



Agenda

1. General Announcements
2. Introduction of Today's Panelists
3. Mercer Consulting Fee Development Report FY 2021/2022
 - a) Overtime Factor Application
 - b) DSP Wage Assumptions
 - c) Other Key Assumptions
4. Inflation and Trend Factors Used in Fee Schedule Development
5. Recent ODP Utilization Data
6. Next Steps
7. Q&A/Discussion



General Announcements

1. ID/A Compensation Survey Due November 18
2. American Rescue Plan Act
 - Technology & Credentialing Initiatives
 - Cost Reporting
3. Pennsylvania Provider Associations Meeting
 - Unified Budget Request for FY 2023-24
4. Mercer Report & Today's Handouts



Inflation & Trend Factors

Once Mercer identified the BLS wage ranges, we trended the wages using a 3.5% annual factor to the midpoint of the implementation period of the waiver fees (i.e., January 1, 2022), and reviewed to ensure that the assumptions align with federal and local initiatives.² Mercer further reviewed and adjusted the resulting wage ranges for the Department of Labor Fair Labor Standards Act, which stipulates that overtime wages must be paid for any employee making less than \$35,568 on an annual basis. Based on research from BLS and feedback from ODP and the work group, Mercer adjusted the wages for full-time (FT) direct care staff who make less than \$35,568 annually to account for overtime payments.³

Administration: Costs associated with general administrative expenses such as management, equipment and supplies, recruitment, information technology, HR, billing, finance and accounting, legal, and other program-related costs necessary for program operations. The administration assumption aligns with CMS expectations regarding acceptable levels for this cost component.



CPS Data as of January 2022

CPS Billing Analysis – Overall Data



Month/ Year	Unduplicated Service Recipients	Unduplicated Service Locations	Average Service Recipients per Service Location	Median Service Recipients per Service Location	Value Range
January 2020	18,586	610	30	21	1-270
January 2022	11,082	546	20	14	1-131

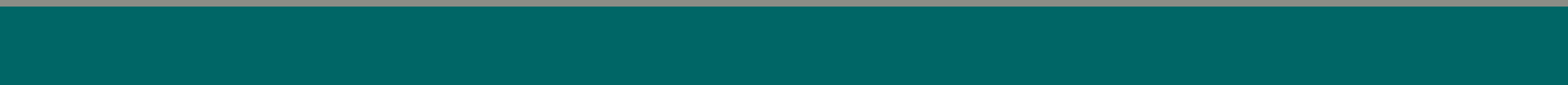


Next Steps

1. Fact-Finding
2. Advocacy
3. Rate Appeals
4. Fact Sheet



Questions & Discussion





Thank You!

ID/A Compensation
Surveys Due Friday!