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DEPARTMENT OF HEALTH AND HUMAN SERVICES

AGING AND DISABILITY SERVICES DIVISION
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Dena Schmidt
Administrator

Memorandum

DATE: January 24, 2023

TO: Developmental Services Staff and Providers

FROM: Jessica Adams, Deputy Administrator

SUBJECT: Developmental Services Governor's Recommended Budget for State Fiscal Years 24/25

The Governor's Recommended budgets for State Fiscal Year 2024 (July 1, 2023-June 30, 2024) and State Fiscal Year 2025 (July 1, 2024-June 30, 2025) were made public on January 23, 2023, including the four budgets for Developmental Services (3166-Family Preservation Program; 3167-Rural Regional Center; 3279-Desert Regional Center; and 3280-Sierra Regional Center). They can be found at this link: [State of Nevada Executive Budget 2023-2025 \(nv.gov\)](https://www.nv.gov/state-executive-budget-2023-2025)

There are several exciting initiatives proposed in these recommended budgets, so I wanted to highlight and explain some of the requests.

Family Preservation Program (Budget Account 3166)

The Family Preservation Program (FPP) provides financial assistance on a monthly basis to low-income families residing in Nevada who are providing care in their home for family members with profound or severe intellectual disability. This financial assistance is meant to help off-set expenses necessary to meet the special needs of the person with intellectual disability and to help strengthen and support families, thereby keeping families intact and reducing the need for out-of-home care.

The budget proposes an increase in the FPP allotment from the current \$374 per month to \$486 per month for the upcoming biennium. The monthly allotment for this program has not increased since State Fiscal Year 2009 (July 1, 2008-June 30, 2009). The proposed increase is based off previously used methodology related to average Federal Supplemental Security Income (SSI) cost of living increases. If approved, this methodology can continue to be used for future FPP increases.

Self-Directed Family Support Services (Budget Accounts 3167, 3279 & 3280)

The Self-Directed Family Support Services program (aka Fiscal Intermediary program) allows families with children under the age of 18 to purchase specialized treatment, skill building and organized programming to assist the individual/family in successful integration into their community. Examples of services that may be purchased include behavior training/management; specialized day and after-school care and recreation programs; daily living skills training; and

specialized therapeutic services not covered by insurance. The family must have a gross income at or below 300% of the Federal Poverty Level and the child cannot concurrently receive Supported Living or Jobs and Day Training services.

The budget requests an increase in the allotment for this service from \$450/month to \$650/month. The current regional center budgets have allowed for an increase to \$600/month for this year only, so this request would allow for a permanent increase.

Youth Intensive Support Services (Budget Accounts 3167, 3279 & 3280)

All Regional Centers have proposed expansions to the Youth Intensive Support Services (YISS) program that currently operates only at Desert Regional Center. The YISS program focuses on youth up to age 22 who need intensive support due to dual diagnosis (intellectual/developmental disability and mental illness) and/or intensive behavioral challenges. The goal of YISS is to coordinate all specialized services needed for the youth to successfully gain needed skills, reduce difficult behaviors, and remain living in the family home or an appropriate community-based residential setting. As many are already aware, Nevada has experienced an increase in youth with high levels of support needs over the last two years.

The budget proposes for the YISS program to expand to all Regional Centers, adding Service Coordinators that will carry a caseload of 1:15 versus the typical 1:45 to all regions. Additionally, the budget requests to add a Health Program Manager III to oversee YISS statewide. This position will report directly to the Deputy Administrator and will be responsible for YISS program planning and development, as well as collaboration with Nevada's three child welfare agencies and numerous other stakeholders.

Board Certified Behavior Analysts (Budget Accounts 3167 & 3280)

Rural and Sierra Regional Centers are requesting monies to contract with a full-time Board Certified Behavior Analyst (BCBA) at each Regional Center. These positions will be members of the Psychological Services team supporting the caseloads of the Regional Centers as a whole, as opposed to those currently supporting individual people through the Behavioral Consultation, Training & Intervention. There is no current class specification within the State of Nevada to hire this type of professional that fully encompasses the work they perform or their level of expertise, so contractual funding is requested. Desert Regional Center already has funding for these contractors in their budget, so no additional funding for Desert Regional Center was requested.

