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## Rate Setting Board

May 10, 2022

10:00 a.m. – 4:00 p.m.

Zoom attendance

In-person attendance

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TAB 1

Consumer Directed Employer Rate Setting Board  
May 10, 2022  
10:00 am – 4:00 pm

## Agenda

Blake Office Park West  
4450 10th AVE SE  
Lacey, WA 98503  
Chelan and Roosevelt rooms

Time/Minutes	Topic	Presenter
10:00-10:05	Welcome and Introductions	Facilitator
10:05-10:10	Purpose/Meeting Overview	Chair
10:10-10:15	Approval of Minutes 04.19.22	Chair
10:15-10:30	Opening Remarks/Old Business	Chair
	<b>Health Care</b>	
10:30-10:50	Dependent Coverage Study	Paraprofessional Healthcare Institute
10:50-12:00	HBT Background & Cost Modeling	Health Benefits Trust
12:00-12:45	Lunch	
	<b>State Budget/Revenue Projections</b>	
12:45-1:35	State of the State/Budget Parameters	OFM
1:35-2:10	Budget/Revenue Projections	SEIU
2:10-2:15	Board Discussion	
	<b>Labor Summary</b>	
2:15-3:15	Union Presentation	SEIU 775
3:15-3:20	Board Discussion	All
	<b>Rate Discussion</b>	
3:20-3:35	Preparation for Rate Discussion	Facilitator
3:35-4:00	Public Comment	Chair/Facilitator
4:00	Adjourn	Chair

Please note the agenda times may vary due to the flow of the meeting conversation.

## Rate Setting Board Members

Charles Reed	Chair
Adam Glickman*	Exclusive Bargaining Unit Designee
Bea Rector*	DSHS Representative
Ben Bledsoe*	CDE Representative
Robyn Williams*	Governor's Office Representative
Rep. Drew MacEwen^	House of Representatives (R)
Rep. Steve Tharinger^	House of Representatives (D)
Senator Ron Muzzall^	Senate (R)
Senator Annette Cleveland^	Senate (D)
Georgiann Dustin^	State Council on Aging Representative
Adrienne Stewart^	People with Intellectual or Developmental Disabilities Organization
Kim Conner^	People with Disabilities Organization
Eric Erickson^	Licensed Home Care Agency
Brittany Williams^	Home Care Worker

\*Voting member, ^Advisory member



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## Rate Setting Board Meeting Schedule

March 21, 2022 9:00am – 12:00pm	Zoom
April 18, 2022 9:00am – 3:00pm	Zoom
April 19, 2022 9:00am – 3:00pm	Zoom
May 2, 2022 9:00am – 2:30pm	Zoom
May 10, 2022 10:00am – 4:00pm	Zoom and In-Person*
May 19, 2022 9:00am – 3:00pm	Zoom
June 9, 2022 9:00am – 3:00pm	Zoom and In-Person*
June 14, 2022 10:00am – 4:00pm	Zoom and In-Person*
June 22, 2022 9:00am – 3:00pm	Zoom and In-Person*

\*\*Approved minutes from each meeting can be found at [Consumer Directed Employer Rate Setting Board | DSHS \(wa.gov\)](https://www.dshs.wa.gov/consumer-directed-employer-rate-setting-board)

\*In-person meeting held at  
Blake Office Park West  
4450 10th AVE SE  
Lacey, WA 98503  
Chelan and Roosevelt rooms

TAB 2

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## Rate Setting Board

[Approved By-Laws](#)

[Approved Charter](#)

[Approved Policy Selecting Chairperson](#)

Approved Policy Establishing and Submitting Rates \*\*Pending

TAB 3

# Purpose/Meeting Overview

RSB Chair

# CDE Rate Setting Board

## Mission Statement

The Board's mission is to determine a rational and sound rate guided by the joint goals of:

- continuing a successful self-directed care in-home program and
- promoting the growth of the individual provider (IP) workforce,
- while sustaining the Consumer Directed Employer(CDE).

# Function of the Rate Setting Board

Bring diverse perspectives and expertise to:

- Review proposals for rate setting
- Discuss and evaluate rational and sound rates
- Recommend rates to the legislature

## Topics

**Labor Rate:** portion pay to IP includes: wages, benefits & associated taxes

**Administrative Rate:** compensate CDE for administrative duties

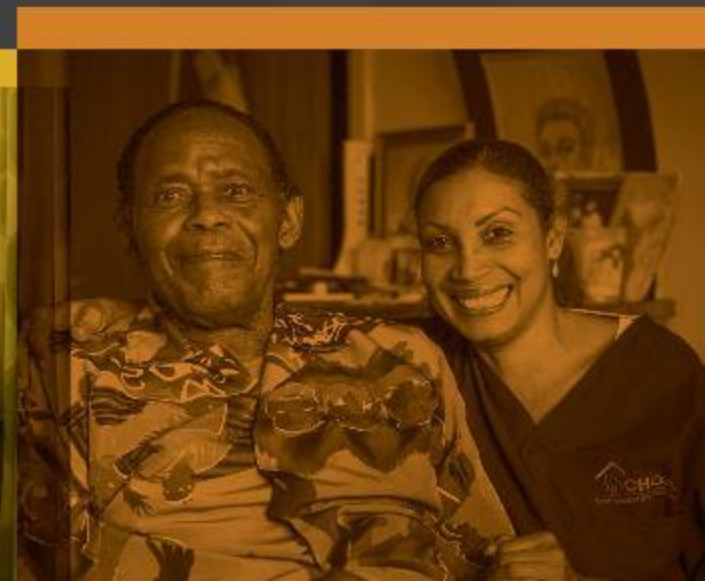
TAB 4



# The Case for A Dependent Health Insurance Benefit for Home Care Workers in Washington State

**Kezia Scales, PhD**, Senior Director of Policy Research

**Stephen McCall**, Data and Policy Analyst





## Presentation Overview

- I. The Urgent Need to Recruit and Retain Home Care Workers in Washington State
- II. The Case for a Dependent Health Insurance Benefit for Home Care Workers in Washington State

# The Urgent Need to Recruit and Retain Home Care Workers in Washington State

## Current Workforce Supply

Having added more than 29,000 jobs during the preceding decade, home health and personal care aides comprised Washington's **seventh largest occupational group** as of 2020.

### Largest Occupations in Washington, 2020

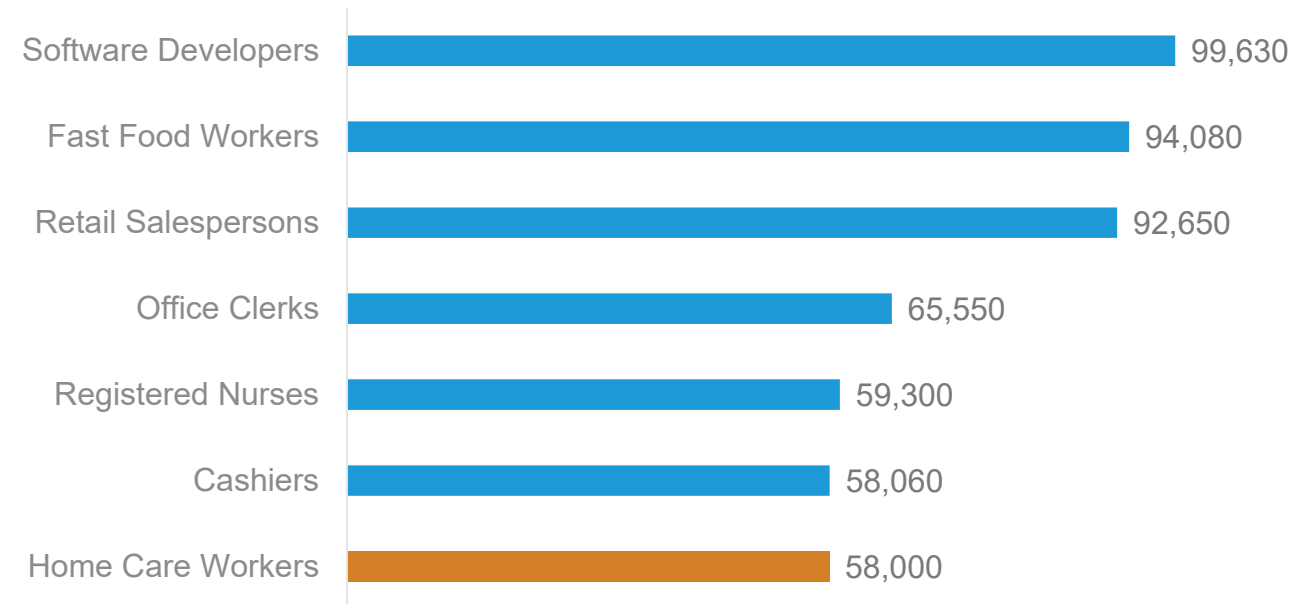


Chart Source: U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics (OEWS). 2021. *May 2020 State Occupational Employment and Wage Estimates*. <https://www.bls.gov/oes/current/oesrcst.htm>; analysis by PHI (March 2022).

## Growing Workforce Demand

Looking ahead, Washington is projected to add more than 13,000 new home health and personal care aide jobs from 2018 to 2028—the **second largest number of new jobs** added by any occupation in the state.

