

# Review of Behavioral Health Home Rates

## Final Rate Model

- prepared for -

Maine Department of Health and Human Services

- prepared by -

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October 15, 2015

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**Behavioral Health Home**

	Unit of Service	Month
Health Home Coordinator	- Hourly Wage	\$20.07
	- Benefit Rate (as a percent of wages)	23.8%
	Annual Cost of Wages and Benefits	\$51,681.05
	Monthly Cost of Wages and Benefits	\$4,306.75
	Number of Cases per Health Home Coordinator	24.0
	<b>Monthly Health Home Coordinator Cost per Case</b>	<b>\$179.45</b>
Clinical Team Leader	- Hourly Wage	\$33.50
	- Benefit Rate (as a percent of wages)	18.7%
	Annual Cost of Wages and Benefits	\$82,710.16
	Monthly Cost of Wages and Benefits	\$6,892.51
	- Number of Health Home Coordinators per Clinical Team Leader	8.0
	Implied Number of Cases per Clinical Team Leader	192
<b>Monthly Clinical Team Leader Cost per Case</b>	<b>\$35.90</b>	
Nurse Care Manager	- Hourly Wage	\$29.79
	- Benefit Rate (as a percent of wages)	19.8%
	Annual Cost of Wages and Benefits	\$74,231.91
	Monthly Cost of Wages and Benefits	\$6,185.99
	Number of Cases per Nurse Care Manager	200
<b>Monthly Nurse Care Manager Cost per Case</b>	<b>\$30.93</b>	
Peer Support Specialist/ Family or Youth Support Specialist	- Hourly Wage	\$12.00
	- Benefit Rate (as a percent of wages)	32.5%
	Annual Cost of Wages and Benefits	\$33,072.00
	Monthly Cost of Wages and Benefits	\$2,756.00
	Number of Cases per Peer/ Family or Youth Support Specialist	100
<b>Monthly Peer/ Family or Youth Support Specialist Cost per Case</b>	<b>\$27.56</b>	
Psychiatric Consultant	- Hourly Wage	\$89.01
	- Benefit Rate (as a percent of wages)	13.8%
	Hourly Cost of Wages and Benefits	\$101.29
	Annual Psychiatric Consultant Hours per 200 Cases	42
	Annual Psychiatric Consultant Cost per Case	\$21.07
<b>Monthly Psychiatric Consultant Cost per Case</b>	<b>\$1.76</b>	
Medical Consultant	- Hourly Wage	\$79.93
	- Benefit Rate (as a percent of wages)	14.1%
	Hourly Cost of Wages and Benefits	\$91.20
	Annual Medical Consultant Hours per 200 Cases	42
	Annual Medical Consultant Cost per Case	\$18.97
<b>Monthly Medical Consultant Cost per Case</b>	<b>\$1.58</b>	

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	Unit of Service	Month
Operating/Overhead	<i>Administrative Support</i>	
	- Hourly Wage	\$16.90
	- Benefit Rate (as a percent of wages)	27.1%
	Annual Cost of Wages and Benefits	\$44,678.19
	Monthly Cost of Wages and Benefits	\$3,723.18
	Number of Cases per Administrative Support Staff	200
	<b>Monthly Administrative Support Staff Cost per Case</b>	<b>\$18.62</b>
	<i>Other Operating and Overhead Costs</i>	
	Cost Before Other Operating and Overhead Costs	\$295.80
	- Operating and Overhead Rate	25.0%
	<b>Monthly Operating/Overhead Cost per Case</b>	<b>\$98.60</b>
	<b>Total Operating and Overhead Costs</b>	<b>\$117.22</b>
	<b>Total Operating and Overhead Rate</b>	<b>29.7%</b>
<b>Monthly Case Rate</b>	<b>\$394.40</b>	

<sup>1</sup>DHHS intends to relax the billing standard, allowing a case to be billed if the provider delivers any covered service during the month (rather than the current one-hour-of-service requirement). Since this policy change will have the effect of increasing provider revenues, the impact must be considered when evaluating the new rate. Estimates of unbilled cases range from 8 to 12 percent. Assuming that providers are currently unable to bill for 10 percent of their caseload, the table below provides the appropriate comparison of the proposal to the current rate.

