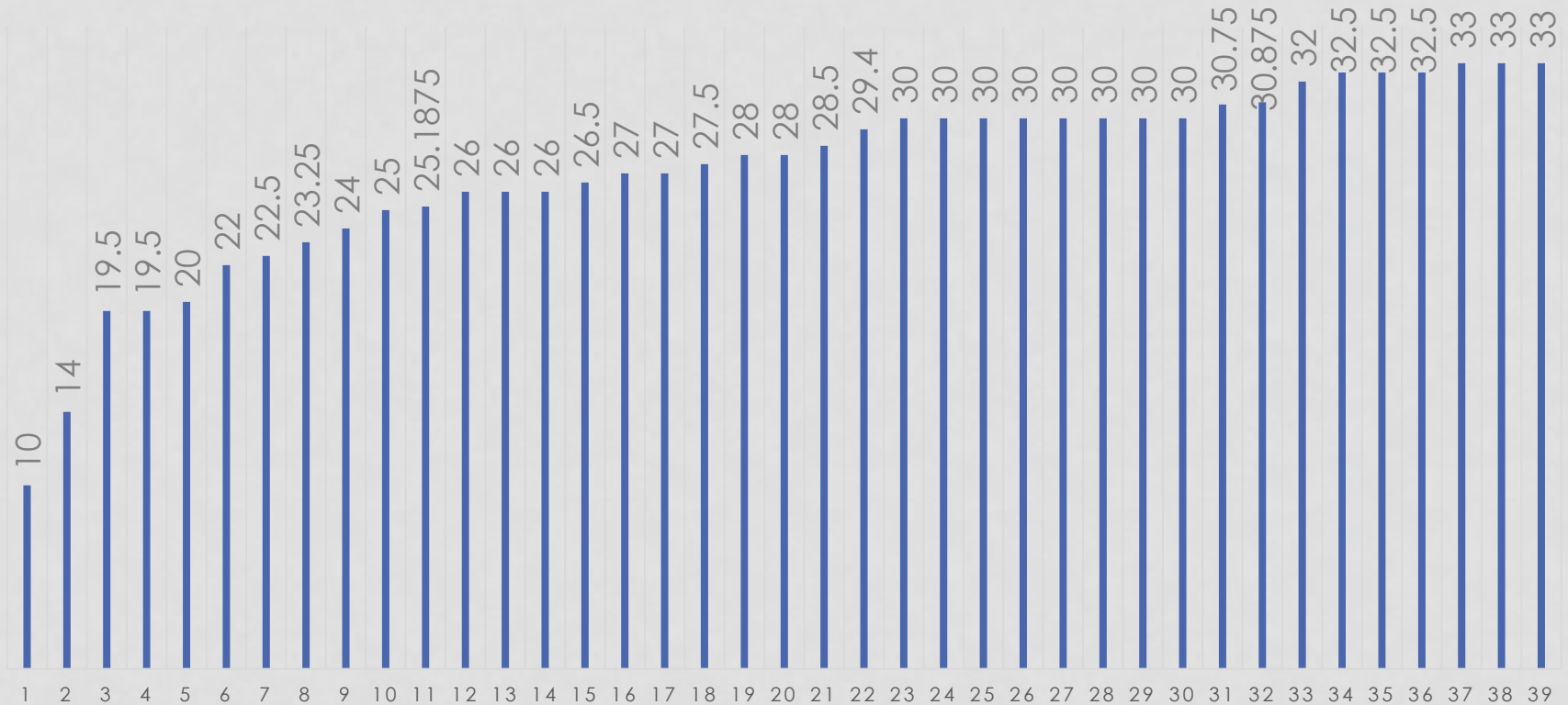
- Wages?

FRINGE BENEFITS

PAID LEAVE

PROVIDER SURVEY

How many days of sick and/or paid time off does your organization offer full-time equivalent (FTE) employees in a year on an FTE basis?



