

**TEXAS HEALTH AND HUMAN SERVICES COMMISSION
RATE ANALYSIS DEPARTMENT**

January 3, 2018

**Proposed Payment Rates for
Residential Care, and
Proxy Rates for STAR+PLUS
Assisted Living and Personal Care 3**

Payment rates are proposed to be effective February 1, 2018

SUMMARY OF PROPOSED PAYMENT RATES

Effective February 1, 2018

The Health and Human Services Commission (HHSC) will conduct a public hearing at 9:00 a.m. on January 3, 2018, in the Brown-Heatly Building Public Hearing Room, located at 4900 N. Lamar, Austin, Texas, 75751. Public comments will be received on proposed payment rates for the Residential Care (RC) program, and proposed proxy rates for STAR+PLUS Assisted Living (AL) services and Personal Care 3 (PC 3) services, to be effective February 1, 2018. Although the Community Based Alternatives (CBA) Waiver ceased to exist effective September 1, 2014, CBA rates continue to be used by actuaries, providers and managed care organizations for informational purposes for the STAR+PLUS managed care program. Accordingly, HHSC will continue to propose and adopt the CBA payment rates to be used as proxy rates, and will conduct the required rate hearings.

HHSC will consider concerns expressed at the hearing prior to final rate approval. This public hearing is held in compliance with the provisions Human Resources Code §32.0282 and the Texas Administrative Code (TAC) Title 1, §355.105(g), which require a public hearing on proposed payment rates.

PROPOSED RATES

The proposed rates are outlined in the attachments to this packet. HHSC is proposing to decrease the facility cost area of the payment rates for the RC program and the proxy rates for STAR+PLUS AL and PC3 services by \$0.49 per day of service to offset the increase in Federal Supplemental Security Income (SSI) payments announced by the United States Social Security Administration on October 13, 2017, to be effective February 1, 2018.

METHODOLGY AND JUSTIFICATION

HHSC rate methodologies for the RC program and the STAR+PLUS proxy rates require that when SSI is increased, the per diem reimbursement be decreased by an amount equal to that increase. Because consumers in these programs are required to pay for their own room and board based on their SSI less their personal needs allowance, when SSI is increased, the consumer's contribution to his or her room and board is increased and the provider rate is decreased by the same amounts, resulting in no change in the total payment made to the provider (i.e., the HHSC rate plus the consumer contribution). Rate methodologies can be found at 1 TAC §355.509(c)(2)(F)(iv) for the RC program, 1 TAC §355.503(c)(2)(B) for STAR+PLUS AL services proxy rates and 1 TAC §355.503(c)(2)(D) for STAR+PLUS PC3 services proxy rate.

Please contact Samuel West, Rate Analyst at (512) 424-6983 or by email at samuel.west@hhsc.state.tx.us should you have any questions regarding the information in this document.

PROPOSED RESIDENTIAL CARE APARTMENT PAYMENT RATES
EFFECTIVE February 1, 2018

Apartment - Proposed Rates Effective February 1, 2018	Payment Rate		
	Attendant Cost Area	Service Support *	Total
Nonparticipant	\$10.78	\$28.17	\$38.95
Participant - Level 1	\$10.83	\$28.17	\$39.00
Participant - Level 2	\$10.88	\$28.17	\$39.05
Participant - Level 3	\$10.93	\$28.17	\$39.10
Participant - Level 4	\$10.98	\$28.17	\$39.15
Participant - Level 5	\$11.03	\$28.17	\$39.20
Participant - Level 6	\$11.08	\$28.17	\$39.25
Participant - Level 7	\$11.13	\$28.17	\$39.30
Participant - Level 8	\$11.18	\$28.17	\$39.35
Participant - Level 9	\$11.23	\$28.17	\$39.40
Participant - Level 10	\$11.28	\$28.17	\$39.45
Participant - Level 11	\$11.33	\$28.17	\$39.50
Participant - Level 12	\$11.38	\$28.17	\$39.55
Participant - Level 13	\$11.43	\$28.17	\$39.60
Participant - Level 14	\$11.48	\$28.17	\$39.65
Participant - Level 15	\$11.53	\$28.17	\$39.70
Participant - Level 16	\$11.58	\$28.17	\$39.75
Participant - Level 17	\$11.63	\$28.17	\$39.80
Participant - Level 18	\$11.68	\$28.17	\$39.85
Participant - Level 19	\$11.73	\$28.17	\$39.90
Participant - Level 20	\$11.78	\$28.17	\$39.95
Participant - Level 21	\$11.83	\$28.17	\$40.00
Participant - Level 22	\$11.88	\$28.17	\$40.05
Participant - Level 23	\$11.93	\$28.17	\$40.10
Participant - Level 24	\$11.98	\$28.17	\$40.15
Participant - Level 25	\$12.03	\$28.17	\$40.20
Participant - Level 26	\$12.08	\$28.17	\$40.25
Participant - Level 27	\$12.13	\$28.17	\$40.30
Participant - Level 28	\$12.18	\$28.17	\$40.35
Participant - Level 29	\$12.23	\$28.17	\$40.40
Participant - Level 30	\$12.28	\$28.17	\$40.45
Participant - Level 31	\$12.33	\$28.17	\$40.50
Participant - Level 32	\$12.38	\$28.17	\$40.55
Participant - Level 33	\$12.43	\$28.17	\$40.60
Participant - Level 34	\$12.48	\$28.17	\$40.65
Participant - Level 35	\$12.53	\$28.17	\$40.70