### Occupations with the Most Projected Job Growth in Washington, 2018 to 2028

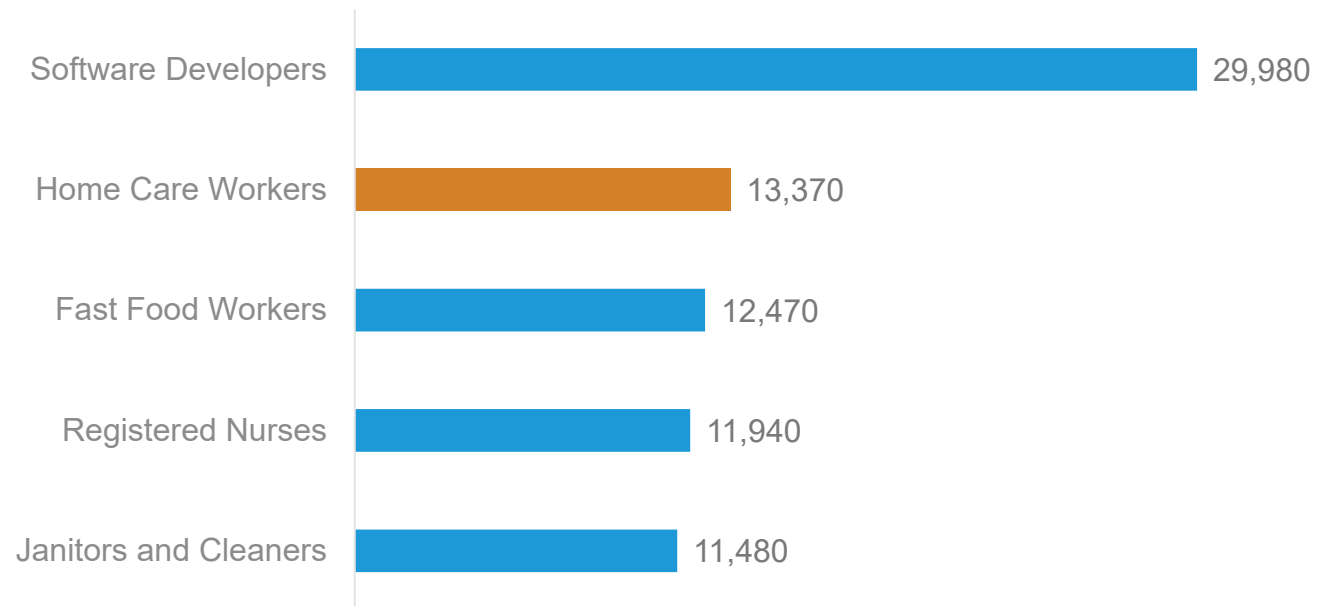


Chart Source: Projections Central. 2020. *Long Term Occupational Projections (2018-2028)*.  
<https://www.projectionscentral.com/Projections/LongTerm>; analysis by PHI (March 2022).



## Drivers of Home Care Workforce Demand



**The population of  
older adults is  
growing rapidly.**

## A Growing Population of Older Adults

From 2020 to 2050,  
Washington's population of  
adults aged 65 and above is  
projected to grow by **76  
percent**, and the population  
of adults aged 85 and above  
will **nearly quadruple**.

Population Projections by Age Group  
in Washington, 2020 to 2050

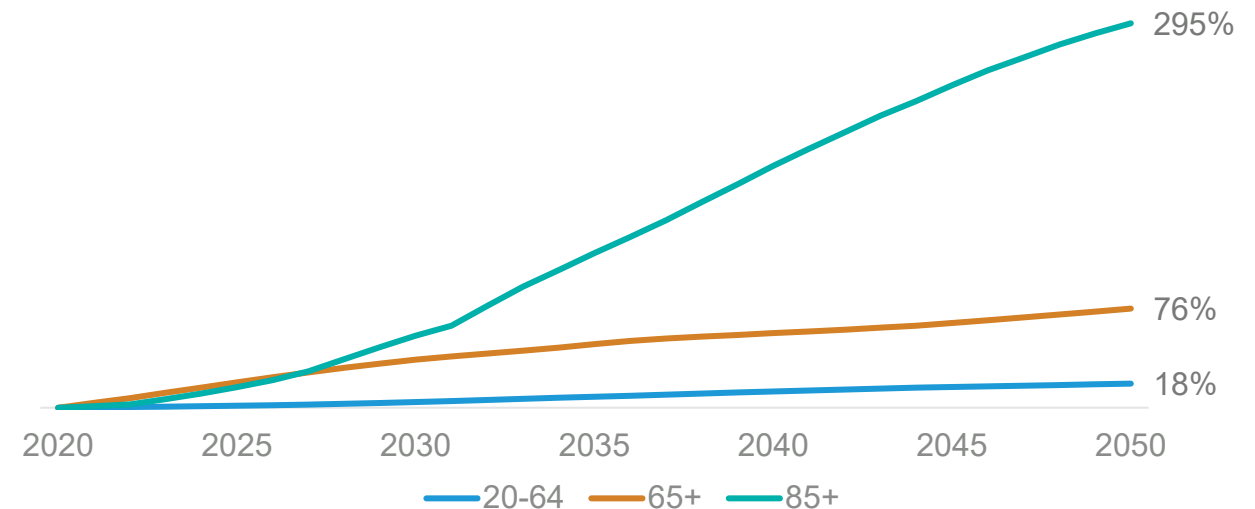


Chart Source: Washington State Office of Financial Management. 2021. *State Population Forecast*. <https://ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/state-population-forecast>; analysis by PHI (March 2022).

## Drivers of Home Care Workforce Demand



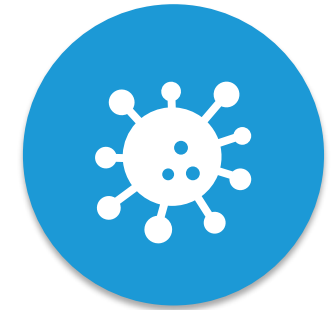
**The population of older adults is growing rapidly.**



**Consumers prefer to receive services at home.<sup>1</sup>**



**Policy and program changes have expanded access.<sup>2</sup>**



**These trends have been reinforced by the COVID-19 pandemic.<sup>3</sup>**



# Total Future Home Care Job Openings

When accounting for new jobs, occupational transfers *and* labor force exits, there will be **more than 100,000 home care job openings** in Washington from 2018 to 2028.

## Occupations with the Most Projected Job Openings in Washington, 2018 to 2028

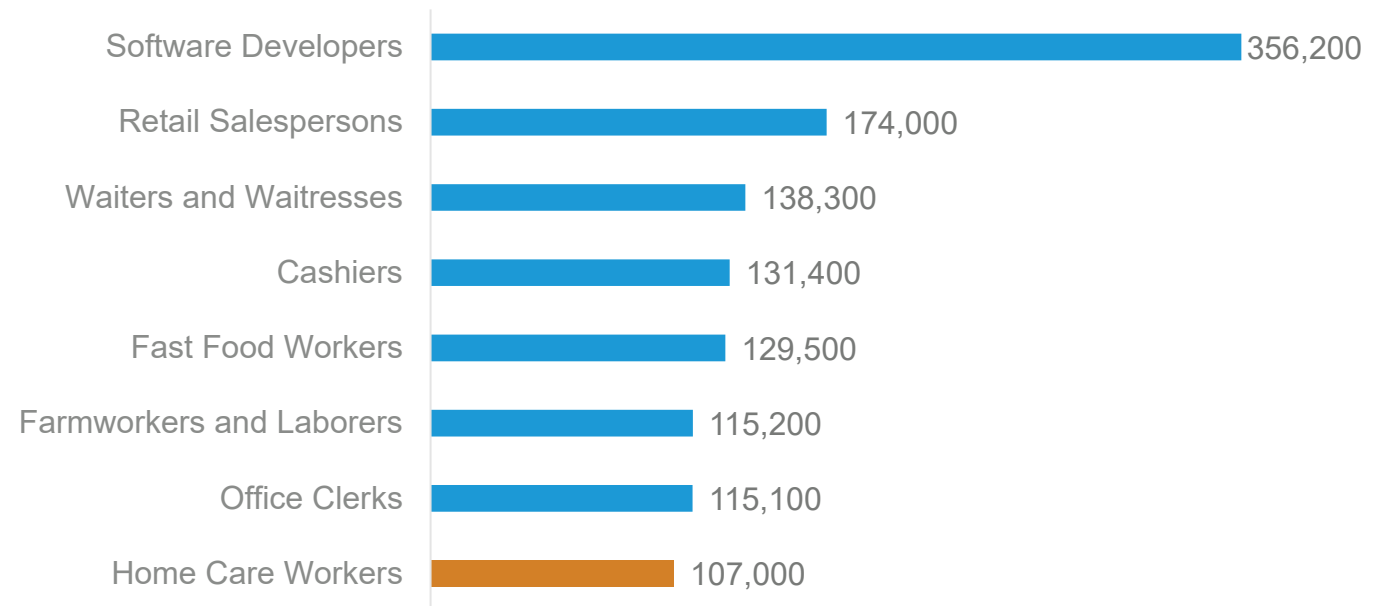


Chart Source: Projections Central. 2020. *Long Term Occupational Projections (2018-2028)*. <https://www.projectionscentral.com/Projections/LongTerm>; analysis by PHI (March 2022).

# The Case for a Dependent Health Insurance Benefit for Home Care Workers in Washington State

## The Challenge

In Washington State, home care workers employed through Medicaid-funded home and community-based services (HCBS) programs are eligible for individual health insurance, but there is no subsidized health insurance option for their children.

## The Opportunity

Extend affordable dependent health insurance coverage to home care workers in Washington State to improve job quality, strengthen recruitment and retention, and enhance equity.

## 5 REASONS TO OFFER A DEPENDENT HEALTH INSURANCE BENEFIT TO HOME CARE WORKERS

- 1 Ensure health care coverage for children and young people
- 2 Improve the competitiveness of home care jobs
- 3 Enhance equity for home care workers and their children
- 4 Support consistent family health insurance coverage
- 5 Support financial independence for home care workers

## Methodology Notes

- The primary data source for the descriptive statistical analyses in this research was the U.S. Census Bureau’s American Community Survey (ACS) 5-Year Sample from 2014 to 2019.<sup>4</sup>
  - For some analyses, the sample sizes were small, which produced higher error margins.
- In the analyses, we define “dependent” as any child who is under the age of 26 who lives with their parent.
  - Like other U.S. Census surveys, the ACS is a household survey, which means that dependents who do not live in the same household as their parents are not included in the sample.
  - Because we had to exclude dependents who live in other households, our estimates may undercount how many dependents will be positively impacted by a new dependent insurance benefit.

1

**Ensure health care coverage for  
children and young people.**

## Background Context

- Uninsured children are significantly more likely than insured children to have: suboptimal health; no regular physician or usual place of care; delayed immunizations; unmet needs; inadequate access to preventive and specialty care; higher odds of emergency department visits and avoidable hospitalizations; and more.<sup>5</sup>
- Dependent health insurance coverage for young adults (aged 19 to 25) is associated with a range of benefits, including better self-reported health, access to care, and health outcomes; reduced unmet needs; and improved prenatal care and outcomes.<sup>6</sup>
- Health insurance coverage among children can lead to improved health outcomes in adolescence and adulthood, such as lower likelihood of high blood pressure, heart disease, Type II diabetes, and obesity.<sup>7</sup>
- Moreover, better health insurance coverage for children has also been shown to save significant funds overall; one study estimated that providing health insurance to Medicaid/CHIP-eligible uninsured children saves nearly \$3000/child/year.<sup>8</sup>



## Background Context, cont'd.

- Apple Health is already an important source of health care coverage for children and young adults from low-income families in Washington State, but it has three key limitations:<sup>9</sup>
  - Access to providers can be challenging, with some clinics/providers capping their Medicaid client numbers (or opting out altogether).
  - Children may experience gaps in coverage as their eligibility for Apple Health fluctuates, which can have detrimental impacts on their health; research shows that “for children, gaps in coverage are associated with health access and use that resemble those of chronically uninsured children.”
  - Young people aged 19 through 25 are less likely to qualify for this coverage due to lower eligibility thresholds for Apple Health (up to 138% of the federal poverty level) versus Apple Health for Kids (up to 215% of FPL or up to 317% with a monthly premium).