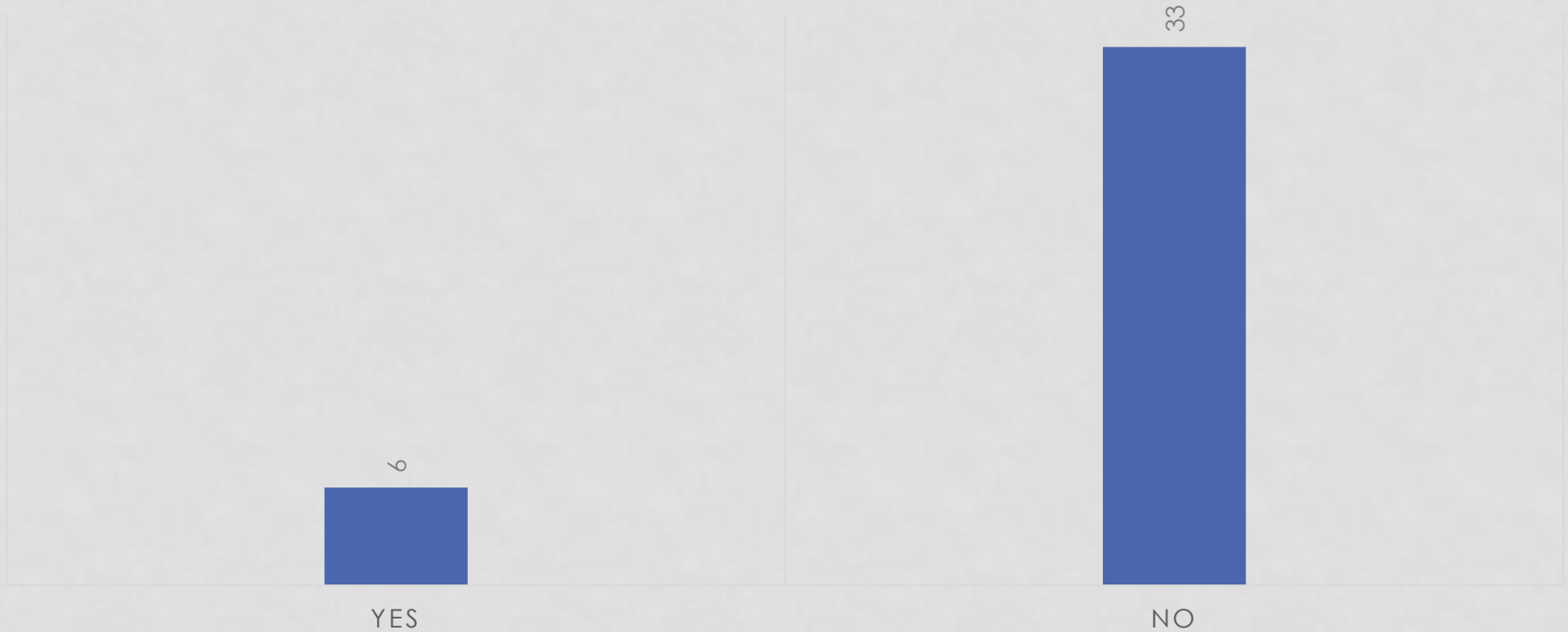
Category	PTO days
Median	28 days

FRINGE BENEFITS

PAID LEAVE

PROVIDER SURVEY

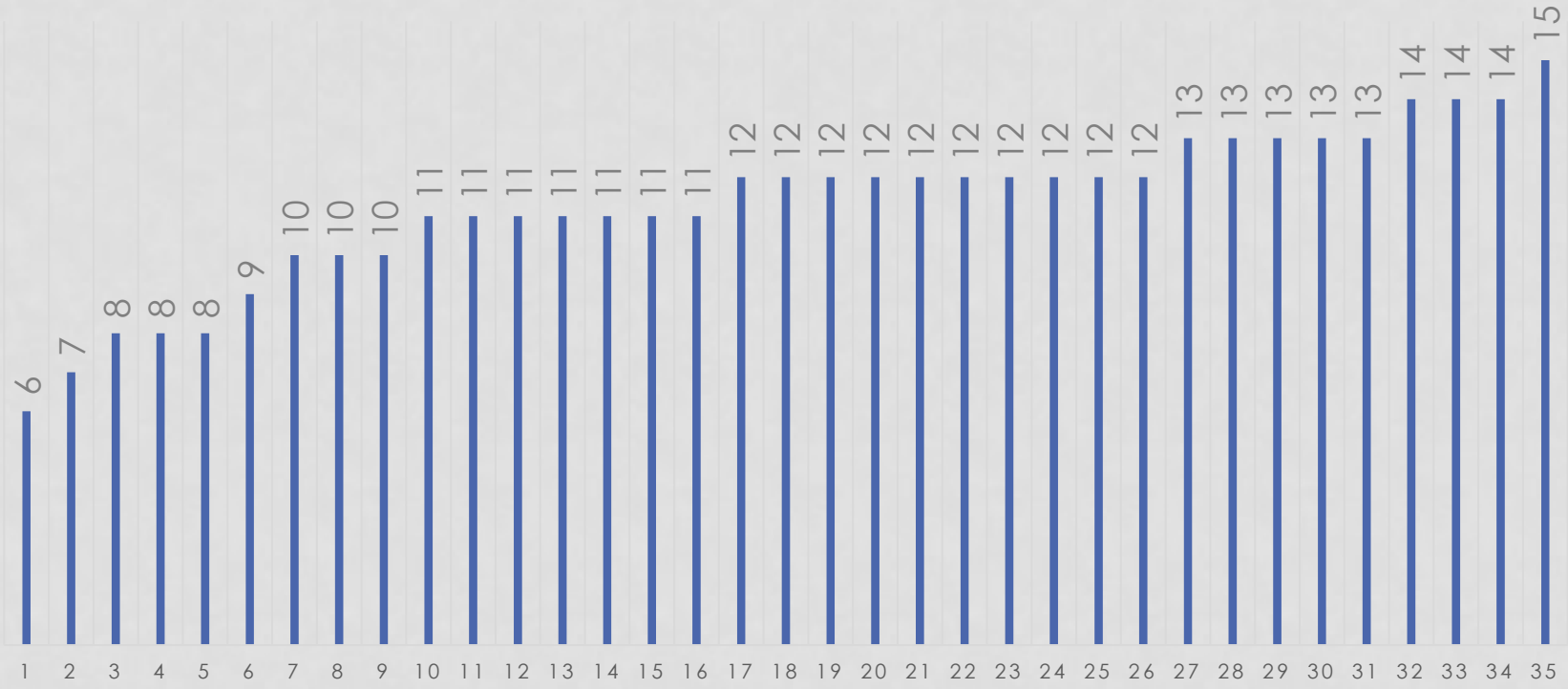
Does your organization offer paid time off at different amounts based on position title?



FRINGE BENEFITS

HOLIDAYS

How many paid holidays does your organization offer full-time equivalent (FTE) employees in a year?



Category	Holidays
Median	12 days

FRINGE BENEFITS PAID LEAVE + HOLIDAY

Category	Days
	2023 Rebase
Paid/Sick Leave	28
Holidays	12
Total	40

- Calculation
 - Total PTO Days / Working Days
 - 40 days / 260 days = 15.4%

FRINGE BENEFITS OTHER

Category	% of Wages
	2023 Rebase
Life Insurance	0.10%
ST Disability	0.30%
LT Disability	0.20%
Social Security	6.20%
Medicare	1.45%
Federal UI	0.50%
State UI	3.00%
Retirement	4.90%
Worker's Comp.	1.70%
Subtotal (not all fringe benefits items)	18.35%