<i>Provision for Cases That Do Not Meet Minimum Billing Requirement</i>	
Cost Before Cases That Do Not Meet Minimum Billing Requirement	\$394.40
- Percent of Cases That Do Not Meet Minimum Billing Requirement	10.00%
<b>Allocated Cost of Unbilled Cases per Case</b>	<b>\$43.82</b>
<b>Comparable Rate</b>	<b>\$438.22</b>

Thus, the combination of the new rate model and change to the billing policy is equivalent to a rate of \$438.22 compared to the current rates of \$365 and \$322.

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Appendices of Supporting Documentation for

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**Appendix A: Wage Assumptions**

**Bureau of Labor Statistics Information for Select Job Classifications that Include Duties Potentially Related to Requirements of Behavioral Health Home Services**

BLS Code and Title	Description	Typical Education Requirement	Typical Work Experience	Typical On-The-Job Training Needed To Attain Competency	Wages					Used in Rate Models
					10th %-ile	25th %-ile	50th %-ile	75th %-ile	90th %-ile	
Social and Community Service Managers (11-9151)	Plan, direct, or coordinate the activities of a social service program or community outreach organization. Oversee the program or organization's budget and policies regarding participant involvement, program requirements, and benefits. Work may involve directing social workers, counselors, or probation officers.	Bachelor's degree	5 years or more	None	\$17.82	\$21.92	\$26.38	\$30.30	\$36.85	
Clinical, Counseling, and School Psychologists (19-3031)	Diagnose and treat mental disorders; learning disabilities; and cognitive, behavioral, and emotional problems, using individual, child, family, and group therapies. May design and implement behavior modification programs.	Doctoral or professional degree	None	Internship/residency	\$21.85	\$26.01	<b>\$33.49</b>	\$46.06	\$58.17	<b>Clinical Team Leader (25 percent of total)</b>
Mental Health Counselors (21-1014)	Counsel with emphasis on prevention. Work with individuals and groups to promote optimum mental and emotional health. May help individuals deal with issues associated with addictions and substance abuse; family, parenting, and marital problems; stress management; self-esteem; and aging.	Master's degree	None	Internship/residency	\$15.86	\$19.21	\$23.83	\$27.37	\$29.57	
Child, Family, and School Social Workers (21-1021)	Provide social services and assistance to improve the social and psychological functioning of children and their families and to maximize the family well-being and the academic functioning of children. May assist parents, arrange adoptions, and find foster homes for abandoned or abused children. In schools, they address such problems as teenage pregnancy, misbehavior, and truancy. May also advise teachers.	Bachelor's degree	None	None	\$15.25	\$18.24	\$20.72	\$24.63	\$30.55	

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Healthcare Social Workers (21-1022)	Provide individuals, families, and groups with the psychosocial support needed to cope with chronic, acute, or terminal illnesses. Services include advising family care givers, providing patient education and counseling, and making referrals for other services. May also provide care and case management or interventions designed to promote health, prevent disease, and address barriers to access to healthcare.	Master's degree	None	None	\$17.82	<b>\$20.07</b>	<b>\$22.76</b>	\$27.12	\$31.36	<b>Health Home Coordinator</b>  <b>Clinical Team Leader (25 percent of total)</b>
<p><i>Note:</i> Rate model uses the 25th percentile wage, rather than the median, for Health Home Coordinator because BHH standards do not require a Master's degree, which is typical of this occupation. The median is used for the Clinical Team Leader (this occupation accounts for 25 percent of the assumed wage for the Clinical Team Leader position).</p>										
Mental Health and Substance Abuse Social Workers (21-1023)	Assess and treat individuals with mental, emotional, or substance abuse problems, including abuse of alcohol, tobacco, and/or other drugs. Activities may include individual and group therapy, crisis intervention, case management, client advocacy, prevention, and education.	Bachelor's degree	None	None	\$17.34	\$20.60	\$24.80	\$31.16	\$41.56	
Social and Human Service Assistants (21-1093)	Assist in providing client services in a wide variety of fields, such as psychology, rehabilitation, or social work, including support for families. May assist clients in identifying and obtaining available benefits and social and community services. May assist social workers with developing, organizing, and conducting programs to prevent and resolve problems relevant to substance abuse, human relationships, rehabilitation, or dependent care.	High school diploma or equivalent	None	Short-term on-the-job training	\$10.42	\$12.50	\$14.79	\$17.23	\$18.76	
Family and General Practitioners (29-1062)	Physicians who diagnose, treat, and help prevent diseases and injuries that commonly occur in the general population. May refer patients to specialists when needed for further diagnosis or treatment.	Doctoral or professional degree	None	Internship/residency	\$47.04	\$63.79	<b>\$79.93</b>			<b>Medical Consultant</b>