“

Continuous health coverage is essential for children. We must continue to expand—not limit—children’s access to coverage and care. No family should face bankruptcy when a child breaks a bone, gets sick or faces a serious, life-threatening illness.

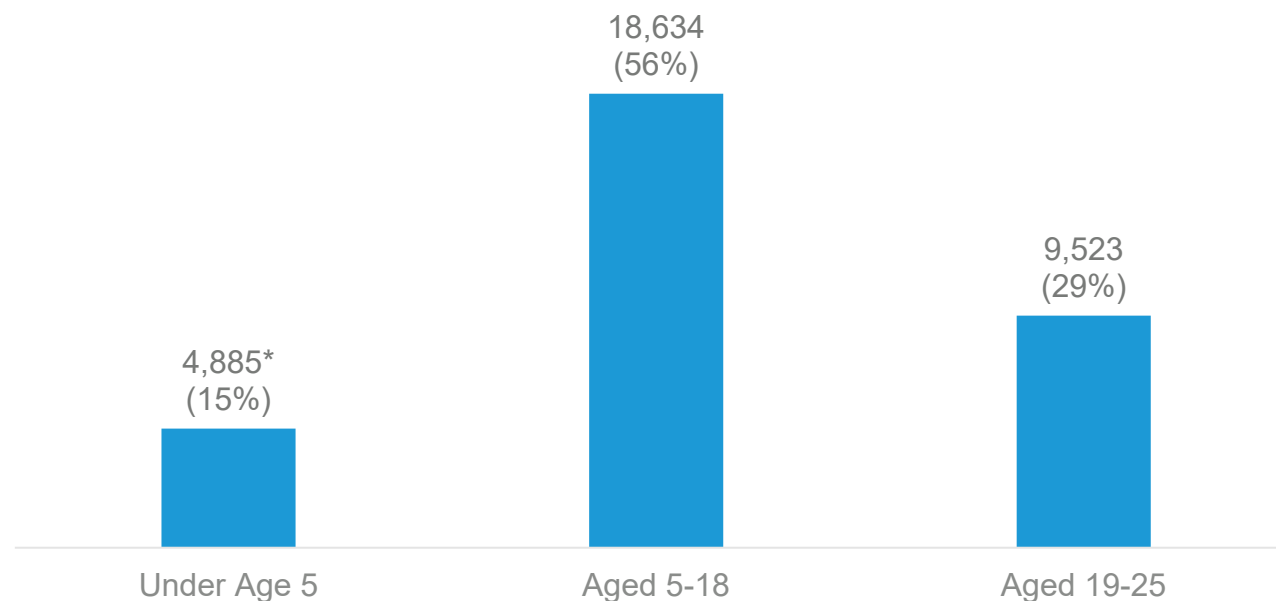
*Children’s Defense Fund, 2020<sup>10</sup>*

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## New Evidence

A new dependent health insurance benefit for home care workers would be available to **up to 33,042 children and young people.**

Home Care Workers' Dependents by Age Group, 2019

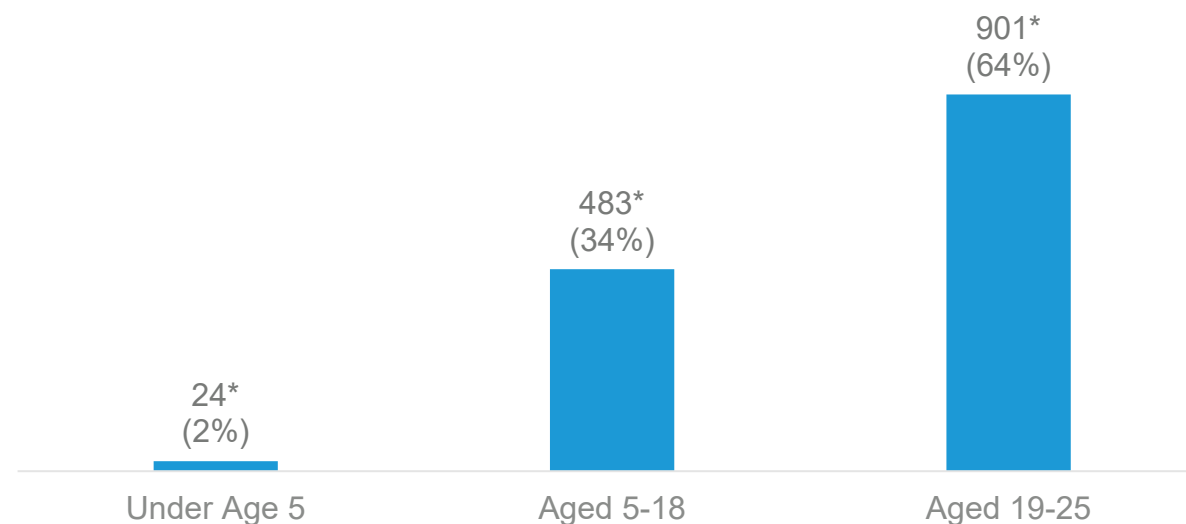


\* Percent error margin is greater than  $\pm 10$  percent.

# New Evidence

A new dependent health insurance benefit could help fill coverage gaps for nearly **1,500 uninsured dependents** of home care workers (**4 percent**), the majority of whom are aged 19 to 25.

Home Care Workers’ Dependents Who Are Currently Uninsured by Age Group, 2019

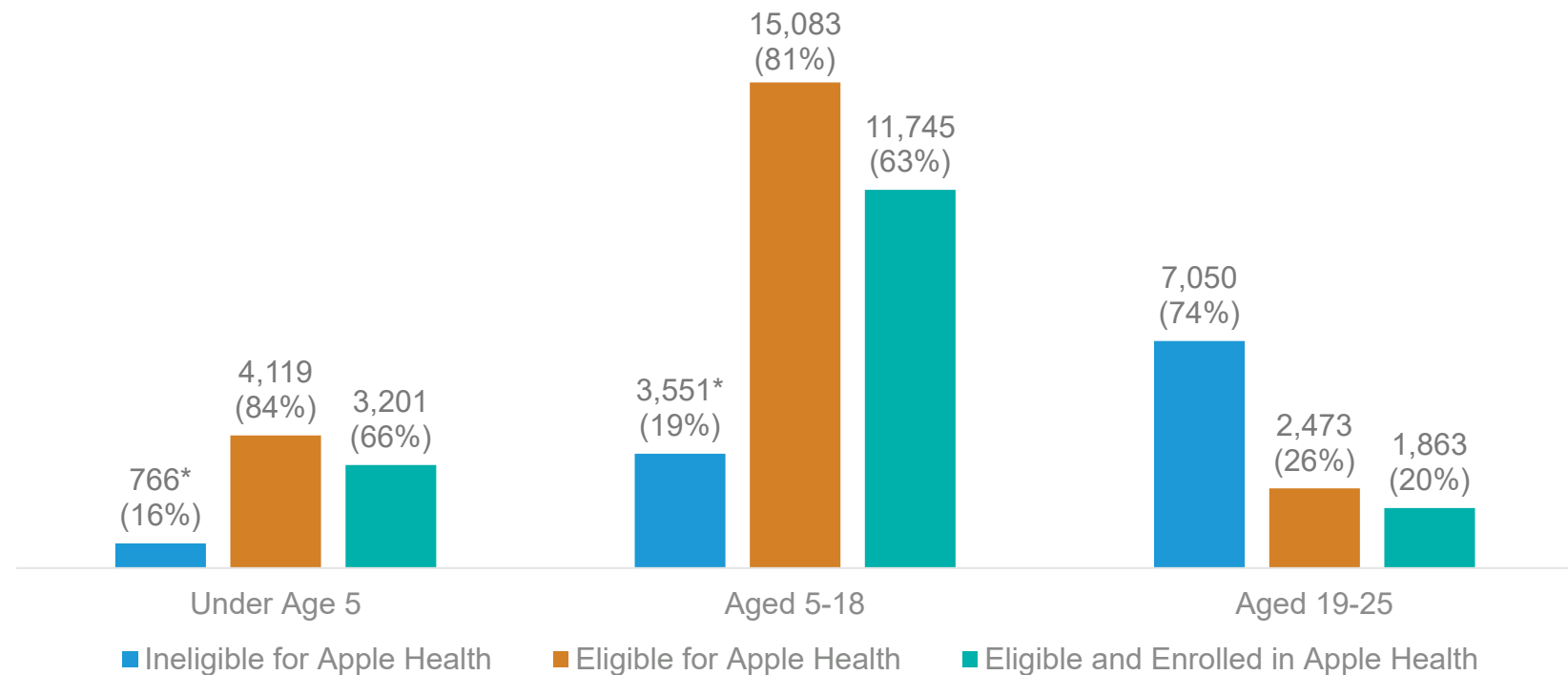


\* Percent error margin is greater than  $\pm 10$  percent.

# New Evidence

Medicaid has an important role in covering children and young people, but there are notable gaps. Approximately **11,300 dependents are ineligible for Apple Health** due to income.

