

Rate Study for Adult Day Health Services

Draft Rate Models

- prepared for -

Maine Department of Health and Human Services

- prepared by -

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November 17, 2022

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Adult Day Health Services

	Unit of Service	15 Minute	
Direct Support Staff Wages and Benefits	- Direct Staff Hourly Wage	\$19.69	
	- Employee Benefit Rate (as % of wages)	37.3%	
	Hourly Staff Cost Before Productivity Adj. (wages + benefits)	\$27.03	
	<i>Productivity Assumptions</i>		
	Total Hours	36.00	
	- Participating in care planning meetings	0.88	
	- Program Preparation/ Set-Up/ Clean-Up	3.31	
	- Recordkeeping	0.88	
	- Employer and one-on-one supervision time	0.88	
	- Training	0.77	
	- Paid Time Off	3.46	
	"Billable" Hours	25.82	
	Productivity Adjustment	1.39	
	Hourly Staff Cost per Billable Hour	\$37.57	
Staffing Ratio	- Group Size (Members per Staff)	5.0	
	- Member Attendance Rate	85%	
	- Adjusted Weighted Average of Number of Members per Staff	4.25	
	Staff Cost per Member per Billable Hour	\$8.84	
Nursing Supports	- Registered Nurse Hourly Wage	\$40.98	
	- Employee Benefit Rate (as % of wages)	22.2%	
	Hourly Registered Nurse Cost (wages + benefits)	\$50.08	
	- Hours of Nursing Support per Member per Week (direct + indirect)	1.00	
	- Hours of Attendance per Member per Week	20.00	
	Nursing Supports Cost per Member per Billable Hour	\$2.50	
Attendance	- Days per Year of Program Operations	250	
	- Days per Year of Attendance (per 'slot'; based on attendance rate)	213	
	- Hours per Day of Member Attendance	6.00	
	Hours per Year of Attendance ('per 'slot')	1,275	
Facility	- Square Feet of Service Space per Member	100	
	- Annual Cost per Square Foot	\$16.00	
	Annual Facility Cost per Member	\$1,600.00	
	Facility Cost per Member per Billable Hour	\$1.25	
Meal and Snacks	- Cost per Meal	\$3.93	
	- Cost per Snack	\$1.08	
	Meal and Snack Cost per Member per Billable Hour	\$0.84	
Admin. and Prog. Support	Cost per Member per Billable Hour Before Admin. and Support	\$13.43	
	- Program Support Funding per Member Day	\$25.00	
	Program Support Cost per Billable Hour	\$4.17	
	- Administration Percent	15.0%	
	Administrative Cost per Billable Hour	\$3.11	
	Total Cost per Member per Billable Hour	\$20.71	
	Rate per 15 Minutes	\$5.18	

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Appendices to Draft Rate Models

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**Appendix A: Wage Assumptions, Adjusted for Inflation*
Bureau of Labor Statistics Information for Job Classifications Used for Adult Day Health Rate Models**

BLS Code and Title	Description	Typical Education Requirement	Typical Work Exp.	Typical On-The-Job Training Needed To Attain Competency	Wages					Used in Rate Models
					10th %-ile	25th %-ile	50th %-ile	75th %-ile	90th %-ile	
Nursing Assistants (31-1131)	Provide basic patient care under direction of nursing staff. Perform duties such as feed, bathe, dress, groom, or move patients, or change linens. May transfer or transport patients. Includes nursing care attendants, nursing aides, and nursing attendants. Excludes "Home Health Aides" (31-1011), "Orderlies" (31-1015), "Personal Care Aides" (39-9021), and "Psychiatric Aides" (31-1013).	Postsec. award	None	None	\$13.99 \$15.89	\$14.24 \$16.18	\$17.33 \$19.69	\$17.86 \$20.29	\$18.63 \$21.16	Adult Day Health Staff
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).	Bachelor's	None	None	\$28.68 \$14.21	\$29.49 \$15.70	\$36.08 \$40.98	\$37.82 \$20.42	\$47.49 \$25.43	Adult Day Health Nursing Supports

*Wages have been inflated from May 2021 to July 2023 by adding 13.59 percent based 9.0 percent growth from May 2021 to April 2022 and 3.6 percent for May 2022 to July 2023. Inflation amounts based on one-year (2020 - 2021) and ten-year (2011 - 2021) compound annual growth rate for net earnings in Maine; Source Bureau of Economic Analysis: <https://apps.bea.gov/regional/bearfacts/action.cfm>

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Appendix B: Benefits Assumptions to Establish Benefit Rates

% of Employees with Access			% of Employees Who Receive ('Participation')			Benefit Level for Participating Employees			Effective Benefit Level (Accounts for Participation)		
BLS Data ¹	Rate Model Prof.	Rate Model Para-prof.	BLS Data ¹	Rate Model Prof.	Rate Model Para-prof.	BLS Data ¹	Rate Model Prof.	Rate Model Para-prof.	BLS Data ¹	Rate Model Prof.	Rate Model Para-prof.