Developmental Support Technician Pay Upgrade (Budget Account 3279)

Developmental Support Technicians (DSTs) provide the direct services and supports to individuals residing at Desert Regional Center's 48-bed Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID). DST I-III are responsible for performing specific therapeutic techniques to enable individuals served to gain habilitative skills. DST IVs supervise the work of DST I-III, coordinate home shift coverage, and respond to emergency situations across the ICF/IID. These are demanding paraprofessional positions that require extensive training. Pursuant to NRS 435.425, DST Is and IIs must complete a community college-level certification program to qualify as a DST III or DST IV.

The budget proposes a two-grade pay increase for DST I-IV's at the ICF/IID. Similar to community providers with their direct support staff, the ICF/IID has experienced very high vacancy rates for DST positions since COVID. However, the ICF/IID is required to maintain minimum staffing levels based on the needs of the individuals served to remain in compliance with federal and state licensing standards. These staffing levels combined with staff vacancies have resulted

in excessive overtime and this overtime increases the risk of abuse, neglect or exploitation to the individuals served. ADSD is requesting for the DST I-IV pay grades to be given a “+ 2” which has previously been approved for other class specifications in the state that are difficult to hire. This would result in an entry level DST I to be a grade 25 (23 + 2) with a current starting wage of \$16.27/hour at a step 1.

Provider Rate Increases & Changes to Service Authorization (Budget Accounts 3167, 3279 & 3280)

The budget proposes the largest single rate increase to DS-contracted providers in the history of Developmental Services. Burns & Associates completed a rate study for DS in 2021, which was the first rate study since 2002. This study also outlined a change in service authorization methodology to more closely align with how individuals are requesting to receive services and how services are currently provided. The monies in the proposed budget are broken down into two rate increases – the first running from 7/1/2023-3/31/2024 based on current service authorization methodology and the second starting in 4/1/2024 and continuing throughout the biennium which fully implements the Burns & Associates rate study.

7/1/2023-3/31/2024:

During this period of time, there will be no change to service authorization methodology, however there will be a rate increase for many services. The proposed rate increases during this time period were also based on the Burns & Associates rate study as they were asked to prepare new rates without a change in the way we authorize services. Time is needed after official budget approval, which does not occur until almost the end of the Legislative session on June 5, 2023, to launch the new service authorizations based on the rate study. Therefore, these interim rate increases are requested as we are aware providers continue to struggle with staffing shortages. The currently proposed rates for this time period are as follows:

BILLING CODE	SERVICE	PROPOSED RATE AS OF 7/1/23	PAID PER	PERCENT INCREASE FROM CURRENT RATE
T2017	Residential Habilitation, Awake	\$6.69	15 min	11.5%
T2017:UJ	Residential Habilitation, Sleep	\$4.07	15 min	11.5%
T2017:GF	Residential Habilitation, Supplemental Support	\$6.50	15 min	8.3%
T2017:TG	Residential Support Management	\$10.83	15 min	80.5%
T2014	Prevocational Services – Level 1 (1:1)	\$31.20	Hour	16.9%
T2014:Z2	Prevocational Services – Level 2 (1:2)	\$146.71	Day	29.4%
T2014:Z3	Prevocational Services – Level 3 (1:5)	\$77.02	Day	69.9%
T2014:Z4	Prevocational Services – Level 4 (1:8)	\$59.77	Day	110.9%
T2018	Supported Employment Individual – Level 1 (1:1)	\$38.92	Hour	45.8%
T2018:Z2	Supported Employment Group – Level 2 (1:2)	\$165.72	Day	46.2%
T2018:Z3	Supported Employment Group – Level 3 (1:5)	\$80.18	Day	76.8%
T2018:Z4	Supported Employment Group – Level 4 (1:8)	\$58.96	Day	108.0%

