

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

December 23, 2016

**Proposed Payment Rates
for
Residential Care,
Community Based Alternatives
Assisted Living,
and Personal Care 3**

Payment rates are proposed to be effective February 1, 2017

SUMMARY OF PROPOSED PAYMENT RATES

Effective February 1, 2017

The Health and Human Services Commission (HHSC) will conduct a public hearing at 3:30 p.m. on January 11, 2017, in the Public Hearing Room of the John H. Winters Building, located at 701 West 51st Street, Austin, Texas. Entry is through Security at the main entrance of the building, which faces 51st Street, with entrance through security at the front of the building facing Lamar Boulevard. Public comments will be received on proposed payment rates to be effective February 1, 2015, for the Residential Care (RC) program, Assisted Living (AL) services under the Community Based Alternatives (CBA) program and CBA Personal Care 3 (PC 3) services. Although the CBA Waiver has ceased to exist, effective 09/01/14, and clients have been transitioned into the managed care model under STAR+PLUS, CBA rates continue to be used by actuaries, providers and managed care organizations for informational purposes. Accordingly, HHSC will continue to adopt payment rates and will conduct the required rate hearings. The RC program is operated by the Texas Department of Aging and Disability Services (DADS).

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 rates for the RC program, the CBA AL and CBA PC3 services by \$0.07 per day of service to offset the increase in Federal Supplemental Security Income (SSI) payments announced by the United States Social Security Administration on December 2, 2016, to be effective February 1, 2017.

METHODOLGY AND JUSTIFICATION

HHSC rate methodologies for these three programs 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 (e.g., the DADS 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 the CBA AL services and 1 TAC §355.503(c)(2)(D) for the CBA PC3 services.

Should you have any questions regarding the information in this document, please contact Guerin Heckman, Rate Analyst at (512)707-6067 or guerin.heckman@hhsc.state.tx.us.

**RESIDENTIAL CARE APARTMENT
PAYMENT RATES EFFECTIVE FEBRUARY 1, 2017**

Apartment - New Rates Effective February 1, 2017	Payment Rate		
	Attendant Cost Area	Service Support *	Total
Nonparticipant	\$10.78	\$28.66	\$39.44
Participant - Level 1	\$10.83	\$28.66	\$39.49
Participant - Level 2	\$10.88	\$28.66	\$39.54
Participant - Level 3	\$10.93	\$28.66	\$39.59
Participant - Level 4	\$10.98	\$28.66	\$39.64
Participant - Level 5	\$11.03	\$28.66	\$39.69
Participant - Level 6	\$11.08	\$28.66	\$39.74
Participant - Level 7	\$11.13	\$28.66	\$39.79
Participant - Level 8	\$11.18	\$28.66	\$39.84
Participant - Level 9	\$11.23	\$28.66	\$39.89
Participant - Level 10	\$11.28	\$28.66	\$39.94
Participant - Level 11	\$11.33	\$28.66	\$39.99
Participant - Level 12	\$11.38	\$28.66	\$40.04
Participant - Level 13	\$11.43	\$28.66	\$40.09
Participant - Level 14	\$11.48	\$28.66	\$40.14
Participant - Level 15	\$11.53	\$28.66	\$40.19
Participant - Level 16	\$11.58	\$28.66	\$40.24
Participant - Level 17	\$11.63	\$28.66	\$40.29
Participant - Level 18	\$11.68	\$28.66	\$40.34
Participant - Level 19	\$11.73	\$28.66	\$40.39
Participant - Level 20	\$11.78	\$28.66	\$40.44
Participant - Level 21	\$11.83	\$28.66	\$40.49
Participant - Level 22	\$11.88	\$28.66	\$40.54
Participant - Level 23	\$11.93	\$28.66	\$40.59
Participant - Level 24	\$11.98	\$28.66	\$40.64
Participant - Level 25	\$12.03	\$28.66	\$40.69
Participant - Level 26	\$12.08	\$28.66	\$40.74
Participant - Level 27	\$12.13	\$28.66	\$40.79
Participant - Level 28	\$12.18	\$28.66	\$40.84
Participant - Level 29	\$12.23	\$28.66	\$40.89
Participant - Level 30	\$12.28	\$28.66	\$40.94
Participant - Level 31	\$12.33	\$28.66	\$40.99
Participant - Level 32	\$12.38	\$28.66	\$41.04
Participant - Level 33	\$12.43	\$28.66	\$41.09
Participant - Level 34	\$12.48	\$28.66	\$41.14
Participant - Level 35	\$12.53	\$28.66	\$41.19

