



Applied Behavior Analysis (ABA) Therapy Provider Meeting

April 19, 2023

Background

- The Indiana Family and Social Services Administration (FSSA), Office of Medicaid Policy and Planning (OMPP), is evaluating Medicaid reimbursement rates for applied behavioral analysis (ABA) therapy services for treatment of autism spectrum disorder. The purpose of this meeting is to provide additional information regarding the state's cost survey and rate study and answer questions from the provider community.



Questions and Answers Related to the Cost Survey and Rate Development Process



Questions and Answers - Survey & Rate Development

Q: The survey included direct care staff salary and fringe benefits. What is the definition of direct care staff?

A: Direct care staff are those staff providing direct care services to patients. These costs are collected on Schedule 3 of the survey.

Q: The survey included other patient care related expenses (other direct care expenses, non-staff). What is the definition of other patient care related expenses?

A: Other patient care related expenses are non-staff expenses related to direct care of the patient e.g., assessment materials and staff training costs. These costs are collected on Schedule 4.1 of the survey.

Questions and Answers - Survey & Rate Development

Q: The survey included administrative and facility overhead costs. What is OMPP's definition of administrative and facility overhead costs?

A: Administrative and facility overhead costs are related to administration and overhead costs of the facility e.g. rent and utilities. These costs are collected on Schedule 4.2 and 5.2 of the survey.

Q: The survey included non-allowable costs. What is OMPP's definition of non-allowable costs?

A: Non-allowable costs are defined under federal allowable cost principles at CMS Publication 15-1 e.g. lobbying and bad debt. These costs are collected on Schedule 4.3 and Schedule 5.3 of the survey.

Questions and Answers - Survey & Rate Development

Q: The survey included non-allowable costs on Schedule 4 – Other Expenses and Schedule 5 – Home Office Expenses. How will non-allowable costs be utilized in the rate development?

A: Costs will be reviewed in conjunction with federal allowable cost principles at Centers for Medicare and Medicaid Services (CMS) Publication 15-1, and nonallowable costs under those principles will be excluded. The state will follow federal allowable cost principles because the federal government expects states to do so for Medicaid rates and reimbursement for which federal matching funds are applied (the federal government contributes to the costs of the Medicaid program).



Questions and Answers - Survey & Rate Development

Q: The survey included Schedule 5.2 - Home Office Costs Related to Patient Care. Will these costs be included in the rate development?

A: Schedule 5 - Home Office Costs Expenses will be included as administrative overhead costs, to the extent they are allowable costs under federal allowable cost principles.

Questions and Answers - Survey & Rate Development

Q: The survey included Schedule 6 – Anticipated Future Expenses. Will these expenses be included in the rate development?

A: Anticipated future costs will be reviewed; however, the costs may not be included in the development of the rates. The anticipated cost schedule was included in the survey so that providers could make OMPP aware of potential future increases to existing costs. OMPP did not commit to include these costs in the rate; only to evaluate them.

Questions and Answers - Survey & Rate Development

Q: Did all survey respondents include and exclude items consistently, for example the non-allowable costs?

A: Cost surveys will be reviewed for compliance with the survey instructions and cost principles at CMS Publication 15-1 to ensure consistency in reporting among the providers.



Questions and Answers - Survey & Rate Development

Q: The survey data submitted by providers is for a historical time period. Will costs be adjusted for inflation?

A: Inflation will be calculated using the Consumer Price Index (CPI). Inflation will be calculated from the midpoint of each provider's fiscal year end to a future date – the midpoint of the anticipated first year of implementation of the updated rates.

Questions and Answers - Survey & Rate Development

Q: What is the mix of service delivery models represented in the responses?

A: This information was not collected as part of the survey.

Q: Have units of service provided increased since the Medicaid managed care entities' implementation of reimbursement as a percentage of billed charges?

A: The Medicaid managed care units of service increased by approximately 5.9% in the third quarter of 2022 in comparison to the second quarter of 2022.



Questions and Answers - Survey & Rate Development

Q: Will cost-based rates be developed for all ABA therapy procedure codes?