Apple Health Eligibility and Enrollment Among Home Care Workers’ Dependents by Age Group, 2019

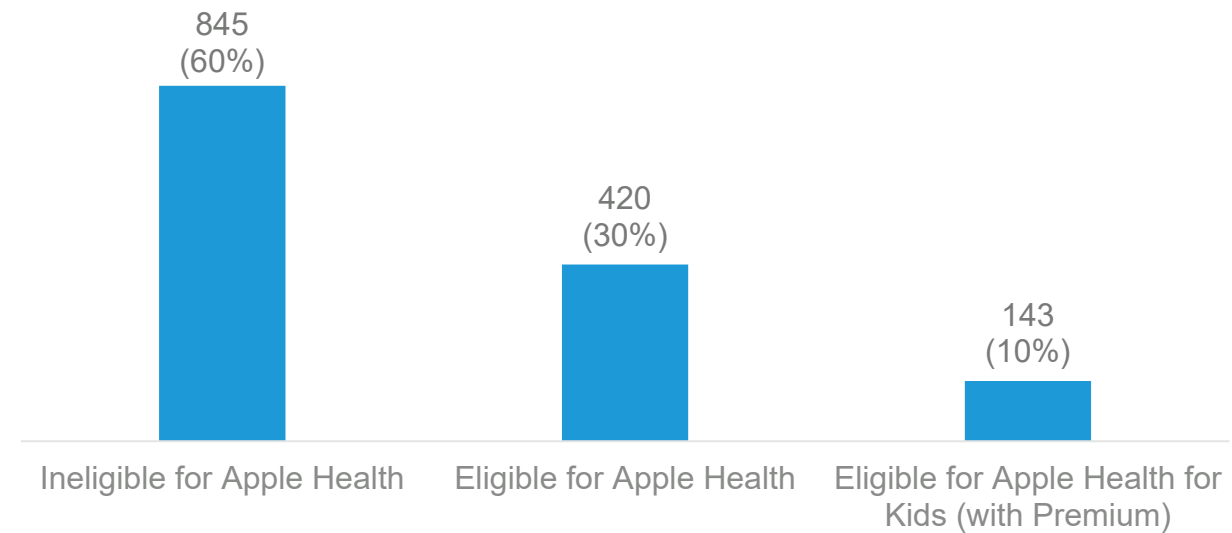


\* Percent error margin is greater than ±10 percent.

## New Evidence

Ineligibility for public coverage is a key driver of insurance gaps among home care workers' dependents overall: **60 percent of home care workers' uninsured dependents are ineligible for Apple Health.**

### Apple Health Eligibility Among Uninsured Dependents of Home Care Workers in Washington, 2019



\* Percent error margin is greater than  $\pm 10$  percent.

1

## **Ensure health care coverage for children and young people.**

Summary: A dependent health insurance benefit will bridge the coverage gap among home care workers' children—ensuring that they can access the health services that every child in Washington State needs and deserves.



**2**

**Improve the competitiveness of  
home care jobs.**



## Background Context

- Dependent care coverage is almost universally offered to employees who are eligible for single health insurance coverage: 98.6% of all workers who were eligible for single coverage were also offered coverage for their dependents in 2018.<sup>11</sup>
- Health insurance is consistently ranked the most important benefit for employees across industries:<sup>12</sup>
  - A 2005 study of low-income workers' preferences for employment benefits packages found that both individuals and groups placed health insurance benefits first (followed by paid vacation, retirement, and disability pay).
  - When asked in a 2016 survey what benefits they would prioritize when choosing between a high-paying job and a lower-paying job with better benefits, 88% of respondents from across industries reported that they would give health, dental, and vision insurance “some consideration” (34%) or “heavy consideration” (54%)—higher proportions than for any other benefit on the list.
  - According to a 2019 survey of the Society for Human Resource Management (SHRM)'s membership, 86% of employers believe that health-related benefits are “very important” or “extremely important” to their employees.

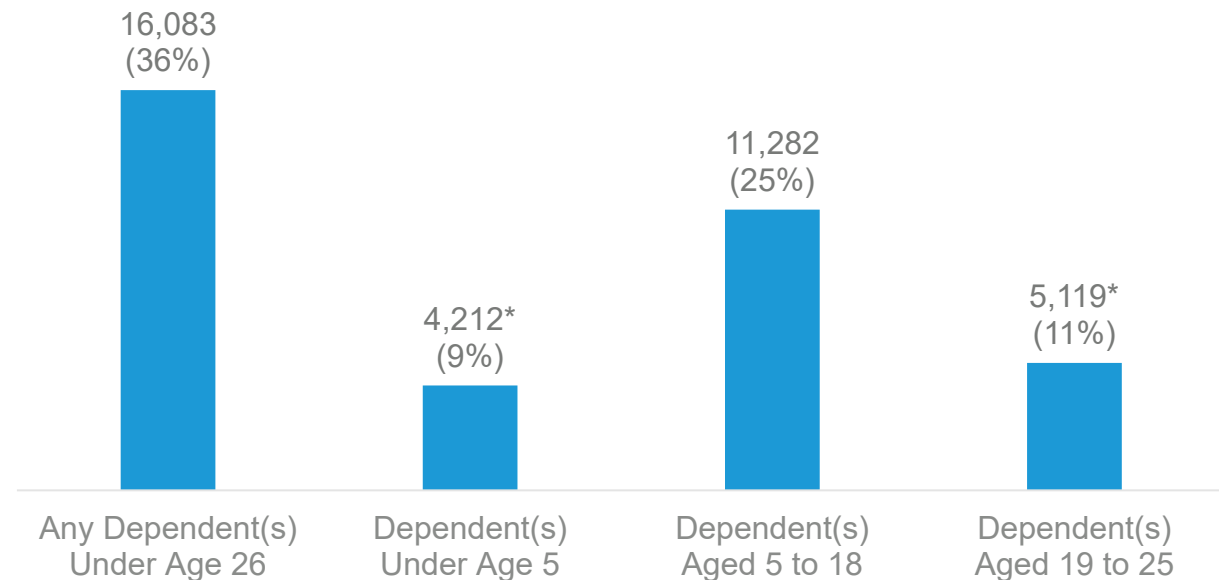
## Background Context, cont'd.

- Employer-provided health insurance benefits are positively associated with retention across industries:<sup>13</sup>
  - In a study using 2008-2018 data from the Current Population Survey, researchers found that employer-sponsored health insurance was associated with one additional year of job tenure across the sample.
  - An analysis of the impact of the ACA's dependent coverage mandate estimated that ~290,000 parents aged 55-66 delayed retirement by an average of 0.74 years in order to take advantage of the policy.
- Research in home care specifically has shown that employer-sponsored health insurance impacts job satisfaction, turnover intentions, and actual turnover (along with wages and other factors):<sup>14</sup>
  - An analysis of the 2007 National Home Health Aide Survey (NHHAS) found that health insurance availability, as well as training and other organizational supports, was an important predictor of job satisfaction.
  - Another analysis of the NHHAS found that job satisfaction, consistent case assignment, and provision of health insurance were associated with lower intent to leave the job.
  - A study of home care workers in Maine published in 2009 found that those with employer-provided health insurance were nearly twice as likely to express intent to remain in their jobs (11% versus 6%); and those who left their jobs were more likely than those who stayed to have obtained coverage elsewhere (16% versus 1%).

## New Evidence

Just over **16,000 home care workers have children** living at home. This is a large segment of the workforce that may be more likely to stay if offered a dependent coverage benefit.

**Home Care Workers with Dependents in Washington  
by Dependent Age Group, 2019**

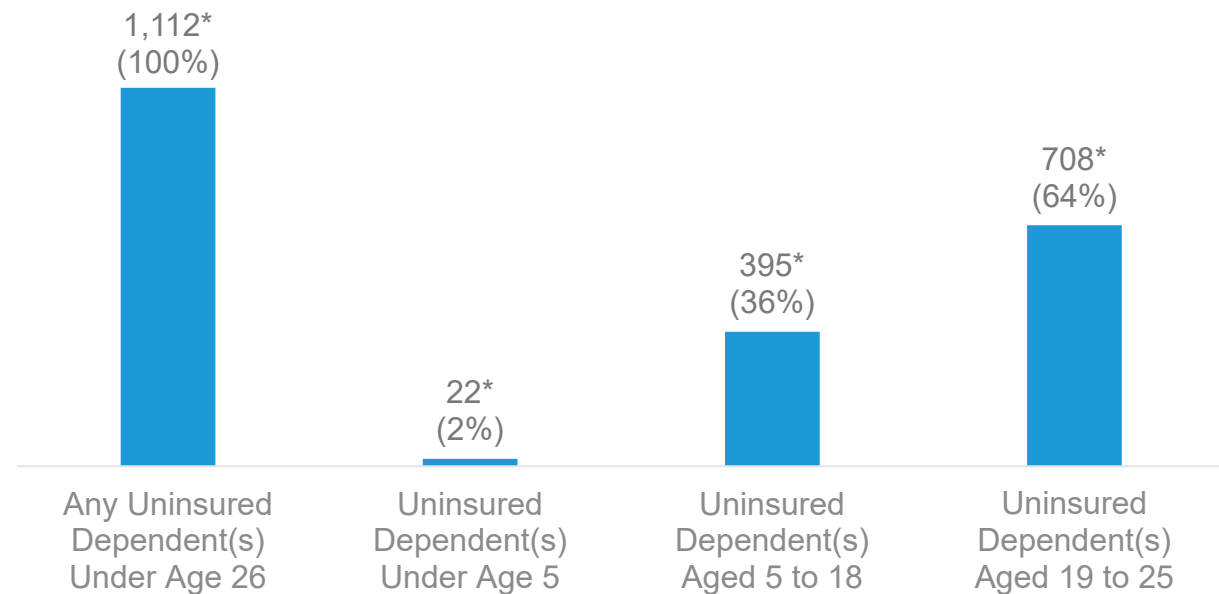


\* Percent error margin is greater than  $\pm 10$  percent.

# New Evidence

Among the 16,083 home care workers who will be eligible for the dependent health insurance benefit, more than **1,000 (7 percent)** have **dependents who are currently uninsured.**

Home Care Workers with Uninsured Dependents in Washington by Dependent Age Group, 2019



\* Percent error margin is greater than  $\pm 10$  percent.

”

If it's not feasible and if it's not emergent, we're going to put it off. And then that can delay treatment for whatever it is, whether it be mental health or an accident or something... It comes back to that stress level and having that extra bill that you know you can't really pay for.