Sources

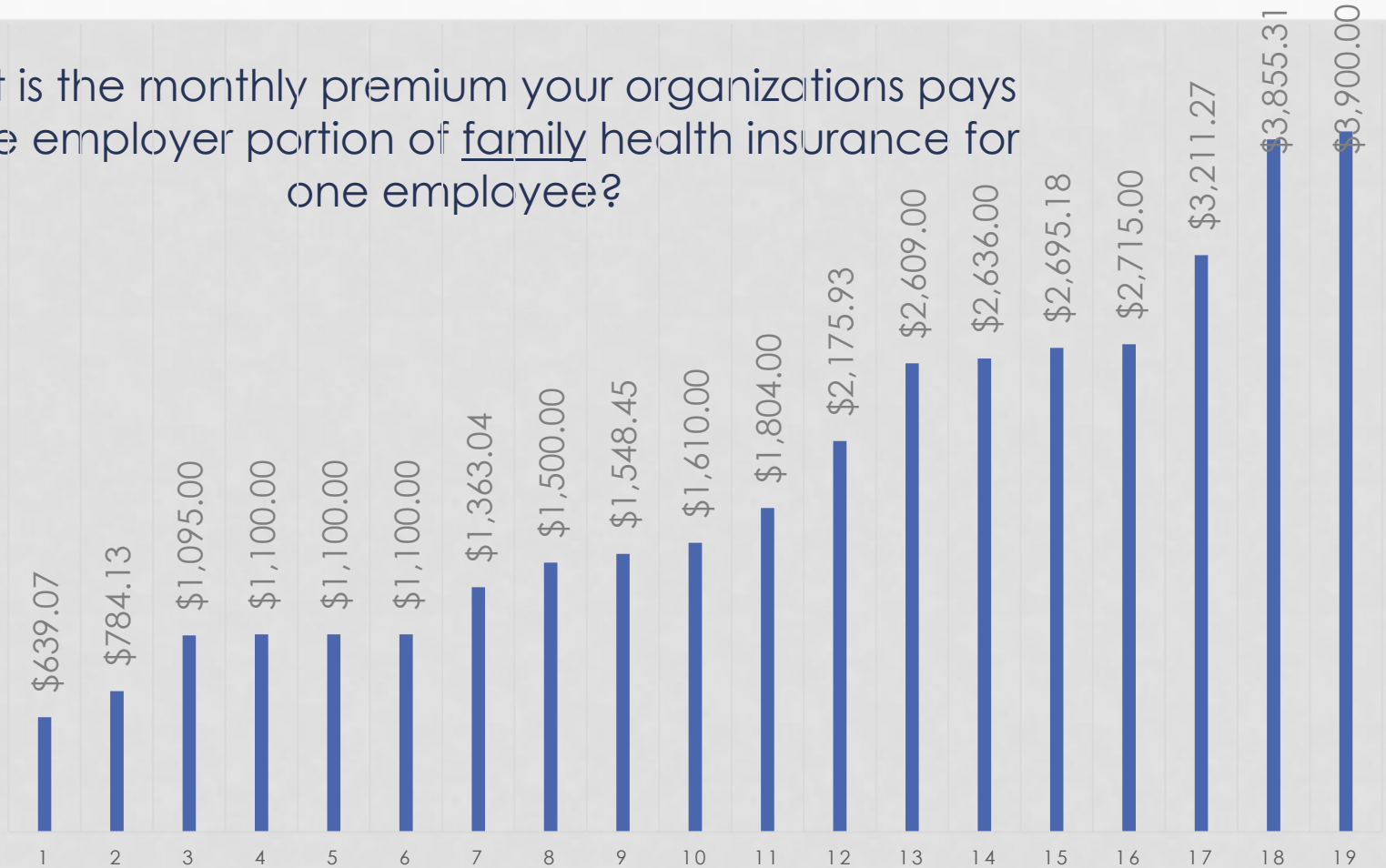
- Bureau of Labor Statistics
- Internal Revenue Service Publication 15
- Alaska Department of Labor and Workforce Development

HEALTH INSURANCE

- Variable fringe benefit %
- The monthly premium is the same for all employees in the same health insurance option
- The health insurance as a % of wages varies based on the wage of the employee
 - Health Insurance is a higher % of wages for a lower wage employee
 - Example:
 - \$1,000 monthly premium = \$12,000 annual premium
 - For \$50k wage = $12,000/50,000 = 24\%$
 - For \$100k wage = $12,000/100,000 = 12\%$