* Equals the total of Other Direct Care, Administration/Transportation and Facility costs less Room and Board paid by the client.

	DADS Paid	Client Paid	Total Rate
Bed Hold Rate	\$6.26	\$15.60	\$21.86

PROPOSED RESIDENTIAL CARE NON- APARTMENT PAYMENT RATES

EFFECTIVE February 1, 2018

Non-Apartment - Proposed Rates Effective	Payment Rate		
	Attendant Cost Area	Service Support *	Total
Nonparticipant	\$10.78	\$19.51	\$30.29
Participant - Level 1	\$10.83	\$19.51	\$30.34
Participant - Level 2	\$10.88	\$19.51	\$30.39
Participant - Level 3	\$10.93	\$19.51	\$30.44
Participant - Level 4	\$10.98	\$19.51	\$30.49
Participant - Level 5	\$11.03	\$19.51	\$30.54
Participant - Level 6	\$11.08	\$19.51	\$30.59
Participant - Level 7	\$11.13	\$19.51	\$30.64
Participant - Level 8	\$11.18	\$19.51	\$30.69
Participant - Level 9	\$11.23	\$19.51	\$30.74
Participant - Level 10	\$11.28	\$19.51	\$30.79
Participant - Level 11	\$11.33	\$19.51	\$30.84
Participant - Level 12	\$11.38	\$19.51	\$30.89
Participant - Level 13	\$11.43	\$19.51	\$30.94
Participant - Level 14	\$11.48	\$19.51	\$30.99
Participant - Level 15	\$11.53	\$19.51	\$31.04
Participant - Level 16	\$11.58	\$19.51	\$31.09
Participant - Level 17	\$11.63	\$19.51	\$31.14
Participant - Level 18	\$11.68	\$19.51	\$31.19
Participant - Level 19	\$11.73	\$19.51	\$31.24
Participant - Level 20	\$11.78	\$19.51	\$31.29
Participant - Level 21	\$11.83	\$19.51	\$31.34
Participant - Level 22	\$11.88	\$19.51	\$31.39
Participant - Level 23	\$11.93	\$19.51	\$31.44
Participant - Level 24	\$11.98	\$19.51	\$31.49
Participant - Level 25	\$12.03	\$19.51	\$31.54
Participant - Level 26	\$12.08	\$19.51	\$31.59
Participant - Level 27	\$12.13	\$19.51	\$31.64
Participant - Level 28	\$12.18	\$19.51	\$31.69
Participant - Level 29	\$12.23	\$19.51	\$31.74
Participant - Level 30	\$12.28	\$19.51	\$31.79
Participant - Level 31	\$12.33	\$19.51	\$31.84
Participant - Level 32	\$12.38	\$19.51	\$31.89
Participant - Level 33	\$12.43	\$19.51	\$31.94
Participant - Level 34	\$12.48	\$19.51	\$31.99
Participant - Level 35	\$12.53	\$19.51	\$32.04

** Equals the total of Other Direct Care, Administration/Transportation and Facility costs less Room and Board paid by the client.*

	DADS Paid	Client Paid	Total Rate
Bed Hold Rate	\$7.95	\$13.91	\$21.86

STAR+PLUS ASSISTED LIVING
PROPOSED PROXY RATES EFFECTIVE February 1, 2018

Single Occupancy Apartment - Proposed Rates Effective February 1, 2018	Payment Rate		
	Attendant Cost Area	Other *	Total
Nonparticipant	\$12.78	\$26.79	\$39.57
Participant Level 1 - AL1	\$28.74	\$36.05	\$64.79
Participant Level 1 - AL2	\$23.90	\$35.93	\$59.83
Participant Level 1 - AL3	\$17.31	\$35.76	\$53.07
Participant Level 1 - AL4	\$19.74	\$35.92	\$55.66
Participant Level 1 - AL5	\$13.76	\$35.67	\$49.43
Participant Level 1 - AL6	\$12.07	\$35.64	\$47.71