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					10th %-ile	25th %-ile	50th %-ile	75th %-ile	90th %-ile	
Psychiatrists (29-1066)	Physicians who diagnose, treat, and help prevent disorders of the mind.	Doctoral or professional degree	None	Internship/residency	\$20.73	\$23.69				<b>Psychiatric Consultant</b>
<i>Note: The BLS does not publish wage percentiles above \$90 per hour. The rate models therefore use the \$89.01 mean (average) wage from the BLS data.</i>										
Physician Assistants (29-1071)	Provide healthcare services typically performed by a physician, under the supervision of a physician. Conduct complete physicals, provide treatment, and counsel patients. May, in some cases, prescribe medication. Must graduate from an accredited educational program for physician assistants.	Master's degree	None	None	\$37.72	\$41.75	<b>\$47.96</b>			<b>Clinical Team Leader (25 percent of total)</b>
Registered Nurses (29-1141)	Assess patient health problems and needs, develop and implement nursing care plans, and maintain medical records. Administer nursing care to ill, injured, convalescent, or disabled patients. May advise patients on health maintenance and disease prevention or provide case management. Licensing or registration required. Includes Clinical Nurse Specialists. Excludes "Nurse Anesthetists" (29-1151), "Nurse Midwives" (29-1161), and "Nurse Practitioners" (29-1171).	Associate's degree	None	None	\$21.85	\$25.43	<b>\$29.79</b>	\$35.34	\$40.88	<b>Nurse Care Manager  Clinical Team Leader (25 percent of total)</b>
Psychiatric Technicians (29-2053)	Care for individuals with mental or emotional conditions or disabilities, following the instructions of physicians or other health practitioners. Monitor patients' physical and emotional well-being and report to medical staff. May participate in rehabilitation and treatment programs, help with personal hygiene, and administer oral or injectable medications.	Postsecondary non-degree award	None	Short-term on-the-job training	\$9.37	\$11.74	\$13.54	\$15.86	\$18.65	

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					10th %-ile	25th %-ile	50th %-ile	75th %-ile	90th %-ile	
Licensed Practical and Licensed Vocational Nurses (29-2061)	Care for ill, injured, or convalescing patients or persons with disabilities in hospitals, nursing homes, clinics, private homes, group homes, and similar institutions. May work under the supervision of a registered nurse. Licensing required.	Postsecondary non-degree award	None	None	\$15.85	\$17.78	\$20.32	\$22.34	\$23.82	
Psychiatric Aides (31-1013)	Assist mentally impaired or emotionally disturbed patients, working under direction of nursing and medical staff. May assist with daily living activities, lead patients in educational and recreational activities, or accompany patients to and from examinations and treatments. May restrain violent patients. Includes psychiatric orderlies.	High school diploma or equivalent	None	Short-term on-the-job training	\$8.56	\$9.60	\$10.84	\$12.71	\$15.12	
Bookkeeping, Accounting, and Auditing Clerks (43-3031)	Compute, classify, and record numerical data to keep financial records complete. Perform any combination of routine calculating, posting, and verifying duties to obtain primary financial data for use in maintaining accounting records. May also check the accuracy of figures, calculations, and postings pertaining to business transactions recorded by other workers.	High school diploma or equivalent	None	Moderate-term on-the-job training	\$10.89	\$13.88	<b>\$16.90</b>	\$19.82	\$23.49	<b>Administrative Support Staff</b>



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**Appendix B: Benefits Assumptions**

% of Employees with Access		% of Employees Who Receive ('Participation')		Benefit Level for Participating Employees		Effective Benefit Level (Accounts for Participation)	
BLS Data <sup>1</sup>	Rate Model	BLS Data <sup>1</sup>	Rate Model	BLS Data <sup>1</sup>	Rate Model	BLS Data <sup>1</sup>	Rate Model

**Mandatory Benefits**

FICA <sup>2</sup>							7.65%
Federal UI <sup>3</sup>							0.60%
State UI <sup>4</sup>							2.20%
Workers' Comp.							3.20%