A: Cost-based rates will be developed for every Medicaid-covered ABA therapy service (procedure code). This includes procedure codes 97151 – 97158, 0362T, and 0373T.



Questions and Answers - Survey & Rate Development

Q: Will fee-for-service and managed care rates be calculated from the cost survey respondents' data or will rates be calculated from all ABA providers receiving reimbursements from Indiana Medicaid?

A: The rates will be developed based upon provider costs; therefore, the data utilized to develop the rates will be limited to survey respondents.

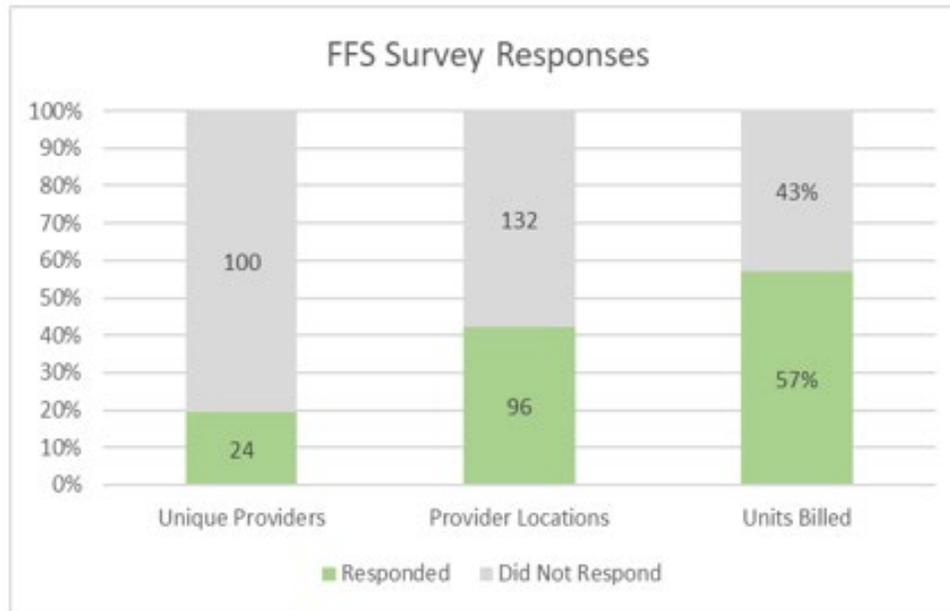


Questions and Answers Related to Survey Statistics



Questions and Answers - Survey Statistics

OMPP provided the following charts to InPEAT. InPEAT submitted a series of questions related to the charts.



Questions and Answers - Survey Statistics

Q: What is OMPP's definition of fee-for-service and managed care and what data was utilized to develop these statistics?

A: The fee-for-service statistics represent the number of survey respondents that provided services to Medicaid members enrolled in Traditional Medicaid. The managed care statistics represent the number of survey respondents that provided services to Medicaid members enrolled in managed care (Hoosier Healthwise, Hoosier Care Connect, or Healthy Indiana Plan). The data is based upon claims data from a recent annual period.



Questions and Answers - Survey Statistics

Q: What is the significance in presenting the statistics by fee-for-service and managed care?

A: The statistics demonstrate that facilities providing services to both Traditional Medicaid and Medicaid managed care members were represented in the 26 survey respondents.



Questions and Answers - Survey Statistics

OMPP provided the following information to InPEAT. InPEAT submitted a series of questions related to the information.

Total Units of Service	13,516,663
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Cost Description	Total Costs	Cost per 15 Minute Unit
Direct Care Staff Salaries and Fringe Benefits	\$ 134,890,221	\$ 9.98
Other Direct Care Expenses (Non-Staff)	\$ 12,071,616	\$ 0.89
Administrative and Facility Overhead	\$ 83,237,291	\$ 6.16
Non-allowable Costs	\$ 33,068,527	\$ 2.45
Total Costs	\$ 263,267,655	\$ 19.48

Total Costs Excluding Non-allowable Costs	\$ 230,199,128	\$ 17.03
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Questions and Answers - Survey Statistics

Q: What is the source of the data reported on this slide?