FRINGE BENEFITS HEALTH INSURANCE

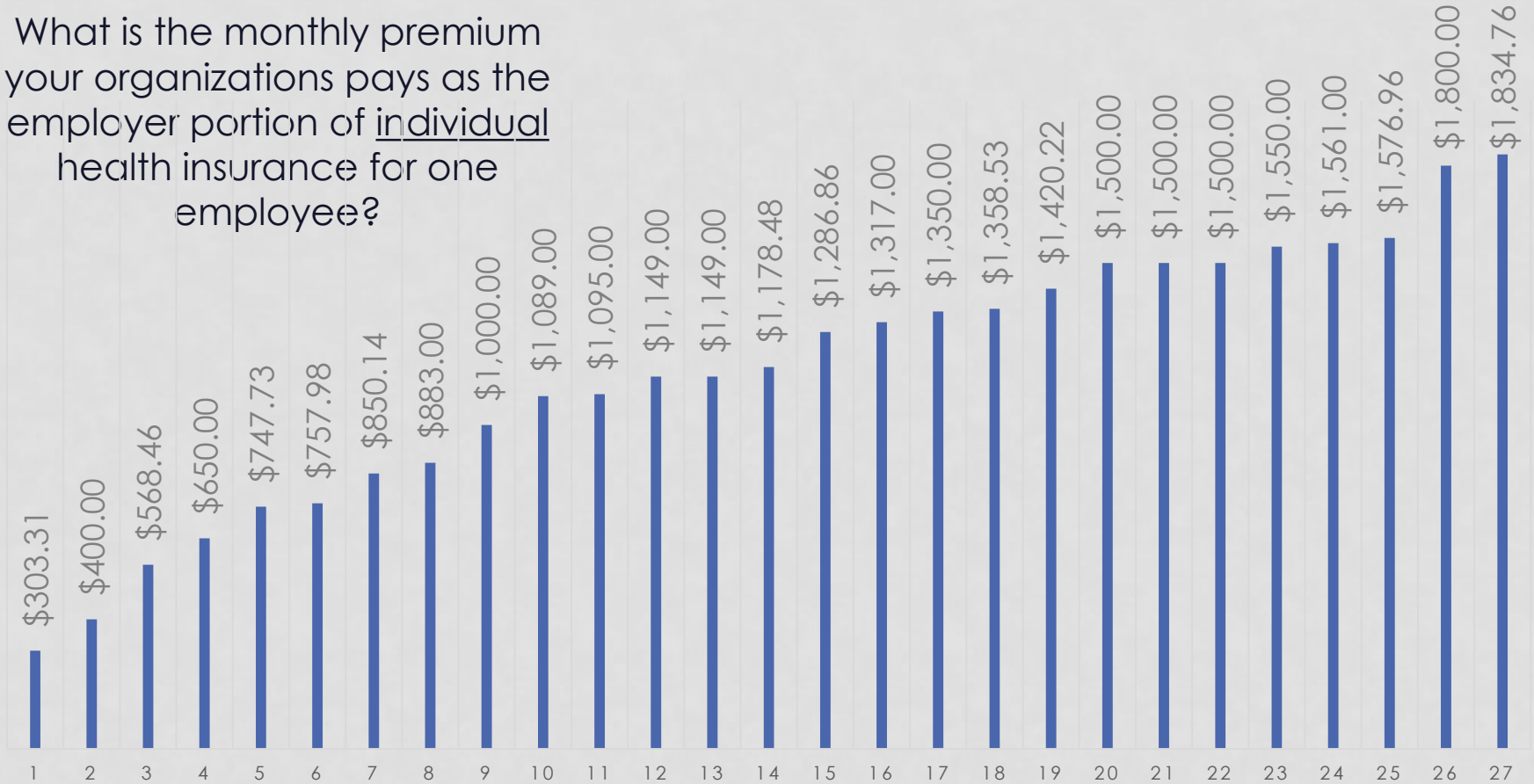
What is the monthly premium your organizations pays as the employer portion of family health insurance for one employee?