Mandatory Benefits

FICA ²										7.65%	7.65%
Federal UI ³										0.60%	0.60%
State UI ⁴										2.45%	2.45%
Workers' Comp.										3.00%	3.00%

Paid Time Off⁵

Holidays	80%	100%	100%	80%	100%	100%	8.0	10.0	10.0	6.4	10.0	10.0
Vacation Leave	76%	100%	100%	76%	100%	100%	10.0	20.0	15.0	7.6	20.0	15.0
Sick Leave	85%			85%			6.0			5.1		
Total							24.0	30.0	25.0	19.1	30.0	25.0

Health Insurance⁶

Employee Only				42.4%	42.4%		\$507.89	\$525.00	\$525.00			
Employee + One				13.7%	13.7%			\$900.00	\$900.00			
Family				18.9%	18.9%		\$1,322.52	\$1,300.00	\$1,300.00			
Total	71%	100%	100%	47%	75.0%	75.0%				\$591.34	\$591.34	

Other Benefits⁷

		100%	100%		100%	100%		\$200.00	\$200.00		\$200.00	\$200.00
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Notes

¹BLS' 2021 National Compensation Survey (<https://www.bls.gov/ncs/ebs/benefits/2021/employee-benefits-in-the-united-states-march-2021.pdf>); data reported is for private employers in the New England region.

²Combined Social Security tax rate of 6.2% and Medicare tax rate of 1.45%

³Applies to first \$7,000 in wages

⁴Rate model assumption reflects the tax rate assessed to new employers (inclusive of the 0.07 percent Competitive Skills Scholarship Fund assessment and the 0.14 percent for the Unemployment Program Administrative Fund assessment) in 2022; tax applies to first \$12,000 in wages

⁵BLS data for vacation and sick leave is based on national data for employees with 1-5 years of experience (average for those with 6-10 experience is 15 days of vacation and 6 days of sick leave)

⁶In addition to BLS data, the U.S. DHHS' Medical Expenditure Panel Survey data for Maine was reviewed. The average premium across all employers in 2021 was \$639.75 with an employer share of \$505.33 for an employee-only plan (Tables II.C.1 and II.C.2), \$1,207.08 with an employer share of \$872.83 for an employee-plus-one plan (Tables II.E.1 and II.E.2), and \$1,802.50 with an employer share of \$1,257.50 for a family plan (Tables II.D.1 and II.D.2).

⁷BLS 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**

Hourly Wage	Annual Salary	Effective Benefit Rate - Model	
		w/ PTO	w/o PTO
\$17	\$35,360	48.0%	38.5%
\$18	\$37,440	46.5%	36.9%
\$19	\$39,520	45.1%	35.5%
\$20	\$41,600	43.9%	34.3%
\$21	\$43,680	42.7%	33.2%
\$22	\$45,760	41.7%	32.1%
\$23	\$47,840	40.8%	31.2%
\$24	\$49,920	39.9%	30.3%
\$25	\$52,000	39.1%	29.6%
\$26	\$54,080	38.4%	28.8%
\$27	\$56,160	37.7%	28.2%
\$28	\$58,240	37.1%	27.5%
\$29	\$60,320	36.5%	26.9%
\$30	\$62,400	36.0%	26.4%
\$31	\$64,480	35.5%	25.9%
\$32	\$66,560	35.0%	25.4%
\$33	\$68,640	34.6%	25.0%
\$34	\$70,720	34.1%	24.6%
\$35	\$72,800	33.7%	24.2%
\$36	\$74,880	33.4%	23.8%
\$37	\$76,960	33.0%	23.4%
\$38	\$79,040	32.7%	23.1%
\$39	\$81,120	32.4%	22.8%
\$40	\$83,200	32.1%	22.5%
\$41	\$85,280	31.8%	22.2%
\$42	\$87,360	31.5%	21.9%
\$43	\$89,440	31.2%	21.6%
\$44	\$91,520	31.0%	21.4%
\$45	\$93,600	30.7%	21.2%
\$46	\$95,680	30.5%	20.9%
\$47	\$97,760	30.3%	20.7%
\$48	\$99,840	30.1%	20.5%
\$49	\$101,920	29.9%	20.3%
\$50	\$104,000	29.7%	20.1%
\$55	\$114,400	28.8%	19.2%
\$60	\$124,800	28.1%	18.5%
\$65	\$135,200	27.5%	17.9%
\$70	\$145,600	27.0%	17.4%
\$75	\$156,000	26.5%	17.0%
\$80	\$166,400	26.1%	16.6%
\$85	\$176,800	25.8%	16.2%
\$90	\$187,200	25.5%	15.9%
\$95	\$197,600	25.2%	15.6%
\$100	\$208,000	25.0%	15.4%

¹This table illustrates benefit rates in one dollar wage increments, but benefit rates in rate models are calculated to the penny.

²Benefit rates in rate models exclude paid time off, which is incorporated in the models as a productivity adjustment or as part of the caseload assumption.

³Benefit rates are based on a 40 hour work week

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Appendix C: Productivity Assumptions

	Adult Day Health Services
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'Typical Workweek' Without Training and PTO

Direct services	29.25
Participating in care planning meetings	1.00
Program Preparation/ Set-Up/ Clean-Up	3.75
Recordkeeping	1.00
Employer and one-on-one supervision time	1.00
Total	36.00

Annual Hours for Training and PTO

Training	40
Paid Time Off	180

Avg. Workweek Adjusted for Training and PTO

Direct services	25.82
Participating in care planning meetings	0.88
Program Preparation/ Set-Up/ Clean-Up	3.31
Recordkeeping	0.88
Employer and one-on-one supervision time	0.88
Training	0.77
Paid time off	3.46
Total	36.00