

# Commonwealth of Massachusetts

Executive Office of Health  
and Human Services



## Chapter 257 of the Acts of 2008 Provider & Consumer Advisory Council

January 21, 2016

[www.mass.gov/hhs/chapter257](http://www.mass.gov/hhs/chapter257)  
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# Agenda



- Announcements
  - April PCAC meeting date
  - Salary Reserve
  - Chapter 257 website improvements
- Rate setting updates: Tiers 1 & 2, Rate reviews
- Rate setting updates: Tier 3 (Public Consulting Group)
- Workplace violence prevention training
- Regulatory process walkthrough\*
- Cost Adjustment Factor: Methodology\*

*\*Will be posted permanently on Chapter 257 website for reference*



# Announcements



- Change of date for the April PCAC meeting: April 21, 2016 changed to **April 27, 2016, 2-3 pm**
- Salary Reserve: the funds for the FY16 salary reserve annualization have been transferred to departments, who will now begin dispersing them to eligible providers.
- The Chapter 257 website now includes a “Proposed Regulations: Supporting Materials” page. This page lists all activity codes affected by proposed regulations and includes links to the rate build-up.

<http://www.mass.gov/eohhs/provider/contracting/chap257/proposed-regs-materials.html>

The screenshot shows the Mass.gov website interface. At the top, there are navigation links for 'State Offices & Courts', 'State A-Z Topics', and 'No Active Alerts'. Below this is the 'Health and Human Services' header with a search bar. A navigation menu includes 'A-Z Topic Index', 'Health Care & Insurance', 'Consumer', 'Licensing', 'Provider', 'Researcher', and 'Government Agencies'. The main content area is titled 'Proposed Regulations: Supporting Materials' and contains a table with the following data:

Public Hearing Regulation and Date	Associated Activity Codes	Rate Model Workbook(s)
101 CMR 414.00: Rates for Family Stabilization Services • Thursday, February 4, 2016	DCF FNSS DCF 3700 DDS 3701 DDS 3702 DDS 3707 DDS 3709 DDS 3710 DDS 3716 DDS 3731 DDS 3735 DDS 3759 DDS 3770 DDS 3771 DDS 3772 DDS 3773 DDS 3774 DDS 3775 DDS 3776 DDS 3781 DMH 3066 MCB 2124 MCB 2403	• <a href="#">Family Stabilization (all codes)</a>
101 CMR 346.00: Rates for Certain Substance-Related and Addictive Disorders Programs • Friday, February 5, 2016	DPH 3395 DPH 3434 DPH 3455 DPH 4921 DPH 4931	• <a href="#">Detox and Stepdown (all codes)</a>
101 CMR 417.00: Rates for Certain Elder Care Services	ELD 8005 ELD 8014	• <a href="#">FOIA ELD Case Management Including Money Management (all codes)</a>



# Chapter 257 Projects: Tier 1, Tier 2, Rate reviews



## Finalized regulations

- Adult Homelessness Supports (Tier 2)  
Jan 1, 2016
- Substance Abuse Residential (BSAS Resi Rehab) (Tier 1)  
Currently regulated programs paid retro to July 1, 2015 all others paid Jan 1, 2016

## Proposed regulations

- Youth Intermediate Term Stabilization Services (DYS Community Services Network (Tier 2)  
Public Hearing Nov. 17, 2015 ~ Finalize Regulation anticipated Feb 2016 ~ Payable April 1, 2016
- In-Home Basic Living Supports (Tier 2)  
Public Hearing Dec. 4, 2015 ~ Finalize Regulation anticipated Mar 2016 ~ Payable April 1, 2016
- MRC/MCB Disabilities Services (Tier 2)  
Public Hearing Dec. 4, 2015 ~ Finalize Regulation anticipated Feb 2016 ~ Payable April 1, 2016
- Community Based Day Supports including Nursing Facilities Active Treatment (Tier 2 & review)  
Public Hearing Dec. 18, 2015 ~ Finalize Regulation anticipated Mar 2016 ~ Tier 2 Payable April 1, 2016 and review retro Jan 1, 2016
- Supported Employment Services (Review)  
Public Hearing Nov. 17, 2015 ~ Finalize Regulation anticipated Feb 2016 ~ Retro Jan 1, 2016