** 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	\$14.65	\$20.91

**RESIDENTIAL CARE NON- APARTMENT
PAYMENT RATES EFFECTIVE FEBRUARY 1, 2017**

Non-Apartment - New Rates Effective February 12 2017	Payment Rate		
	Attendant Cost Area	Service Support *	Total
Nonparticipant	\$10.78	\$20.00	\$30.78
Participant - Level 1	\$10.83	\$20.00	\$30.83
Participant - Level 2	\$10.88	\$20.00	\$30.88
Participant - Level 3	\$10.93	\$20.00	\$30.93
Participant - Level 4	\$10.98	\$20.00	\$30.98
Participant - Level 5	\$11.03	\$20.00	\$31.03
Participant - Level 6	\$11.08	\$20.00	\$31.08
Participant - Level 7	\$11.13	\$20.00	\$31.13
Participant - Level 8	\$11.18	\$20.00	\$31.18
Participant - Level 9	\$11.23	\$20.00	\$31.23
Participant - Level 10	\$11.28	\$20.00	\$31.28
Participant - Level 11	\$11.33	\$20.00	\$31.33
Participant - Level 12	\$11.38	\$20.00	\$31.38
Participant - Level 13	\$11.43	\$20.00	\$31.43
Participant - Level 14	\$11.48	\$20.00	\$31.48
Participant - Level 15	\$11.53	\$20.00	\$31.53
Participant - Level 16	\$11.58	\$20.00	\$31.58
Participant - Level 17	\$11.63	\$20.00	\$31.63
Participant - Level 18	\$11.68	\$20.00	\$31.68
Participant - Level 19	\$11.73	\$20.00	\$31.73
Participant - Level 20	\$11.78	\$20.00	\$31.78
Participant - Level 21	\$11.83	\$20.00	\$31.83
Participant - Level 22	\$11.88	\$20.00	\$31.88
Participant - Level 23	\$11.93	\$20.00	\$31.93
Participant - Level 24	\$11.98	\$20.00	\$31.98
Participant - Level 25	\$12.03	\$20.00	\$32.03
Participant - Level 26	\$12.08	\$20.00	\$32.08
Participant - Level 27	\$12.13	\$20.00	\$32.13
Participant - Level 28	\$12.18	\$20.00	\$32.18
Participant - Level 29	\$12.23	\$20.00	\$32.23
Participant - Level 30	\$12.28	\$20.00	\$32.28
Participant - Level 31	\$12.33	\$20.00	\$32.33
Participant - Level 32	\$12.38	\$20.00	\$32.38
Participant - Level 33	\$12.43	\$20.00	\$32.43
Participant - Level 34	\$12.48	\$20.00	\$32.48
Participant - Level 35	\$12.53	\$20.00	\$32.53

* 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	\$12.96	\$20.91

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Participant - Level 8	\$11.18	\$20.00	\$31.18
Participant - Level 9	\$11.23	\$20.00	\$31.23
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Participant - Level 23	\$11.93	\$20.00	\$31.93
Participant - Level 24	\$11.98	\$20.00	\$31.98
Participant - Level 25	\$12.03	\$20.00	\$32.03
Participant - Level 26	\$12.08	\$20.00	\$32.08
Participant - Level 27	\$12.13	\$20.00	\$32.13
Participant - Level 28	\$12.18	\$20.00	\$32.18
Participant - Level 29	\$12.23	\$20.00	\$32.23
Participant - Level 30	\$12.28	\$20.00	\$32.28
Participant - Level 31	\$12.33	\$20.00	\$32.33
Participant - Level 32	\$12.38	\$20.00	\$32.38
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