A: The information includes responses from all 26 survey respondents. The allowable cost and total unit data was obtained from the surveys and includes all procedure codes. The rates will not be developed using this methodology. This cost-per-unit calculation is for informational purposes only.



Questions and Answers - Survey Statistics

Q: Why is a 15 minute unit of service utilized for the ABA therapy procedure codes?

A: The ABA therapy codes 97151 – 97158, 0362T, and 0373T have a unit of service of 15 minutes under the American Medical Association (AMA) Current Procedural Terminology (CPT) definitions.



Questions and Answers - Survey Statistics

Q: What does the cost per 15 minute unit of \$17.03 represent? Is \$17.03 a proposed rate for direct ABA or something different?

A: This amount is the cost-per-15 minute unit, excluding nonallowable costs. The rates will not be developed using this methodology. This cost-per-unit calculation is for informational purposes only.



Questions and Answers - Survey Statistics

Q: A provider's cost of providing a service varies based upon the practitioner (e.g. BCBA vs. RBT) delivering the service. Will the differences these costs be considered when developing rates?

A: It is OMPP's intent to develop separate rates by service and by practitioner. Additional information will be provided at a later date.



Questions and Answers - Survey Statistics

Q: Will a standard rate-setting process be utilized?

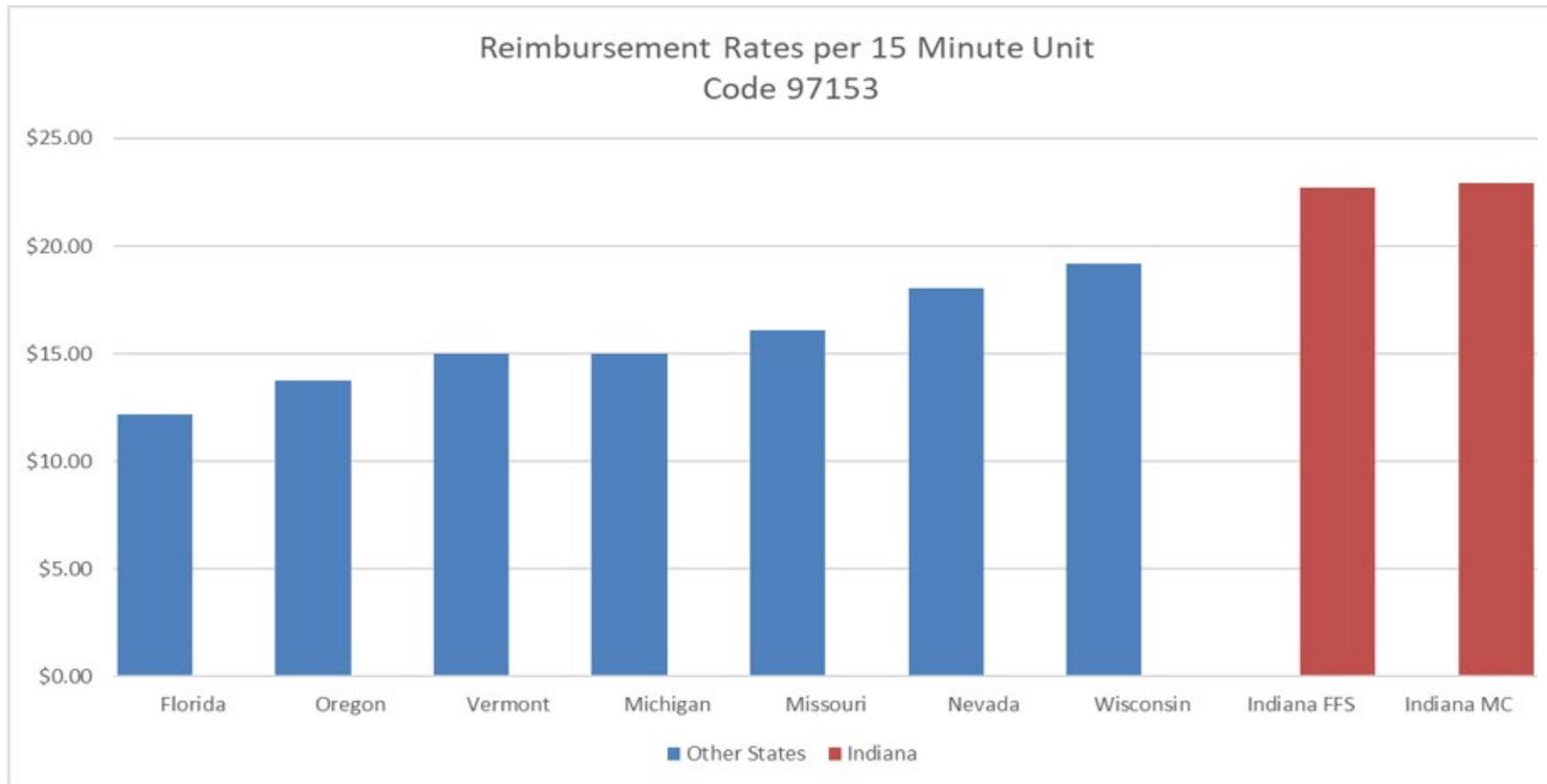
A: The methodology that will be utilized to develop the rates will be consistent with methodologies utilized by OMPP for other rate studies.