**Paid Time Off<sup>5</sup>**

					<i>Days per year</i>		<i>Days per year</i>	
Holidays	77%	100%	77%	100%	8.0	10.0	6.2	10.0
Vacation Leave	75%		75%		10.0		7.5	
Sick Leave	65%	100%	65%	100%	7.0	20.0	4.6	20.0
<b>Total</b>					<b>25.0</b>	<b>30.0</b>	<b>18.2</b>	<b>30.0</b>

**Health Insurance<sup>6</sup>**

					<i>Employer contribution per month</i>		<i>Employer contribution per month</i>	
	70%	100%	56%	100%	\$392	\$400	\$274	\$400

**Retirement**

					<i>Employer contribution (% of salary)</i>		<i>Employer contribution (% of salary)</i>	
	65%	0%	50%	0%	NR	0.0%	NR	0.0%

**Other Benefits<sup>7</sup>**

					<i>Employer contribution per month</i>		<i>Employer contribution per month</i>	
		100%		100%		\$25		\$25

Notes

<sup>1</sup>BLS' 2013 National Compensation Survey ([http://www.bls.gov/ncs/ebs/benefits/2013/ownership\\_private.htm](http://www.bls.gov/ncs/ebs/benefits/2013/ownership_private.htm)); data reported is for private employers in the New England region.

<sup>2</sup>Combined Social Security tax rate of 6.20% and Medicare tax rate of 1.45%.

<sup>3</sup>Applies to first \$7,000 in wages.

<sup>4</sup>Applies to first \$12,000 in wages.

<sup>5</sup>BLS data for vacation and sick leave is based on employees with 1-5 years of experience (average for those with 6-10 experience is 14 days of vacation and 8 days of sick leave).

<sup>6</sup>In addition to BLS data, other sources were considered. According to U.S. DHHS' 2012 Medical Expenditure Panel, the average premium across all Maine employers was \$488.75 with an employer share of \$395.50 (Tables II.C.1 and II.C.2). According to Kaiser's review of individual health insurance plans offered through the State's health insurance exchange, the benchmark plan for a 40 year-old non-smoker in Portland is \$282 in 2015 (<http://files.kff.org/attachment/analysis-of-2015-premium-changes-in-the-affordable-care-acts-health-insurance-marketplaces-issue-brief>).

<sup>7</sup>BLS provides information for a variety of other benefits that cannot be combined.

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**Appendix B: Benefits Assumptions  
Benefit Rates by Wage Level**

<b>Hourly Wage<sup>1</sup></b>	<b>Annual Salary</b>	<b>Eff. Benefit Rate - w/ Paid Time Off</b>	<b>Eff. Benefit Rate - Model Assump.<sup>2,3</sup></b>
\$9	\$18,720	51.2%	39.7%
\$10	\$20,800	48.3%	36.8%
\$11	\$22,880	46.0%	34.5%
\$12	\$24,960	44.0%	32.5%
\$13	\$27,040	42.3%	30.8%
\$14	\$29,120	40.9%	29.4%
\$15	\$31,200	39.7%	28.2%
\$16	\$33,280	38.6%	27.1%
\$17	\$35,360	37.6%	26.1%
\$18	\$37,440	36.8%	25.3%
\$19	\$39,520	36.0%	24.5%
\$20	\$41,600	35.4%	23.8%
\$21	\$43,680	34.7%	23.2%
\$22	\$45,760	34.2%	22.7%
\$23	\$47,840	33.7%	22.2%
\$24	\$49,920	33.2%	21.7%
\$25	\$52,000	32.8%	21.2%
\$26	\$54,080	32.4%	20.8%
\$27	\$56,160	32.0%	20.5%
\$28	\$58,240	31.6%	20.1%
\$29	\$60,320	31.3%	19.8%
\$30	\$62,400	31.0%	19.5%
\$31	\$64,480	30.7%	19.2%
\$32	\$66,560	30.5%	19.0%
\$33	\$68,640	30.2%	18.7%
\$34	\$70,720	30.0%	18.5%
\$35	\$72,800	29.8%	18.3%

<sup>1</sup>Wages of \$89 and \$79 per hour (used for psychiatrists and medical consultants, respectively) produce effective benefit rates of 13.8 percent and 14.1 percent.

<sup>2</sup>Benefit rates in models exclude paid time off as this time (like all productivity adjustments) is accounted for in caseload assumptions.

<sup>3</sup>Benefit rates are based on the wage assumed in the rate model for each occupation, rounded down to the nearest dollar.