



# Department of Public Health, Bureau of Substance Abuse Services – Outreach and Staffing Support

## Chapter 257 Rate Development Provider Session

July 20, 2016

# Agenda

1. Introductions
2. Chapter 257 Context
3. Rate Development Process
4. Proposed Outreach and Staffing Support Rate Model
5. Questions/Comments
6. Next Steps



# Introductions

- Executive Office of Health and Human Services (EOHHS)
- Department of Public Health (DPH)
  - Bureau of Substance Abuse Services (BSAS)
- Public Consulting Group, Inc. (PCG)



# Chapter 257 Context



- **Chapter 257 of the Acts of 2008 Overview**
  - Regulates pricing for the Purchase of Service (POS) system.
  - Places authority for determination of POS reimbursement rates with the Executive Office of Health and Human Services under MGL 118E.
  - PCG provides consulting and staffing support for the development of Chapter 257 pricing.
- **Chapter 257 of the Acts of 2008 Requirements**
  - The following criteria be considered when setting and reviewing human service reimbursement rates:
    - Reasonable costs incurred by efficiently and economically operated providers
    - Reasonable costs to providers of any existing or new governmental mandate
    - Changes in costs associated with the delivery of services (e.g. inflation)
    - Substantial geographical differences in the costs of service delivery

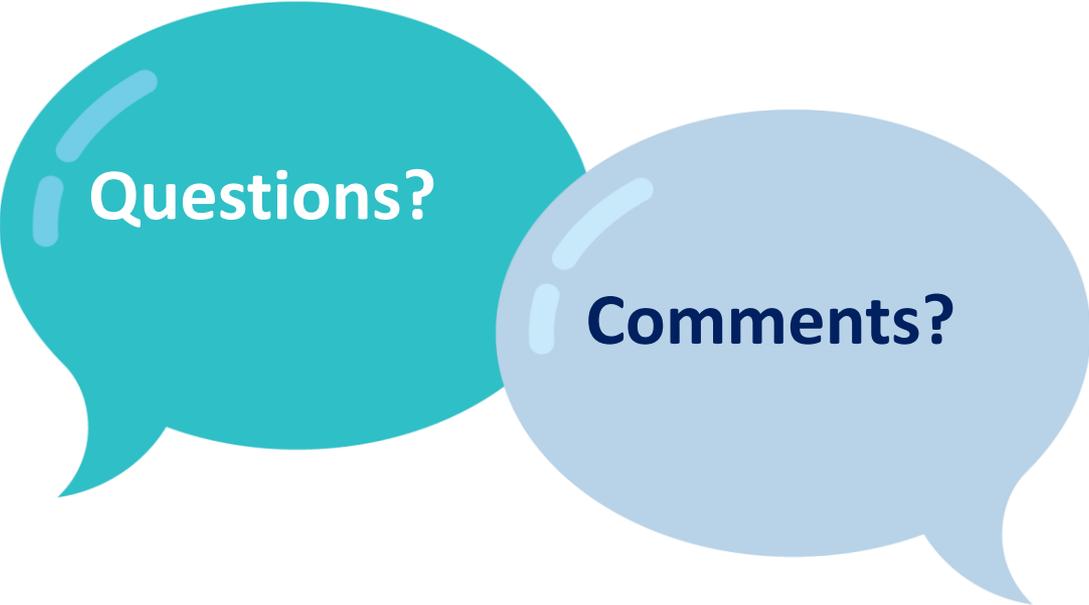
# Rate Development Process

- Program Overview
- Data Collection and Analysis
  - UFR
  - Contract Budgets
  - DPH Expense Data
  - Chapter 257 Benchmarks
- Model Options
  - Accommodation Rate
    - Tied to fixed facility costs and other expenses
  - Staffing Capacity Rate Model
    - Rather than purchasing units or service hours, fund specific staffing levels to ensure capacity
  - Youth Search and Street Outreach follow the same model
  - Monthly Payments



# Proposed Outreach and Staffing Supports Rate Model

- Components of the model:
  - Staffing
    - Direct Care Staff (0.5 FTE)
    - Program Manager (0.1 FTE)
  - Tax and Fringe
  - Operating Costs
    - Travel
    - Occupancy
    - Staff Training
    - Program Supplies and Materials
    - Other Program Expenses (Flex Fund)
  - Admin Allocation
  - CAF



**Questions?**

**Comments?**

# Next Steps

- Discuss provider feedback internally
- Develop and recommend final rate review proposal to executive staff
- Propose rates via a draft regulation
- Public hearing (oral and written testimony)
- Review submitted testimony
- Revise rates as needed
- Finalize rates





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