# Chapter 257 Projects: Tier 1, Tier 2, Rate reviews



## Proposed regulations continued

- Detox / Stepdown (Review)  
Public Hearing Feb. 5, 2016 ~ Finalize Regulation anticipated Mar 2016 ~ Payable April 1, 2016
- Family Stabilization (Review)  
Public Hearing Feb. 4, 2016 ~ Payable Jan. 1, 2016
- Certain Eldercare Services including Money Management (Review and tier 3)  
Public Hearing Feb. 5, 2016 ~ Review Payable Jan. 1, 2016 ~ Tier 3 payable July 1, 2016
- Youth Short-term Stabilization including Alternative Lock-up Program (Review and tier 3)  
Public Hearing Feb. 5, 2016 ~ Review Payable Jan. 1, 2016 ~ Tier 3 payable July 1, 2016

## Regulations under review

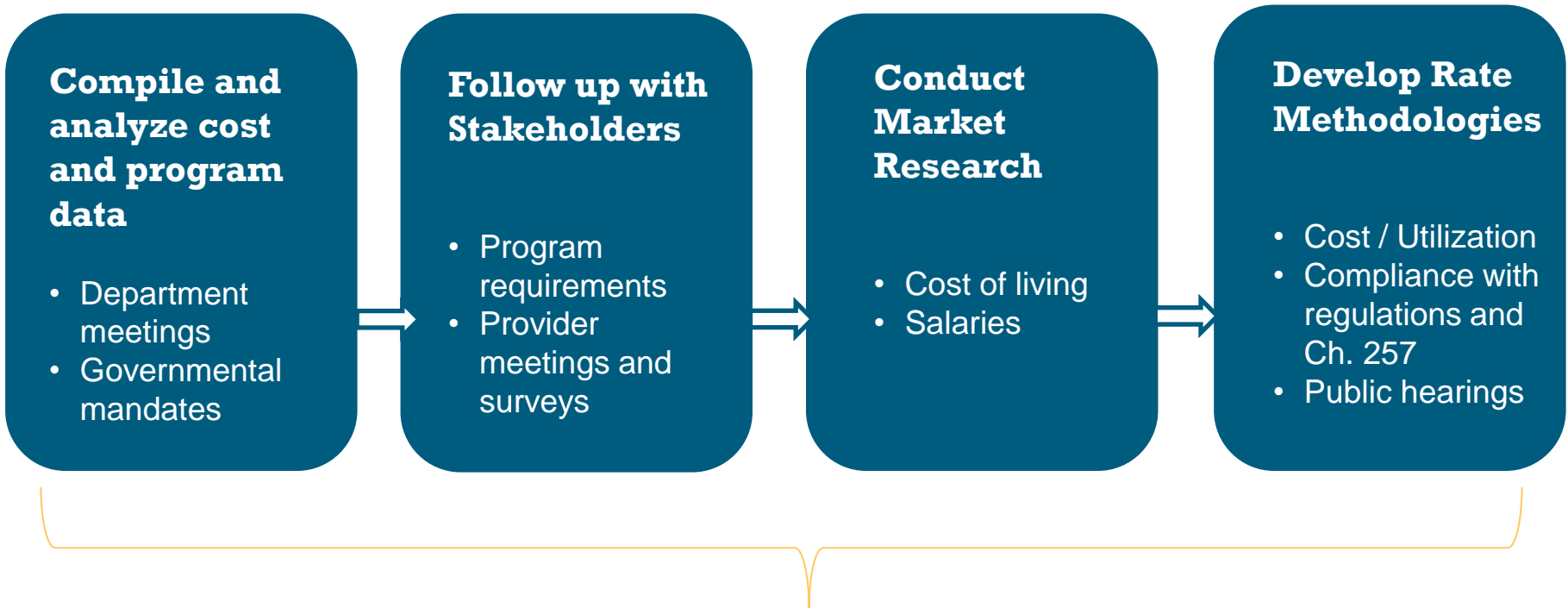
- Clubhouse
- Youth Intermediate-term Stabilization
- Day Habilitation Supplemental Support
- Adult Long-term Residential

## Pipeline regulations to be reviewed

- Competitive Integrated Employment Services
- Family Transitional Supports
- Placement and Support Services