BILLING CODE	SERVICE	PROPOSED RATE AS OF 7/1/23	PAID PER	PERCENT INCREASE FROM CURRENT RATE
T2020	Day Habilitation – Community Based – Level 1 (1:1)	\$31.20	Hour	16.9%
T2020:Z2	Day Habilitation – Community-Based – Level 2 (1:2)	\$146.71	Day	29.4%
T2020:Z3	Day Habilitation – Community-Based – Level 3 (1:5)	\$77.02	Day	69.9%
T2020:Z4	Day Habilitation – Community-Based – Level 4 (1:8)	\$59.77	Day	110.9%
T2020:Z6	Day Habilitation – Facility-Based – Level 1 (1:1)	\$31.20	Hour	16.9%
T2020:Z7	Day Habilitation – Facility-Based – Level 2 (1:2)	\$146.71	Day	29.4%
T2020:Z8	Day Habilitation – Facility-Based – Level 3 (1:5)	\$77.02	Day	69.9%
T2020:Z9	Day Habilitation – Facility-Based – Level 4 (1:8)	\$59.77	Day	110.9%
T2025:HN	Behavioral Consultation Training & Intervention – Bachelor’s degree	\$18.46	15 min	0.0%
T2025:HO	Behavioral Consultation Training & Intervention – Master’s degree	\$22.73	15 min	7.1%

4/1/2024-6/30/2025:

As previously mentioned, DS and the Division of Health Care Finance and Policy (DHCFP) contracted with Burns & Associates to complete the first rate study on DS provider services since 2002. This study was completed in 6/2021 and has previously been shared with providers and staff. DS is aware of the increased cost of business, especially the need for higher wages for direct support staff, that has occurred since the study was completed in 2021. Therefore, in August of 2022, DS asked Burns & Associates to “re-base” their calculated rates accounting for these higher costs. These calculations were received and are the basis for the budget request for 4/1/2024-6/30/2025.

I have included three rate study documents as attachments to this memo instead of going through each rate here. **The document titled “IDD Rate Models 09-01-2022” shows the proposed rates as of 4/1/2024.** The document titled “IDD Rate Models 06-30-2021” were the original rates proposed in the rate study and have been included only for comparison purposes. The document titled “Overview of Proposed Rates 06-30-2021” is included to educate on how Burns & Associates developed the rates, including various assumptions used. However, the calculations shown in that document may not match the proposed rates due to the “re-basing” that occurred in August.

Please carefully review these documents as they represent substantial changes in how services will be authorized. These changes are needed for many reasons, including “correcting” previous audit findings, easing difficulty in provider billing, aligning with federal Home and Community Based Settings Rules expectations, and, most importantly, more accurately authorizing services in a way that allows for personal choice and creating a meaningful day for individuals served.

Here is an overview of the major changes:

- All services will have an “Urban” and a “Rural” rate. DS will follow the DHCFP (Medicaid) designations of urban versus rural.