Category	Monthly Premium
Median	\$1,610.00

FRINGE BENEFITS HEALTH INSURANCE

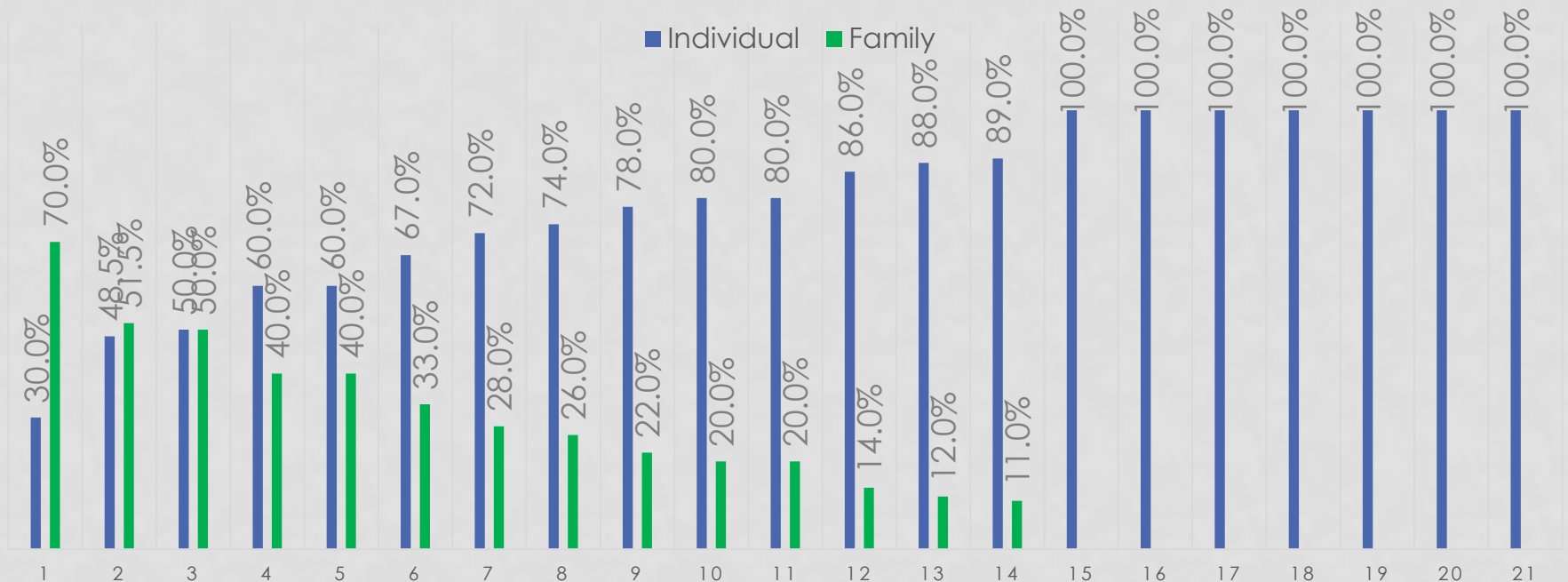
What is the monthly premium your organizations pays as the employer portion of individual health insurance for one employee?



Category	Monthly Premium
Median	\$1,178.48

FRINGE BENEFITS HEALTH INSURANCE

Of the Individuals who opt into health insurance coverage, what percentage is for individual health insurance coverage and what percentage is for family health insurance coverage?



Category	Individual %	Family %
Median	80%	20%

FRINGE BENEFITS

WEIGHTED HEALTH INSURANCE

Year	Employer Contribution (Per Year)						Source
	Individual Employee Coverage			Family Coverage			
	Base Value	Inflation to get to rate year	Inf. Adj. Value	Base Value	Inflation to get to rate year	Inf. Adj. Value	
2019	\$ 7,368	19.3%	\$ 8,790	\$ 18,251	19.3%	\$ 21,773	Commonwealth Fund
2021	\$ 7,483	12.7%	\$ 8,433	\$ 17,293	12.7%	\$ 19,489	Kaiser Family Foundation
CY23	\$ 8,066	1.3%	\$ 8,171	\$ 21,256	1.3%	\$ 21,533	COBRA - AlaskaCare
SFY23	\$ 14,142	3.5%	\$ 14,637	\$ 19,320	3.5%	\$ 19,996	Provider Surveys
Employer Cost Per Year			\$ 10,008	Employer Cost Per Year			\$ 20,698
Months			12	Months			12
Employer Cost Per Month			\$ 833.97	Employer Cost Per Month			\$ 1,724.83
Percent of employees in coverage			80%	Percent of employees in coverage			20%
			\$ 667.18				\$ 344.97
Weighted Monthly Health Insurance Premium				\$1,012.14			