# Public Consulting Group Project Overview



Project Timeline: November 2015 – December 2016



# PCG Project Status: Tier 3



Dept.	Program	Target Rate Development Date	Status
DTA	ESP - Young Parents Program	1/31/16	Rate calculation underway
DPH	Sex Assault Prev.& Surv.	2/21/16	Data collection and analysis underway
DMH	Community Based Flexible Support	2/26/16	Data collection and analysis underway
DMH	Individual Support	2/26/16	Data collection and analysis underway
DMH	Community Rehabilitative Support	2/26/16	Data collection and analysis underway
DPH	Teen Pregnancy Prevention	3/10/16	Data collection and analysis underway
DPH	LGBT Domestic Violence Response	3/15/16	Data collection and analysis underway
DPH	Refugee & Immigrant Safety (RISE)	3/15/16	Data collection and analysis underway
DCF	DV General Community Based	4/5/16	Data collection and analysis underway
DCF	DV Child Witness to Violence	4/5/16	Data collection and analysis underway
DCF	DV Supervised Visitation	4/5/16	Data collection and analysis underway



# PCG Project Status: Tier 3



Dept.	Program	Target Rate Development Date	Status
DPH	Recovery High School	4/5/16	Data collection and analysis underway
DMH	Program of Assertive Community Treatment	4/10/16	Target start February 2016
DCF	Family Network Lead Agency	4/28/16	Data collection and analysis underway
DMH	Respite Care Services	4/28/16	Target start February 2016
DCF	Young Parent Support	5/10/16	Data collection and analysis underway
MCD	Independent Living Service	5/15/16	Data collection and analysis underway
MRC	VR Independent Living	5/15/16	Data collection and analysis underway
DMH	Recovery Learning Community	5/15/16	Target start late January 2016
DMH	Day Services	6/15/16	Target start March 2016
DCF	FBS Clinical	6/15/16	Target start March 2016
DCF	Comprehensive Emergency Services	6/15/16	Target start March 2016
DCF	Protective Investigations	6/15/16	Target start March 2016
DCF	Residential Shelter	6/15/16	Target start March 2016





# PCG Project Status: Tier 3



Dept.	Program	Target Rate Development Date	Status
DPH	SASI - Substance Abuse Shelter for Individuals	7/15/16	Target start April 2016
DPH	BSAS Supportive Case Management	7/15/16	Target start April 2016
DPH	Tewksbury Stab & Trans	7/15/16	Target start April 2016
DPH	Youth Search	7/15/16	Target start April 2016
DPH	Youth Intervention Programs	7/15/16	Target start April 2016
DPH	Office Based Opioid Treatment Services	7/15/16	Target start April 2016
DPH	HIV/AIDS Corrections to Community Reintegration Program	7/31/16	Start date TBD
DPH	OHA HIV/AIDS Case Management and Health Related Support	7/31/16	Start date TBD
DPH	HIV Prevention, Testing and Referral Services	7/31/16	Start date TBD



# Human Service Worker Safety Regulations: Workplace Violence



- A new regulation effective February 15, 2015, requires EOHHS and its Human Service provider agencies to
  - develop a workplace violence prevention and crisis plan
  - provide workplace safety training to employees, contractors & volunteers
- Regulation 101 CMR 19.00: Workplace Violence Prevention and Crisis Response Plan can be found at <http://www.mass.gov/eohhs/docs/eohhs/eohhs-regs/101-cmr-19.pdf>
- Guidance about implementation can be found at the web page for [Implementing Human Service Workers Safety](http://www.mass.gov/eohhs/gov/commissions-and-initiatives/hsw-safety-regs/).  
(<http://www.mass.gov/eohhs/gov/commissions-and-initiatives/hsw-safety-regs/>)



# Workplace Violence Prevention: Who is covered



- The regulation covers all EOHHS agencies as well as any organization licensed or contracted by EOHHS to provide human services. This universe of covered entities includes:
  - all Purchased Human Service providers under activity code MM3 and MO3
  - MassHealth providers of Long Term Services and Supports (Adult Day Health, Adult Foster Care, Group Adult Foster Care and/or Day Habilitation
  - DPH licensed entities for Adult Day Health and Substance Abuse Treatment facilities
- EOHHS Agencies and POS providers have been notified about this new regulation. MassHealth providers and DPH Licensed entities have not yet been informed.