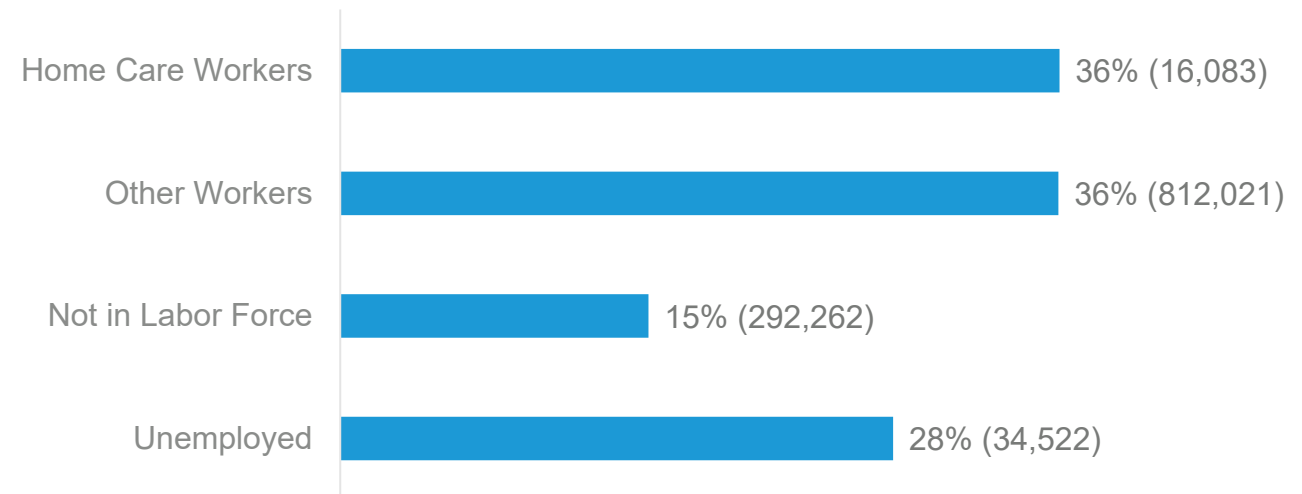
*Home Care Worker in Washington State<sup>15</sup>*

”

# New Evidence

A dependent health insurance benefit could attract parents from occupations with similar entry-level requirements, as well as those who are unemployed or out of the labor force: **a potential labor pool of nearly 1.3 million people.**

**Parents with Dependents by Occupation and Labor Force Participation Status in Washington, 2019**



\* Percent error margin is greater than  $\pm 10$  percent. “Other workers” refers to workers in occupations with similar entry-level requirements to home care worker jobs, (i.e., O\*NET Job Zones 1 through 3). O\*NET. 2022. O\*NET 26.2 Database. <https://www.onetcenter.org/database.html#all-files>; analysis by PHI (March 2022).

# New Evidence

A dependent health insurance benefit would be especially attractive to parents with *uninsured* dependents who are currently working in other occupations, unemployed, or out of the labor force (**72,000 people**).

Parents with Uninsured Dependents by Occupation and Labor Force Participation Status in Washington, 2019



\* Percent error margin is greater than  $\pm 10$  percent. “Other workers” refers to workers in occupations with similar entry-level requirements to home care worker jobs, (i.e., O\*NET Job Zones 1 through 3). O\*NET. 2022. O\*NET 26.2 Database. <https://www.onetcenter.org/database.html#all-files>; analysis by PHI (March 2022).

2

## **Improve the competitiveness of home care jobs.**

Summary: Adding a dependent health insurance benefit will improve recruitment and retention in the home care workforce, especially among younger jobseekers and workers.



**3**

**Enhance equity for home care workers and their children.**

## Background Context

- Washington State's home care workforce is primarily female (84%), people of color (35%), and immigrants (30%).<sup>16</sup>
- National research reveals that disparities due to gender, race/ethnicity, and nationality persist within this already marginalized workforce: notably, women of color (who comprise 53% of all direct care workers) are more likely to live in or near poverty than men and white women.<sup>17</sup>
- National research has also shown that immigrant workers overall are particularly at risk of *not* accessing public health insurance coverage due to the chilling effect of restrictive immigration policies.<sup>18</sup>
- Uninsurance rates among children vary by race/ethnicity and citizenship, so extending dependent health insurance benefits to home care workers will directly enhance equity among children.<sup>19</sup>
- Addressing equity for the home care workforce aligns with Washington State's demonstrated commitment to advancing diversity, equity, and inclusion overall.<sup>20</sup>

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I firmly believe Washington will be an anti-racist state, and I will be taking actions that hold our state to that commitment. We need our policies and budget to reflect our dedication toward disrupting the harmful systemic cycle of racism and inequity.

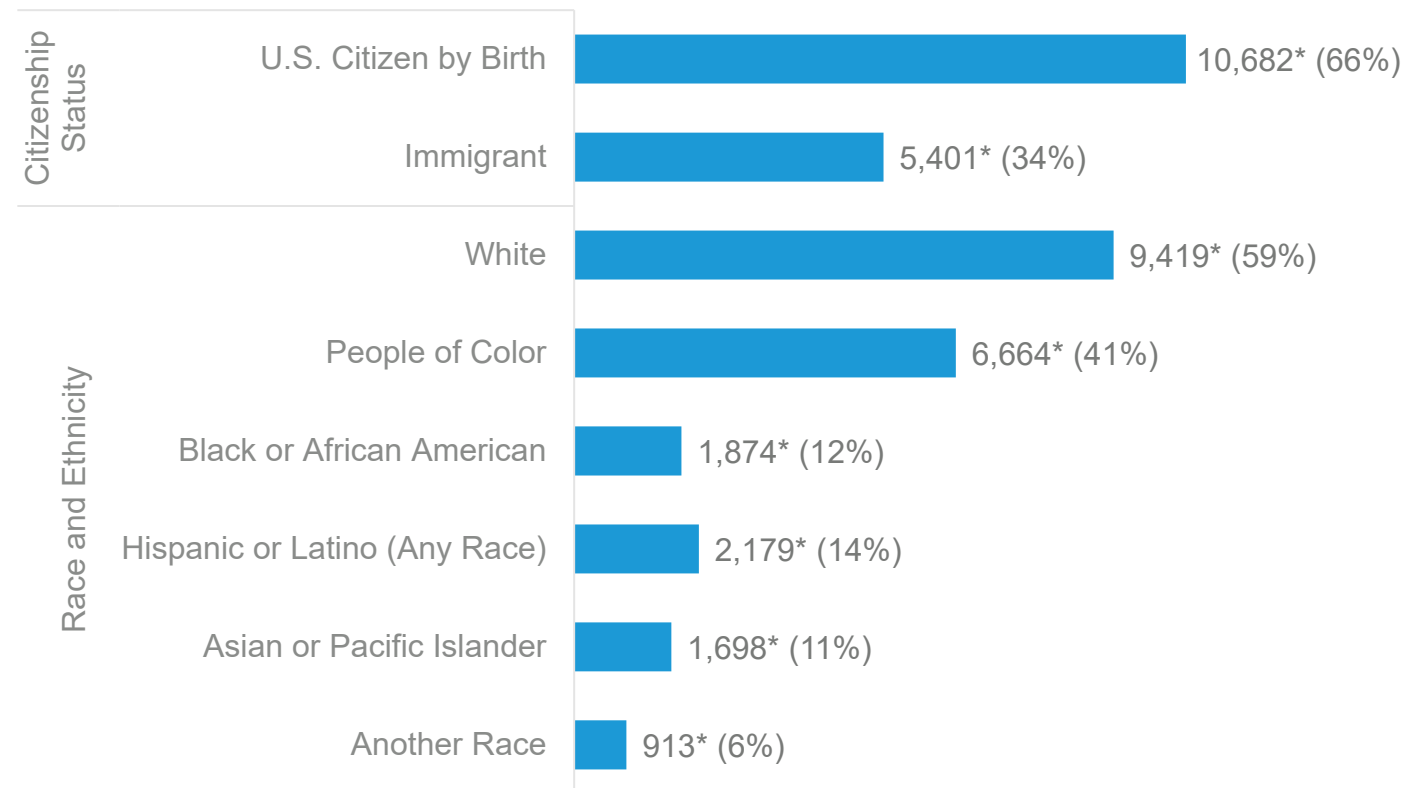
*Governor Jay Inslee, 2020<sup>21</sup>*

”

# New Evidence

Thousands of home care workers from marginalized communities would be impacted by the dependent health insurance benefit: **two in five home care workers who are parents are people of color and one in three are immigrants.**

## Home Care Workers with Dependents by Race/Ethnicity and Citizenship Status, 2019

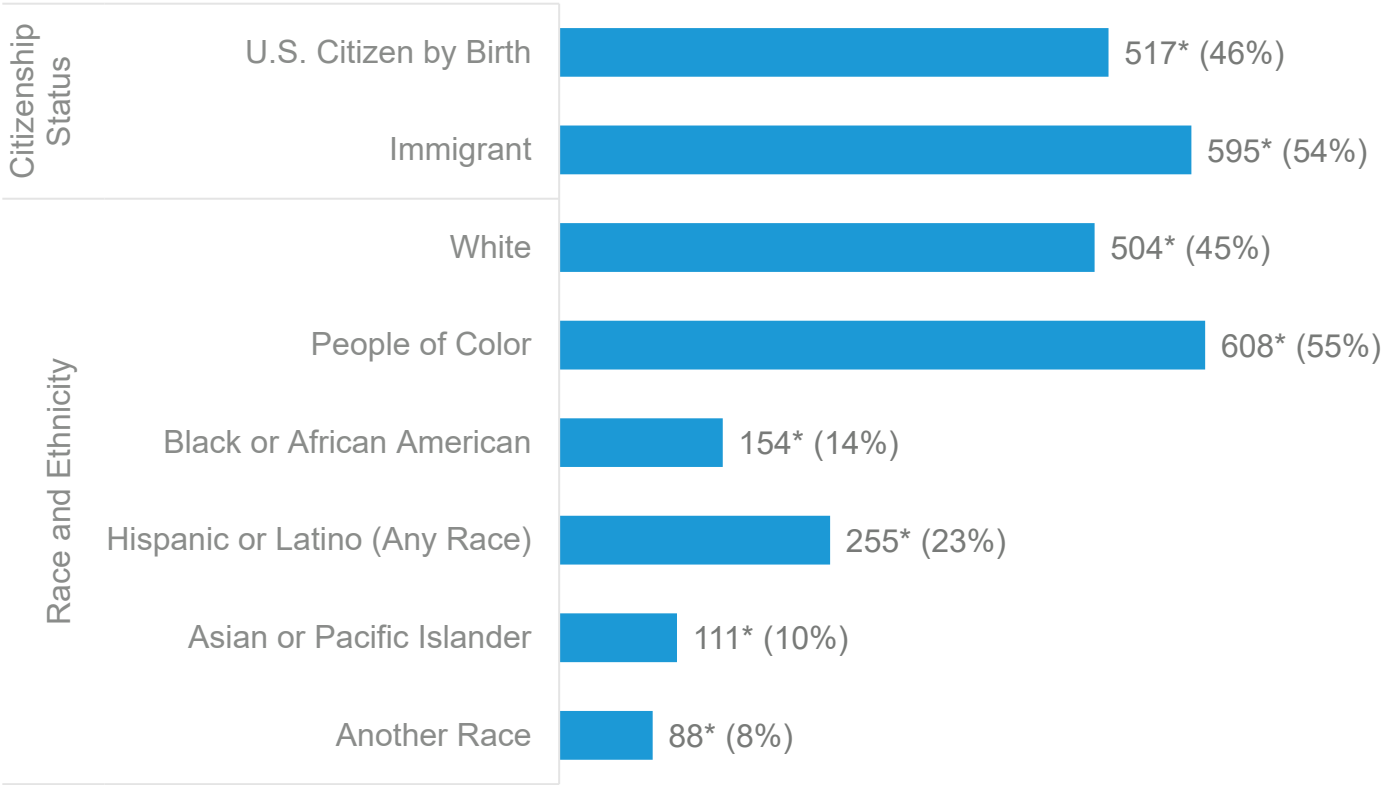


\* Percent error margin is greater than  $\pm 10$  percent.

