

Provider Rate Study for Adult Family Care Homes

Draft Rate Models

- prepared for -

Maine Department of Health and Human Services

- prepared by -

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January 12, 2023

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Adult Family Care Homes

		6 or Fewer Beds	7 - 8 Beds	
Home Size	Unit of Service	Day	Day	
	Number of Residents	6	8	
Direct Support Staff Wages and Benefits	- Direct Staff Hourly Wage	\$19.69	\$19.69	
	- Employee Benefit Rate (as % of wages)	34.7%	34.7%	
	Hourly Staff Cost Before Productivity Adj. (wages + benefits)	\$26.52	\$26.52	
	<i>Productivity Assumptions</i>			
	Total Hours	40.00	40.00	
	- Employer and one-on-one supervision time	0.88	0.88	
	- Training	0.77	0.77	
	- Paid Time Off	3.85	3.85	
	"Billable" Hours	34.50	34.50	
	Productivity Adjustment	1.16	1.16	
	Staff Cost per Billable Hour	\$30.76	\$30.76	
	<i>Staffing</i>			
	- Staff Hours per Residence per Week	168.0	168.0	
	Allocated Staff Hours per Member per Week	28.0	21.0	
Weekly Staff Cost per Member	\$861.28	\$645.96		
Mileage	Amount per Mile	\$0.655	\$0.655	
	- Number of Miles per Week per Residence	300	300	
	Allocated Miles per Member per Week	50.0	38.0	
	Weekly Mileage Cost per Member	\$32.75	\$24.89	
Nursing Supports	- Registered Nurse Hourly Wage	\$40.98	\$40.98	
	- Employee Benefit Rate (as % of wages)	22.2%	22.2%	
	Hourly Registered Nurse Cost (wages + benefits)	\$50.08	\$50.08	
	- Hours of Nursing Support per Member per Week (direct + indirect)	1.00	1.00	
Weekly Nursing Cost per Member	\$50.08	\$50.08		
Administration and Program Support	Weekly Cost per Member Before Admin. and Support	\$944.11	\$720.93	
	- Program Support Funding per Day	\$20.00	\$20.00	
	Weekly Program Support Cost per Member	\$140.00	\$140.00	
	- Administration Percent	12.0%	12.0%	
Weekly Administration Cost/ Member	\$147.83	\$117.40		
Total Cost per Member per Week		\$1,231.94	\$978.33	
Targeted Average Rate per Day¹		\$175.99	\$139.76	

¹ For homes on remote islands, the current 15 percent premium will be added.

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Adult Family Care Homes - Development of Resource Adjustment Rates

Resource Group	MaineCare Weight	Population	Resource Adj. Rate - 6 or Fewer Beds	Resource Adj. Rate - 7 - 8 Beds
1	1.657	347	\$210.26	\$166.96
2	1.21	72	\$153.54	\$121.92
3	1.36	226	\$172.57	\$137.03
4	1.027	127	\$130.32	\$103.48
5	0.924	8	\$117.25	\$93.10
6	0.804	8	\$102.02	\$81.01
7	0.551	19	\$69.92	\$55.52
8	0.551	6	\$69.92	\$55.52
Wgtd. Avg.	1.387			
Base Rate (based on Targeted Avg.)			\$126.89	\$100.76

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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 Family Care Home 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	
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	Bachelor's	None	None	\$28.68	\$29.49	\$36.08	\$37.82	\$47.49	Nursing Supports
					\$32.58	\$33.50	\$40.98	\$42.96	\$53.94	
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	Postsec. award	None	None	\$13.99	\$14.24	\$17.33	\$17.86	\$18.63	Direct Support Staff
					\$15.89	\$16.18	\$19.69	\$20.29	\$21.16	

*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		Effective Benefit Level (Accounts)	
BLS Data ¹	Rate Model Prof.	Para-prof.	BLS Data ¹	Rate Model Prof.	Para-prof.	BLS Data ¹	Rate Para-prof.	BLS Data ¹	Rate Para-prof.

Mandatory Benefits

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

Paid Time Off⁵

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

Health Insurance⁶

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

Other Benefits⁷

		100%	100%		100%	100%		\$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

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 - Other	
		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%
\$105	\$218,400	24.7%	15.2%
\$110	\$228,800	24.5%	14.9%

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.

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Appendix C: Productivity Assumptions

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'Typical Workweek' Without Training and PTO

Direct services	39.00
Employer and one-on-one supervision time	1.00
Total	40.00

Annual Hours for Training and PTO

Training	40
Paid Time Off	200

Avg. Workweek Adjusted for Training and PTO

Direct services	34.50
Employer and one-on-one supervision time	0.88
Training	0.77
Paid time off	3.85
Total	40.00