# Workplace Violence Prevention Plan



All entities must develop and maintain a ***workplace violence prevention and crisis response plan*** using existing staff resources that includes two components:

- Prevention strategies
- Crisis response protocols

Recommended content for the plan can be found in the [Implementation Guidelines](http://www.mass.gov/eohhs/gov/commissions-and-initiatives/hsw-safety-regs/guidelines-for-implementation.html). (http://www.mass.gov/eohhs/gov/commissions-and-initiatives/hsw-safety-regs/guidelines-for-implementation.html)



# Workplace Violence Prevention Training Requirements



New hires must be trained in first three months and Existing staff must be trained every two years. Training must include

- Communication of the agency plan
- De-escalation techniques

EOHHS-developed training provides basic information on de-escalation. Entities may choose to provide a more specific de-escalation training based on their business (e.g. group homes, 24/7 facilities)

## ■ Provider Agencies

- May access Basic Training available in PACE: EHS - Human Service Worker Safety (Community Based Organizations Only)

*Note: PACE cannot accurately report on compliance of non-government employees who have completed the online PACE training*

- Alternative trainings need to be certified and on file with EHS-HR
- Providers have submitted ~25 certifications for alternative training options



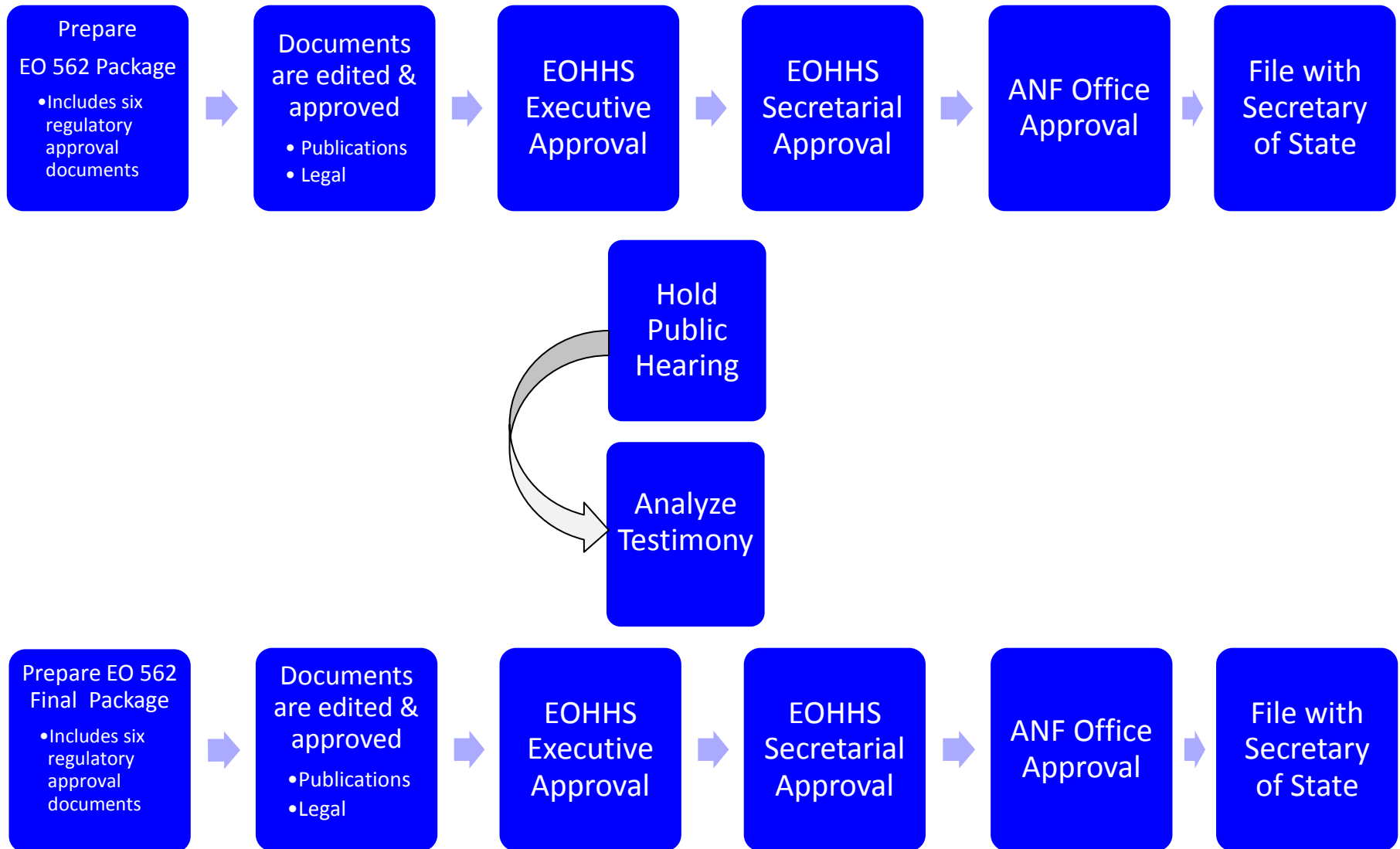
# Compliance



- Entities have until February 2017 to complete all training requirements. Plans should be in place now.
- Review of provider compliance will be led by the POS Compliance Unit.
  - Compliance requirements outlined in OSD Requirement Specifications
  - Attestation documentation (attest to existence of a workplace violence plan and completion of training)