# New Evidence

The equity impact of a dependent health insurance benefit will be even greater for home care workers with uninsured dependents: **more than half of those with uninsured dependents are people of color and a third are immigrants.**

Home Care Workers with Uninsured Dependents by Race/Ethnicity and Citizenship Status, 2019



\* Percent error margin is greater than ±10 percent.



**3**

## **Enhance equity for home care workers and their dependents.**

Summary: A dependent health insurance benefit is a key way to address the longstanding inequities and disparities faced by home care workers as primarily women, people of color, and immigrants.



**4**

**Support consistent family health insurance coverage.**

## Background Context

- Research shows that parents prefer to have their children enrolled in the same health insurance plan if possible:<sup>22</sup>
  - A 2015 focus group study on what low- to middle-income parents value in their children’s health insurance coverage found that parents prioritize broad benefits and low costs—but within those parameters, they also prefer to be on the same plan as their children, citing the convenience of managing one set of benefits, obtaining care from the same providers within the same network, and being able to call a single number for any family member.
- According to 2018 review of the literature on health care access for low-income families, “complications with health insurance”—such as complications related to managing various insurance plans within the family—is a key barrier to adequate access (along with lack of education and mistrust of health care providers).<sup>23</sup>
- Health outcomes are better for adults from fully insured families than from families with varying coverage:<sup>24</sup>
  - A 2008 study of longitudinal data from the Survey of Income and Program Participation found that adults from families that include other uninsured members were more likely to report poor health than adults from full-coverage families; the researchers conclude that “policymakers should consider refocusing public and private insurance coverage goals to include full-family coverage.”



“

Being on the same health plan, it makes it a lot more streamlined, I guess. Instead of having four or six cards I have to dig around in my wallet for, I have one. If I go in somewhere and for some reason forget my wallet, don't have the card, I can let them know, “hey it's the same thing that I'm on, same plan.” They already had that information there. And then the premiums being all together. So, it's just more streamlined, I guess.

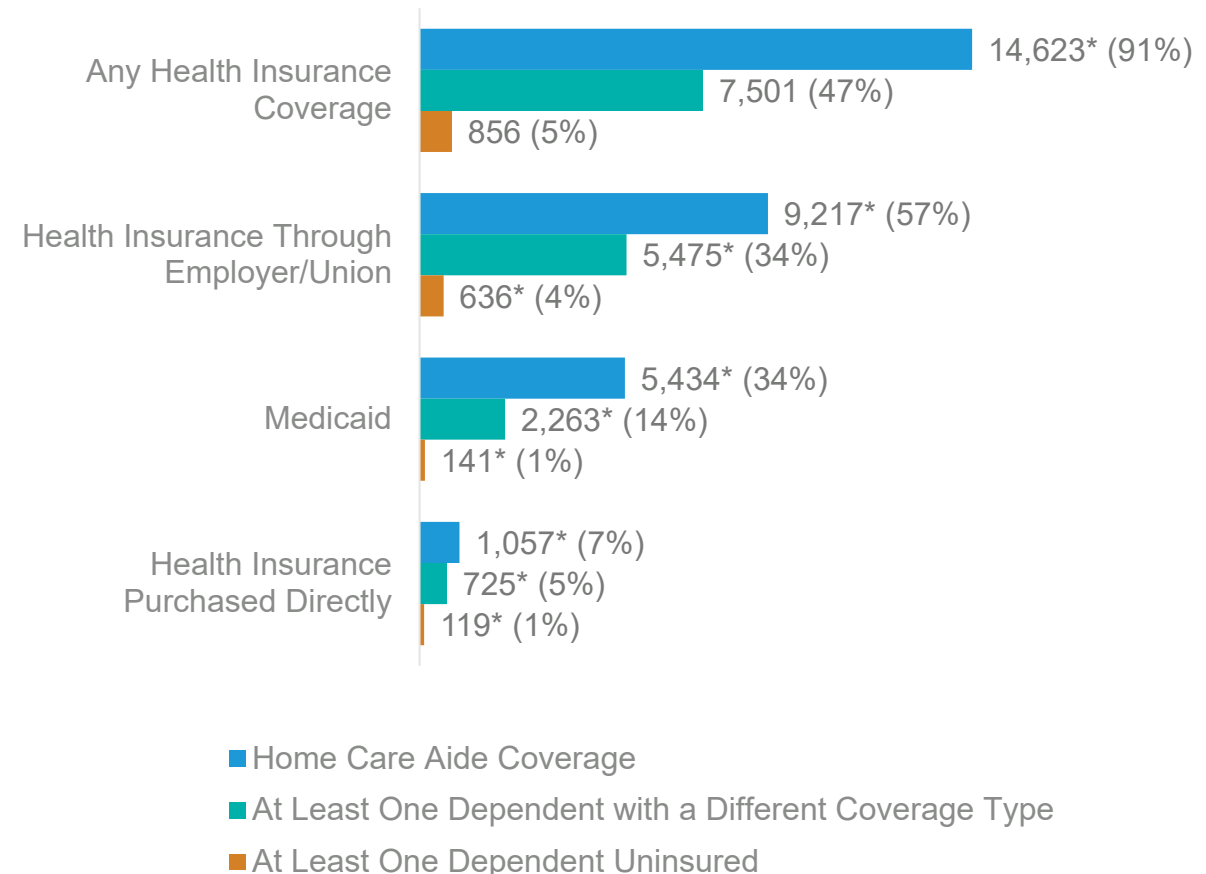
*Home Care Worker in Washington<sup>25</sup>*

”

# New Evidence

More than half of Washington’s home care workers with dependents would have improved access to consistent family coverage through the introduction of a dependent health insurance benefit, **including 7,500 workers who have a different source of coverage than their dependents** and nearly 1,000 who have an uninsured dependent.

## Health Insurance Coverage Consistency among Home Care Workers and Their Dependents by Coverage Type, 2019



\* Percent error margin is greater than ±10 percent.

**4**

## **Support consistent family health insurance coverage.**

Summary: By enabling home care workers and their children to be on the same insurance plans, a dependent health insurance benefit will meet workers' preferences and potentially improve their health care access and outcomes as well.



**5**

**Support financial independence  
for home care workers.**

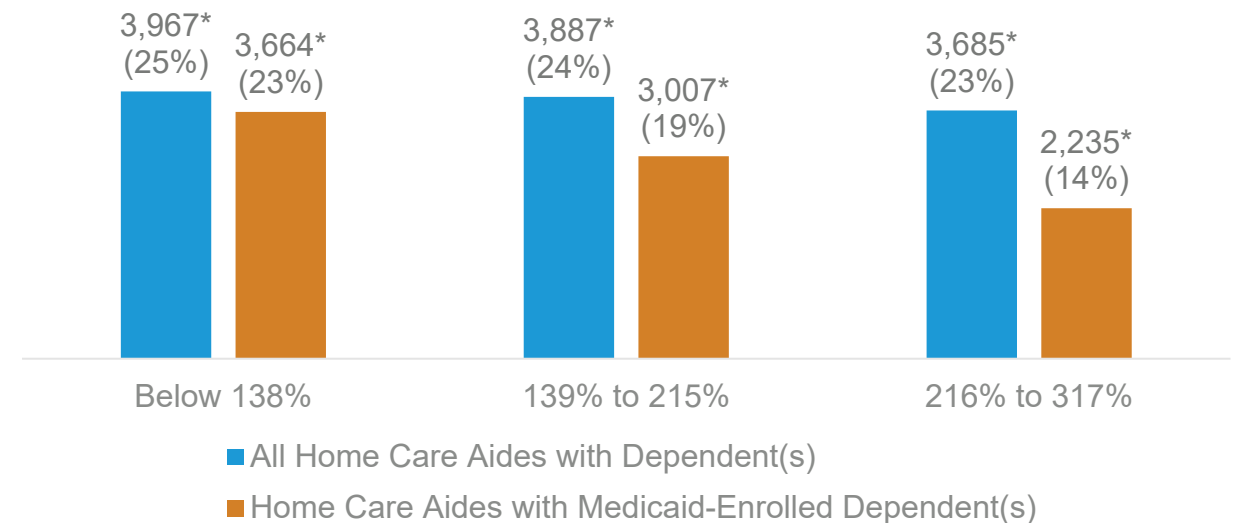
## Background Context

- Nearly half (43%) of Washington State’s home care workforce lives in or near poverty (below 200% of the federal poverty level) and 52% access public assistance to meet their basic needs (including food and nutrition assistance [31%] and/or Medicaid [25%]).<sup>26</sup>
  - As a result, benefit cliffs are a significant risk for this workforce, as for other low-wage workers—meaning that home care workers must carefully manage their working hours and wages to avoid losing their essential economic supports.<sup>27</sup>
  - Income volatility (e.g., due to benefit cliffs) has negative consequences for parents’ and children’s stress, parenting patterns, and child development, as well as being associated with a range of social determinants of health.<sup>28</sup>
- As well as promoting financial independence from the state, employer-sponsored insurance is one way for workers to achieve financial autonomy in their relationships, which reduces the risks of experiencing intimate partner violence and staying in or returning to an abusive relationship.<sup>29</sup>
  - For example: 73% of respondents in a 2018 survey of survivors of intimate partner violence reported staying with their abusive partner because of financial reasons.