Double Occupancy Apartment - Proposed Rates Effective February 1, 2018	Payment Rate		
	Attendant Cost Area	Other *	Total
Nonparticipant	\$12.78	\$17.74	\$30.52
Participant Level 1 - AL1	\$28.74	\$29.05	\$57.79
Participant Level 1 - AL2	\$23.90	\$28.94	\$52.84
Participant Level 1 - AL3	\$17.31	\$28.77	\$46.08
Participant Level 1 - AL4	\$19.74	\$28.93	\$48.67
Participant Level 1 - AL5	\$13.76	\$28.69	\$42.45
Participant Level 1 - AL6	\$12.07	\$28.65	\$40.72

** Equals the total of Other Direct Care, Administration/Transportation and Facility costs less Room and Board paid by the client.*

Non-Apartment - Proposed Rates Effective February 1, 2018	Payment Rate		
	Attendant Cost Area	Other *	Total
Nonparticipant	\$12.78	\$8.49	\$21.27
Participant Level 1 - AL1	\$28.74	\$10.50	\$39.24
Participant Level 1 - AL2	\$23.90	\$10.38	\$34.28
Participant Level 1 - AL3	\$17.31	\$10.22	\$27.53
Participant Level 1 - AL4	\$19.74	\$10.37	\$30.11
Participant Level 1 - AL5	\$13.76	\$10.13	\$23.89
Participant Level 1 - AL6	\$12.07	\$10.09	\$22.16

** Equals the total of Other Direct Care, Administration/Transportation and Facility costs less Room and Board paid by the client.*

For participation rates above Level 1, add the appropriate amount below to the Participant Level 1 rates.

Level	Payment Rate
Participant Level 2	Payment for Participant Level 1 + \$.05
Participant Level 3	Payment for Participant Level 1 + \$.10
Participant Level 4	Payment for Participant Level 1 + \$.15
Participant Level 5	Payment for Participant Level 1 + \$.20
Participant Level 6	Payment for Participant Level 1 + \$.25
Participant Level 7	Payment for Participant Level 1 + \$.30
Participant Level 8	Payment for Participant Level 1 + \$.35
Participant Level 9	Payment for Participant Level 1 + \$.40
Participant Level 10	Payment for Participant Level 1 + \$.45
Participant Level 11	Payment for Participant Level 1 + \$.50
Participant Level 12	Payment for Participant Level 1 + \$.55
Participant Level 13	Payment for Participant Level 1 + \$.60
Participant Level 14	Payment for Participant Level 1 + \$.65
Participant Level 15	Payment for Participant Level 1 + \$.70
Participant Level 16	Payment for Participant Level 1 + \$.75
Participant Level 17	Payment for Participant Level 1 + \$.80
Participant Level 18	Payment for Participant Level 1 + \$.85
Participant Level 19	Payment for Participant Level 1 + \$.90
Participant Level 20	Payment for Participant Level 1 + \$.95
Participant Level 21	Payment for Participant Level 1 +1.00
Participant Level 22	Payment for Participant Level 1 + \$1.05
Participant Level 23	Payment for Participant Level 1 + \$1.10
Participant Level 24	Payment for Participant Level 1 + \$1.15
Participant Level 25	Payment for Participant Level 1 + \$1.20
Participant Level 26	Payment for Participant Level 1 + \$1.25
Participant Level 27	Payment for Participant Level 1 + \$1.30
Participant Level 28	Payment for Participant Level 1 + \$1.35
Participant Level 29	Payment for Participant Level 1 + \$1.40
Participant Level 30	Payment for Participant Level 1 + \$1.45
Participant Level 31	Payment for Participant Level 1 + \$1.50
Participant Level 32	Payment for Participant Level 1 + \$1.55
Participant Level 33	Payment for Participant Level 1 + \$1.60
Participant Level 34	Payment for Participant Level 1 + \$1.65
Participant Level 35	Payment for Participant Level 1 + \$1.70

**STAR+PLUS PERSONAL CARE 3
PROPOSED PROXY RATES EFFECTIVE February 1, 2018**

Proposed Rates Effective Date	Payment Rate *
Effective February 1, 2018	\$67.33

** Does not include Room and Board paid by Client*