FRINGE BENEFITS

HEALTH INSURANCE % CALCULATION

Calculation of health insurance percentage on a code basis

Code	A	B = A x 12 months	C	D = C x 2080 hours	E = B / D
	Monthly Health Insurance Premium Paid by Employer	Annual Health Insurance Premium Paid by Employer	Hourly Wages	Annual Wage	Health Insurance Fringe Benefits %
1	\$ 1,012.96	\$ 12,155.52	\$ 36.11	\$ 75,108.80	16.2%
2	\$ 1,012.96	\$ 12,155.52	\$ 25.09	\$ 52,187.20	23.3%

FRINGE BENEFITS FOR PROCEDURE CODE

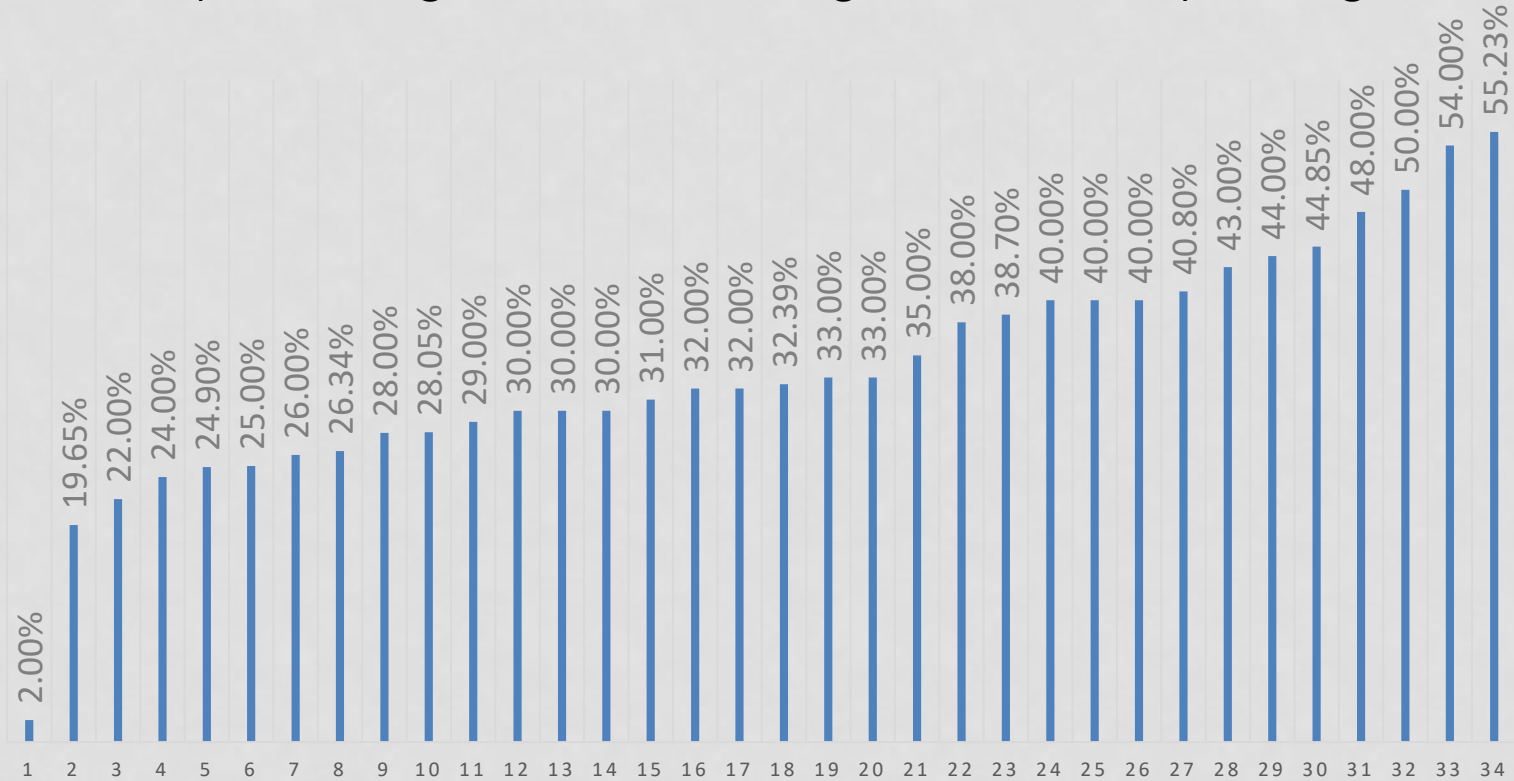
How is a fringe benefit calculated for each procedure code?