Questions and Answers Related to Research of Other States' Rates



Questions and Answers - Other State Rates

OMPP provided the following chart to InPEAT. InPEAT submitted a series of questions related to the chart.



Questions and Answers - Other State Rates

Q: The chart shows an average reimbursement rate of \$23 for Indiana. How was this average calculated?

A: For procedure code 97153, the current Medicaid payment is approximately \$23 per 15-minute unit across the Medicaid fee-for-service and managed care programs. The data is based upon claims data from a recent annual period.



Questions and Answers - Other State Rates

Q: What criteria was used in selecting the comparison states?

A: Research was conducted to obtain other state rates that were readily available. Some state rates are more easily located. The research began with states surrounding Indiana and was expanded to obtain a sample of 7 states.

Questions and Answers - Other State Rates

Q: Were the other states' reimbursement rates comprised of fee-for-service rates, a blend of fee-for-service and managed care rates, or blended rates that include Medicaid and commercial reimbursement rates?

A: The research represents the states' published fee-for-service rates. Rates from the federal Tricare program were also included. Commercial rates are not readily available and were not obtained.

Questions and Answers - Other State Rates

Q: Are the delivery service models in each of the other states similar to Indiana in terms of place of service and the population demographics of individuals with autism?

A: Rates were obtained from states' published fee schedules and policy manuals. These sources typically do not identify the service delivery model(s) or information regarding member demographics.

Questions and Answers - Other State Rates

Q: Do any of the other states provide ABA therapy services that are funded by sources outside of Medicaid, e.g. the Department of Education?

A: Rates were obtained from states' published fee schedules and policy manuals. These sources typically do not identify the funding sources.

Questions and Answers - Other State Rates

Q: What is the mix of commercial vs. Medicaid patients in the other states? Do these states have a similar percentage of Medicaid patients as Indiana?

A: Other states' payer mix was not part of the research conducted of other state rates.



Questions and Answers - Other State Rates

Q: What licensure requirements do the other states have compared to Indiana?

A: Other states' licensure requirements were not included in the research.

Q: Were other states' budgets (surplus vs. deficit) considered?

A: Other states' budgets were not included in the research.



Questions and Answers - Other State Rates

Q: Are other metrics such as the status of waitlists for care and overall access to care comparisons, client outcomes comparisons and length of care available for the other states?

A: Other states' metrics noted above are not included in the research. Research of these metrics would require obtaining information that is not publicly available.



Final Questions & Discussion

Please submit additional questions and comments in the meeting chat.



Final Thoughts

Thank you for your participation in the meeting today.
Additional questions may be submitted to [INSERT].