# Regulatory Process





# Cost Adjustment Factor



We use the **Global Insight MA Economic Indicator** as our data source in calculating the Cost Adjustment Factor (CAF).

Global Insight publishes a Massachusetts-specific price index twice a year, once in the spring and once in the fall.

Three scenarios are included for each quarter for the past 12 years, beginning with the 1<sup>st</sup> quarter of 2004.

	NAME	2004Q1	2004Q2	2004Q3
CPI--BASELINE SCENARIO (1982-84=1)	CPIBASEMA	2.036	2.061	2.066
<b>CPI--OPTIMISTIC SCENARIO (1982-84=1)</b>	CPIOPTMA	2.036	2.061	2.066
CPI--PESSIMISTIC SCENARIO (1982-84=1)	CPIPESSMA	2.036	2.061	2.066

Our standard is to use the optimistic scenario, which yields the most conservative results (least likely to overstate inflation).





# CAF: Calculation



The Cost Adjustment Factor (CAF) is always calculated as a percentage difference between two periods, using those periods' corresponding Global Insights indices. The periods are the base period price level and the rate period price level.

$$\frac{\text{Rate Period} - \text{Base Period}}{\text{Base Period}}$$

The CAF used for any given rate is specific to that rate's timeline. CAFs can differ among rate projects that are underway at the same time or even among different rates within the same project.



# CAF: Determining the Base Period



If a rate is being set by adjusting existing rates – sometimes called a “CAF-only review” or a “rate-to-rate CAF” – the base period is the last quarter that the existing rate was valid. For example, if the rates being adjusted were effective 7/1/2013 to 6/30/2015 (Q3-2013 to Q2-2015), the base period is Q2-2015:

2015Q2
2.581

If a rate is set from cost report data or other survey data, the base period price level is the average price level of the data source reporting period. For example, if using FY14 UFR data, the base period consists of the 4 quarters of FY14:

2013Q3	2013Q4	2014Q1	2014Q2	AVG
2.573	2.589	2.603	2.610	<b>2.594</b>



# CAF: Determining the Rate Period



The rate period begins with the effective date of the proposed rates and ends two years later.

For example, if the effective date is 1/1/16, then the rate will be in effect until 12/31/17. The rate period covers the 8 quarters of that 2-year period:

	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	AVG
Rate period 1/1/16-12/31/17	2.614	2.632	2.646	2.659	2.669	2.68	2.695	2.71	<b>2.663</b>



# CAF: Example Calculations



Here are the calculations for our two examples.

## CAF applied to existing rate

Base	<b>2015Q2</b>									
	2.581									<b>2.581</b>
Rate period (1/1/16-12/31/17)	<b>2016Q1</b>	<b>2016Q2</b>	<b>2016Q3</b>	<b>2016Q4</b>	<b>2017Q1</b>	<b>2017Q2</b>	<b>2017Q3</b>	<b>2017Q4</b>	AVG	
	2.614	2.632	2.646	2.659	2.669	2.68	2.695	2.71	<b>2.663</b>	
Calculation						(Rate Period - Base Period / Base Period)				
									<b>CAF:</b>	<b>3.18%</b>

## CAF using base year of data

Base	<b>2013Q3</b>	<b>2013Q4</b>	<b>2014Q1</b>	<b>2014Q2</b>					AVG	
	2.573	2.589	2.603	2.610					<b>2.594</b>	
Rate Period (1/1/16-12/31/17)	<b>2016Q1</b>	<b>2016Q2</b>	<b>2016Q3</b>	<b>2016Q4</b>	<b>2017Q1</b>	<b>2017Q2</b>	<b>2017Q3</b>	<b>2017Q4</b>	AVG	
	2.614	2.632	2.646	2.659	2.669	2.68	2.695	2.71	<b>2.663</b>	
Calculation						(Rate Period - Base Period / Base Period)				
									<b>CAF:</b>	<b>2.67%</b>