Fixed %

Life Insurance	0.1%
Short term disability	0.3%
Long term disability	0.2%
Retirement	4.9%
Federal unemployment insurance	0.1%
Worker's compensation	1.7%
Social Security	6.2%
Medicare	1.45%
State unemployment insurance	3.0%
Paid leave	15.4%
<hr/>	
Subtotal of Fixed	33.35%
Variable	
Health Insurance (different for each code)	16.0%
<hr/>	
Total =	49.35%

FRINGE BENEFITS ALL ITEMS PROVIDER SURVEY

What is the percentage value of all fringe benefits for your organization?



Category	%
Median	32%

DRAFT FRINGE BENEFITS INPUTS

ALL ITEMS

The total fringe benefits input used for procedure codes:
38.3% to 57.3%

Procedure Code / Modifier	Service Description	Duration / Unit	Fringe Benefits
T1023	Behavioral Health Screen - AK Screen Tool	1 screening	49.3%
H0001	Alcohol and/or Drug Assessment	1 Assessment	54.3%
H2011	Short-term Crisis Stabilization Service	15 minutes	54.3%
T1016	Case Management	15 minutes	55.3%
H2019	Therapeutic BH Services - Individual	15 minutes	57.3%
H0038	Peer Support Services - Individual	15 minutes	57.3%
H2019-HQ	Therapeutic BH Services - Group	15 minutes	57.3%
H2019-HR	Therapeutic BH Services - Family (with patient present)	15 minutes	57.3%
H2019-HS	Therapeutic BH Services - Family (w/o patient present)	15 minutes	57.3%
H0038-HR	Peer Support Services - Family (with patient present)	15 minutes	57.3%
H0038-HS	Peer Support Services - Family (w/o patient present)	15 minutes	57.3%

Procedure Code / Modifier	Service Description	Duration / Unit	Fringe Benefits
H2012	Day Treatment for Children (combined mental health & school district resources)	1 hour	57.3%
T1007	Treatment Plan Review for Methadone Recipient	1 review	56.3%
H0033	Oral Medication Administration, direct observation; on premises	1 day	44.3%
H0033-HK	Oral Medication Administration, direct observation; off premises	1 day	44.3%
H0020	Methadone Administration and/or service	administration episode	44.3%
H0014	Ambulatory Detoxification	15 minutes	45.3%
H0002	Medical Evaluation for Recipient NOT Receiving Methadone Treatment	1 evaluation	38.3%
H0002-HF	Medical Evaluation for Recipient Receiving Methadone Treatment	1 evaluation	38.3%
99408	Screening, Brief Intervention, and Referral for Treatment (SBIRT)	15 to 30 minute episode	51.3%

FRINGE BENEFITS

Questions:

- Fringe Benefits?

UPCOMING MEETING SCHEDULE

Meeting Time/Date	Meeting Topic
7/18/23 1 – 3 PM AKSDT	Productivity & Time Inputs
7/25/23 1 – 3 PM AKSDT	Program Support & Admin Inputs & Draft Proposed Rates

NEXT STEPS

1. Hold all public meetings
2. Gather feedback
3. Department to consider changes based on feedback
4. Begin regulations process
 - Additional opportunity for formal public comment as part of the regulations
 - No rate changes are effective until the fee schedule is adopted by reference in regulations

COMMENTS

Please provide any feedback you wish the Department to consider prior to finalizing rate setting decisions to:

Katherine.McDonald@alaska.gov

Feedback due date: August 8, 2023

Please include in the subject line: “CBH Rebase”