- The rates are based on direct support staff in both Supported Living Arrangements (SLA) and Jobs and Day Training (JDT) being paid \$18.00 per hour. This wage exceeds current Bureau of Labor Statistics (BLS) data, but was set at \$18.00 per hour to account for the current labor market in Nevada. Burns & Associates indicated this is one of the highest wage assumptions in the country for similar services.
 - This wage represents a significant increase from the original study, which set direct support staff wages at \$13.90 per hour according to BLS data at that time.
 - Current BLS data as of 8/2022 when Burns & Associates re-based the rates showed a 50th percentile wage of \$14.64 per hour for direct support staff (see page 29 of “IDD Rate Models 09-01-2022”).
 - Please note the base wage for staff providing Supported Employment services is higher based on type of service (see page 29 of “IDD Rate Models 09-01-2022”).
- All SLA services have significant amounts of mileage, paid at \$0.625/mile, built into the rate. JDT services also have mileage built into the rate. This will eliminate the need to authorize non-medical transportation as a separate service for most individuals.
 - Non-medical transportation will still be available for long trips in excess of built-in mileage and the cost of bus or paratransit passes.
- Intermittent SLA services will continue to bill as a 15-minute unit. Please note the rate accounts for the staff member to be paid for “unbillable” time such as commute time between participants, paperwork, missed appointments, etc.
- 24-hour Intensive SLA (ISLA) services will become a daily rate. These rates will be based on either 3- or 4-bedroom homes and will have three (3) tiers of acuity based on the staffing needs and service complexity of the individuals residing in the home.
- Shared Living (Host Home) will also move to a daily rate with three (3) tiers of acuity. Under these rates there is no distinction between family versus non-family shared living.
 - The time needed for the Residential Support Manager as well as time needed for recruitment efforts is built into the daily rate.
 - The three tiers allow for the shared living provider to be paid a contracted rate of \$36,000, \$42,000 or \$48,000 per year depending on tier.
- There continues to be a rate for SLA supplemental support, however it is at a lower rate than other types of SLA service. This is because all mileage needed for SLA is already built into the other SLA rates. Policy will need to be developed, but it will be possible to continue to authorize supplemental support hours for ISLA on top of the daily rate in extenuating and complex circumstances to meet support needs.
- Residential Support Management will have separate rates based on education, with a higher rate for a Residential Support Manager with a bachelor’s degree who is a Qualified Intellectual Disability Professional (QIDP).
- JDT services will move away from daily rates into 15-minute rates. Policy will need to be developed, but this will allow for JDT services to be provided based on the needs of the individual and their family, as applicable, versus a standard six (6) hour day of service. Additionally, many individuals currently split their time doing various types of JDT services throughout a day. For example, they may work in prevocational services for three (3) hours a day and then receive day habilitation services for the remainder of the day. The 15-minute unit will allow for multiple types of JDT services to be easily authorized based on individual need.
- The different types and settings of JDT services will have different rates. Supported Employment, Day Habilitation and Prevocational services have traditionally all been at the same rate in Nevada. However, this structure does not account for the various differences in service provision and staff experience required. For example, under the new rate structure, services provided in the community receive a higher rate to account for mileage costs. Also, Supported Employment services have a higher rate as staff in those services typically require a higher level of training and experience to properly perform the job functions.

- The rates account for the following benefits for direct support staff (see page 30 of “IDD Rate Models 09-01-2022”):
 - 25 days of paid time off annually (holidays, vacation, sick, etc.).
 - Health Insurance with an average company cost \$527.93 per month per staff member.
 - Company cost of \$50 per month for “other” benefits.
- There are productivity assumptions for all services (see pages 32-36 of “IDD Rate Models 09-01-2022”). This means weekly non-billable time has been worked into all rates for all levels of staff, so staff can be paid for their 40 hours a week of work without having to work directly with individuals served for 40 hours a week. These productivity assumptions are to account for time staff spend completing tasks such as training, supervision, and paperwork, as well as take paid time off. For example, a staff person working within intermittent SLA services can be paid for 40 hours a week of work when only billing 31.67 hours a week in urban areas and 29.69 hours a week in rural areas.

Again, please review the rate study documents to fully understand the various proposed service authorization changes and rates. As is evident, much work has to be done to get this ready to implement by 4/1/2024:

- Policy changes and development.
- Changes to both the ADSD WellSky system and DHCFP’s MMIS billing system.
- Updating the Home and Community Based Services Waiver for Individuals with Intellectual and Developmental Disabilities.
- Training of staff and providers.
- Team meetings to determine new authorizations for changing services.
- Entering all new service authorizations into WellSky.
- More will come up!

Overall, the Governor’s Recommended budget represents real, positive change for Developmental Services in many areas if it is approved. The budget presentation date has not yet been scheduled. Continued thanks for all the hard work you do to support people with intellectual and developmental disabilities in Nevada!