# New Evidence

Currently, the majority (55 percent) of home care workers who are parents are at heightened risk of benefits cliffs and plateaus because they live in or near poverty and have at least one dependent who is enrolled in Medicaid.

Home Care Workers with Dependents and Medicaid-Enrolled Dependents, by Poverty Level, 2019



\* Percent error margin is greater than ±10 percent.



5

## **Support financial independence for home care workers.**

Summary: Adding a dependent coverage benefit will mitigate the risk of benefits cliffs for home care workers, promote their financial stability, support pathways to independence, and bolster the health and wellbeing for them and their children.

# References

1. AARP Research. 2018. *2018 Home and Community Preferences Survey: A National Survey of Adults Age 18-Plus*. Available online: [https://www.aarp.org/content/dam/aarp/research/surveys\\_statistics/liv-com/2018/home-community-preferences-survey.doi.10.26419-2Fres.00231.001.pdf](https://www.aarp.org/content/dam/aarp/research/surveys_statistics/liv-com/2018/home-community-preferences-survey.doi.10.26419-2Fres.00231.001.pdf).
2. AARP Foundation, The Commonwealth Fund, The Scan Foundation, and AARP. 2020. "Washington State Rankings." Available online: <http://www.longtermcorecard.org/databystate/state?state=WA>; Murray, Caitlin, Alena Tourtellotte, Debra Lipson, and Andrea Wysocki. 2018. *Medicaid Long Term Services and Supports Annual Expenditures Report: Federal Fiscal Years 2017 and 2018*. Chicago, IL: Mathematica. Available online: <https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltssexpenditures-2017-2018.pdf>; WA Cares Fund. 2021. *WA Cares Fund*. Available online: <https://wacaresfund.wa.gov/>.
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TAB 5



# Health Benefits Trust

Rate Setting



5/10/2022

Confidential and proprietary  
information. For SEIU 775  
Benefits Group Trustees and  
Employees only



Luz C.  
Caregiver,  
Richland



# Agenda

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- Health Benefits Trust Overview
- Baseline Model
- Dependent Coverage Model



# SEIU 775 Benefits Group Health Benefits Trust (HBT)

## Who We Are



**Health**



- Taft-Hartley Trust that administers health, wellness and safety benefits to home caregivers in Washington state and Montana.
- Purchaser of health insurance.
- Provide individual health insurance coverage to 22,500 people in Washington state for \$25 monthly caregiver co-premium.
- Provide wellness and safety programs to 57,000 home caregivers in Washington state.
- Focus on improving member health through value-based purchasing and innovative programs.



# Trust Governance

## Labor Management Partnership



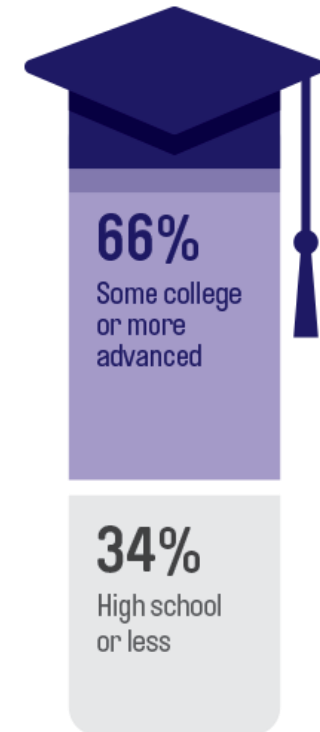
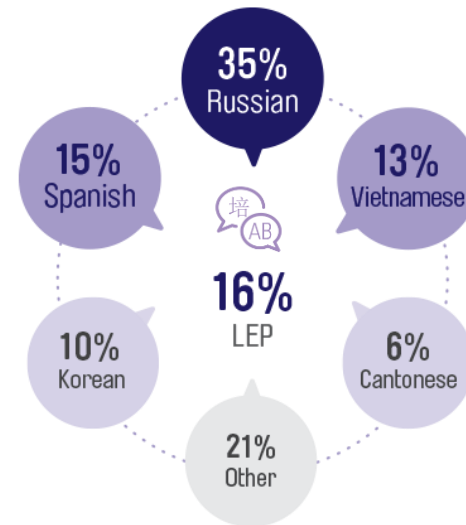
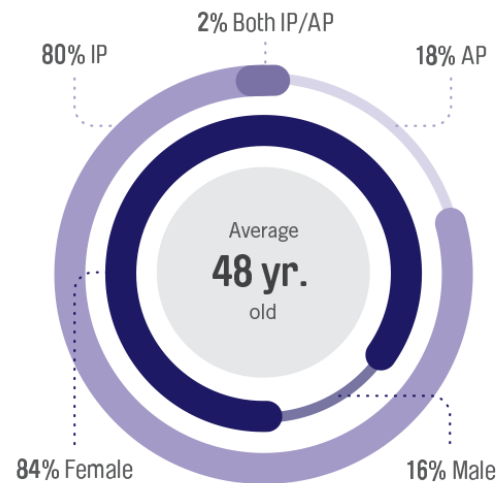
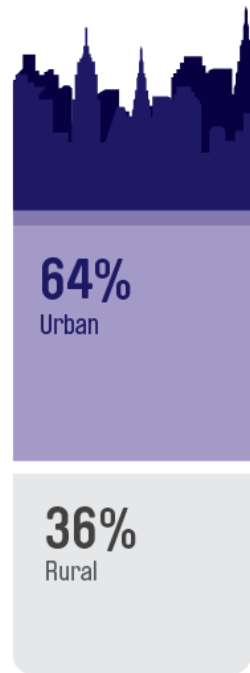
The Health Trust is governed by a labor-management partnership made up of representatives of the State, Employers, caregivers, and SEIU 775.



Health Trustees work together to develop the Trust strategy and have fiduciary responsibility for the use of Trust funds to provide health and wellness benefits for the workforce.

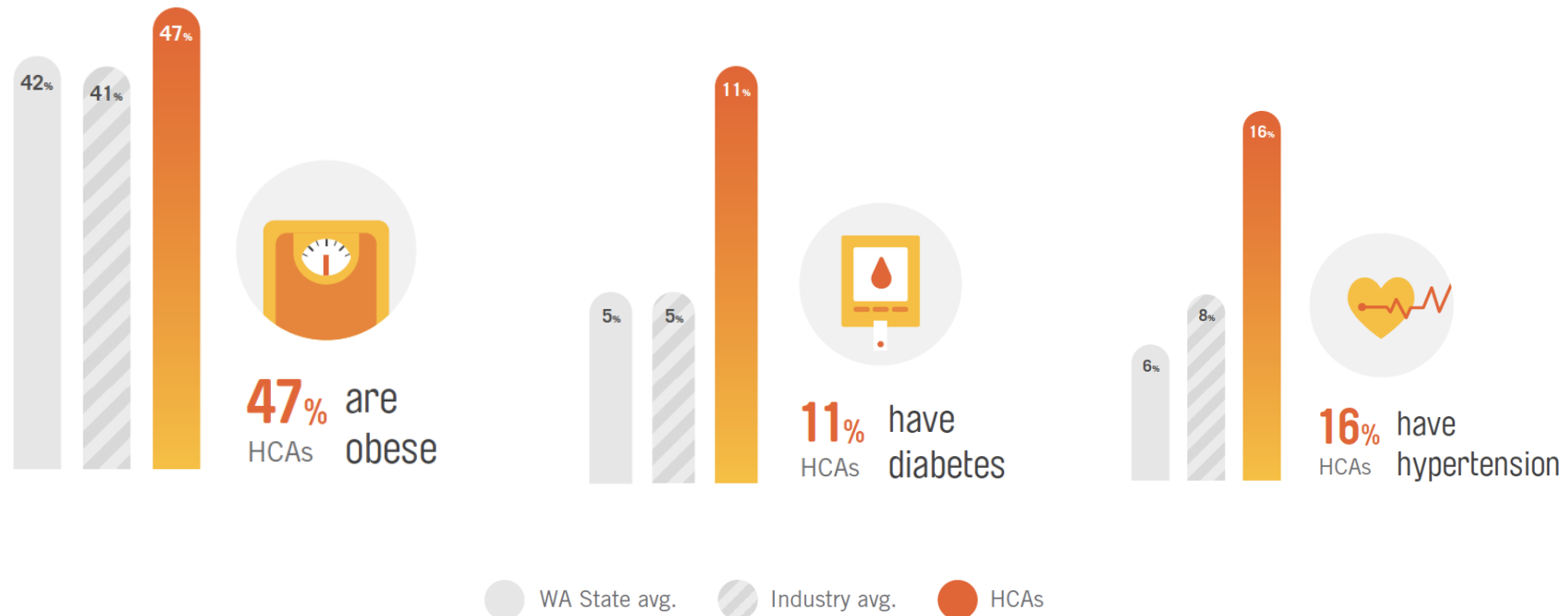
# HBT Population

Serving a Diverse Population



# HBT Population

Caregivers Face Significant Health Disparities



# HBT Strategy



Increase  
Access to  
Affordable  
Care



Increase the  
Value of  
Care



Improve the  
Health &  
Safety of  
Caregivers



Advance  
Trust  
Operational  
Excellence

# HBT Plan Structure

## Financing Health Care

### Fully Insured

#### Flat Monthly Premium

- Premium Rates Includes:
  - Administration + Margin
  - Pooling (Stop Loss) Charge
  - Taxes & Fees
  - Medical Claims
  - Rx Claims

**Insurer** responsible for gains and losses

### Self-Insured

#### Flat Monthly Fixed Costs/Variable Claims

- Budget Rates Includes:
  - Administration
  - Stop Loss Premium
  - Taxes & Fees
  - Medical Claims
  - Rx Claims

**HBT** responsible for gains and losses

**HBT is a self-insured plan**

# HBT Benefits

## Serving the Whole Person

### Health Insurance for over 22,500 Caregivers:

- Medical and behavioral health coverage with zero or low co-pay.
- Prescription drug benefits.
- Dental coverage.
- Vision benefits.
- Hearing aid coverage.
- Virtual behavioral health visits.
- Bariatric surgery benefits.
- Infertility coverage.

### Wellness & Safety Programs for over 57,000 Caregivers:

- Annual slip-resistant safety shoes.
- Virtual behavioral health text-based coaching.
- Referrals to social supports.
- Web-based mindfulness coaching.

### Upcoming benefit changes

- Implementation of dental benefit for child dependents with coverage beginning in August 2022.



# Health Coverage Cost Models



# Baseline Model



Melissa E.  
Caregiver  
Seattle



# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.		
Enrollment Growth	Enrollment in health plan.		
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.		
FMLA/PFML Rate	Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility.		
Dependent Dental	Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.		
Reserve	Taft Hartley Trusts must maintain reserve of assets to cover obligations for health claims and risks.		

# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.	4.5% annual growth	Hours Trends and State data
Enrollment Growth	Enrollment in health plan.		
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.		
FMLA/PFML Rate	Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility.		
Dependent Dental	Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.		
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# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.	4.5% annual growth	Hours Trends and State data
<b>Enrollment Growth</b>	<b>Enrollment in health plan.</b>	<b>4.5% annual growth</b>	<b>Match to hours growth Historical trend</b>
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.		
FMLA/PFML Rate	Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility.		
Dependent Dental	Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.		
Reserve	Taft Hartley Trusts must maintain reserve of assets to cover obligations for health claims and risks.		

# HBT Enrollment Growth

Year	Hours Growth	Enrollment Growth
2021	4.2%	2.7%
2020	5.8%	8.3%
2019	5.1%	6.5%
2018	4.3%	5.1%

# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.	4.5% annual growth	Hours Trends and State data
Enrollment Growth	Enrollment in health plan.	4.5% annual growth	Match to enrollment Historical trend
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.	5.3% Medical Trend 3.0% Administrative Increase	Price Waterhouse Cooper, Segal, Buck, Current HBT Carriers
FMLA/PFML Rate	Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility		
Dependent Dental	Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.		
Reserve	Taft Hartley Trusts must maintain reserve of assets to cover obligations for health claims and risks.		



# Medical Trend

**Medical Trend Definition:** The projected percentage increase in the cost to treat patients from one year to the next, assuming benefits remain the same.\*

Trend takes into account various factors, including:

- New treatment, therapies, and technologies
- Provider price increases and cost shifting from reduced payment by Medicare and Medicaid
- Increased demand from increased health risks due to aging population and/or rise in obesity
- Greater emphasis on detection and diagnosis

# Medical Trend Benchmarks

## National Trend Surveys:

- Buck National Healthcare Trend Survey: Weighted Trend 7.4%
- Segal Health Plan Cost Trend Survey 2022: Weighted Trend 7.3%
- PwC Medical cost trend: 6.5%

HBT Carrier Weighted Trend: 7.3%

**The Trust predicts the impacts of deferred COVID care will be diminishing in FY24 and FY25, therefore the Trust is projecting a 5.3% medical trend**

## All Other Benefits/Expenses are 3%:

- Network Access
- Dental Claims
- Hearing Aid Claims
- Shoe Benefit
- Other Wraparound Benefits
- Plan Administration

# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.	4.5% annual growth	Hours Trends and State data
Enrollment Growth	Enrollment in health plan.	4.5% annual growth	Match to enrollment Historical trend
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.	5.3% Medical Trend 3.0% Administrative Increase	Price Waterhouse Cooper, Segal, Buck, Current HBT Carriers
<b>FMLA/PFML Rate</b>	<b>Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility.</b>	<b>1.6% utilization</b>	<b>Current utilization Federal utilization</b>
Dependent Dental	Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.		
Reserve	Taft Hartley Trusts must maintain reserve of assets to cover obligations for health claims and risks.		

# FMLA/PFML Utilization and Benchmark

Month	FMLA/PMLA Utilization Rate
1/1/21	0.34%
2/1/21	0.32%
3/1/21	0.54%
4/1/21	0.74%
5/1/21	0.83%
6/1/21	1.01%
7/1/21	1.19%
8/1/21	1.20%
9/1/21	1.25%
10/1/21	1.26%
11/1/21	1.61%
12/1/21	1.61%

## National Benchmark and Findings

In July 2020, the Department of Labor reported on the findings of the most recent Family and Medical Leave Act National survey (2018).

- 15% of U.S. employees report taking leave for a qualifying FMLA reason in the past 12 months.
- Low-wage employees report needing but not taking leave for a qualifying FMLA reason more often than other employees.

# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.	4.5% annual growth	Hours Trends and State data
Enrollment Growth	Enrollment in health plan.	4.5% annual growth	Match to enrollment Historical trend
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.	5.3% Medical Trend 3.0% Administrative Increase	Price Waterhouse Cooper, Segal, Buck, Current HBT Carriers
FMLA/PFML Rate	Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility.	1.6% utilization	Current utilization Federal utilization
<b>Dependent Dental</b>	<b>Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.</b>	<b>9,600 dependents 1,317 new caregivers</b>	<b>Trustee approved plan design HBT survey data</b>
Reserve	Taft Hartley Trusts must maintain reserve of assets to cover obligations for health claims and risks.		



# Baseline Assumptions

Element	Description	Assumption	Data Source/Benchmarks
Hours	Number of hours expected each year.	4.5% annual growth	Hours Trends and State Data
Enrollment Growth	Enrollment in health plan.	4.5% annual growth	Match to enrollment Historical trend
Medical and Cost Trends	Increases to medical, prescription, stoploss and other costs borne by the trust.	5.3% Medical Trend 3.0% Administrative Increase	Price Waterhouse Cooper, Segal, Buck, Current HBT Carriers
FMLA/PFML Rate	Coverage extension to participants during qualified FMLA/PFML leave. Employer responsibility.	1.6% utilization	Current utilization Federal utilization
Dependent Dental	Additional benefit for child dependents of enrolled caregivers beginning 8/1/2022.	9,600 dependents 1,317 new caregivers	Trustee approved plan design HBT survey data
Reserve	<b>Taft Hartley Trusts must maintain reserve of assets to cover obligations for health claims and risks.</b>	<b>Remain within reserve threshold</b>	<b>Trustee evaluation of risk Milliman white paper</b>

# Reserves

## Taft Hartley Benchmark

- Self-funded health plans are legally required to hold money in reserves.
- Taft-Hartley trusts across the nation take into account many considerations when determining reserve levels.
- The most recent Milliman Reserve study found that Taft-Harley trusts of similar size hold 11.5 months of reserves.
- HBT faces unique risks based on its funding cycle, variable population, and self-funded status which require additional risk management considerations.
- Accordingly, HBT Trustees have set a target unobligated reserve of between 8-11 months of assets to cover financial obligations for health claims and potential risks.

# Baseline Funding Need

Element	Assumption
Hours	4.5% annual growth
Medical & Cost Trends	5.3% Medical Trend 3.0% Administrative Increase
Enrollment Growth	4.5% annual growth
FMLA/PFML Rate	1.6% utilization
Dependent dental	9,600 dependents 1,317 new caregivers
Reserve	Remain within reserve threshold

Baseline Funding	FY24	FY25
Baseline Funding	\$0.25	\$0.46
Reserve Use	(\$0.25)	(\$0.17)
<b>CPH need</b>	<b>\$0.00</b>	<b>\$0.29</b>

<b>Baseline HBT Rate</b>	<b>\$3.98</b>	<b>\$4.27</b>
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# Child Dependent Coverage



Melissa E.  
Caregiver,  
Seattle

# HBT Strategy



Increase  
Access to  
Affordable  
Care



Increase the  
Value of  
Care



Improve the  
Health &  
Safety of  
Caregivers




Advance  
Trust  
Operational  
Excellence



# HBT Strategy



Increase  
Access to  
Affordable  
Care




Increase the  
Value of  
Care



Improve the  
Health &  
Safety of  
Caregivers



Advance  
Trust  
Operational  
Excellence



**Increase access to affordable, high quality health coverage for caregiver dependents.**

# Dependent Coverage Guiding Principles

**Help home caregivers and their families thrive through equitable benefits of value to a professional workforce.**

## **Guiding Principles:**

- Strategically advance toward the goal of family coverage through a phased approach.
- Achieve equity between caregivers and other professionals in the health care workforce.
- Drive and improve recruitment, retention, and job quality.
- Increase children's access to and continuity of affordable, quality care.
- Use data to drive decision making.

# Dependent Health Care Survey: November 2021

## Study Design

- 506 caregivers completed an online survey assessing interest in dependent care coverage.
- Study population:
  - Caregivers with at least one dependent under age 26.
  - Enrolled in a Benefits Group plan OR eligible for enrollment.
- Oversampled caregivers who preferred a language other than English for communication and eligible caregivers.
- Updated findings from a series of surveys on dependent coverage.



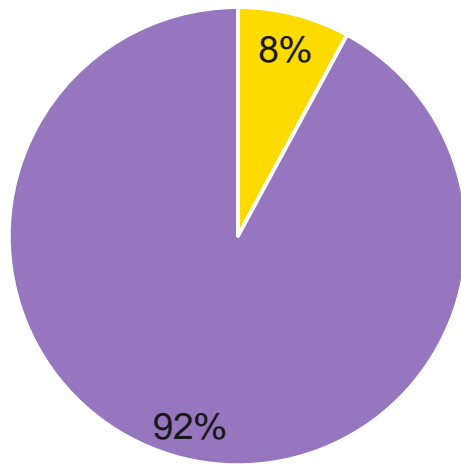
Maureen M.  
Caregiver, Shoreline

# Respondent Demographics

Survey Respondents	
Age	Mean: 46 yrs.
Caregiver type	81% IPs
Hours worked	Mean: 135 hrs./month
Language preference	70% English language
Number of Dependents	Mean: 2 per caregiver
Dependents Age 18 and under	68%

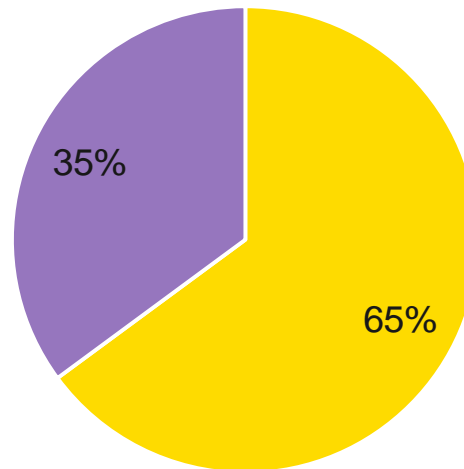
# Dependent Health Care Coverage

Uninsured



- At least 1 uninsured dependent
- No uninsured dependents

Apple Health/Medicaid Coverage



- At least 1 dependent on Medicaid
- No dependents on Medicaid

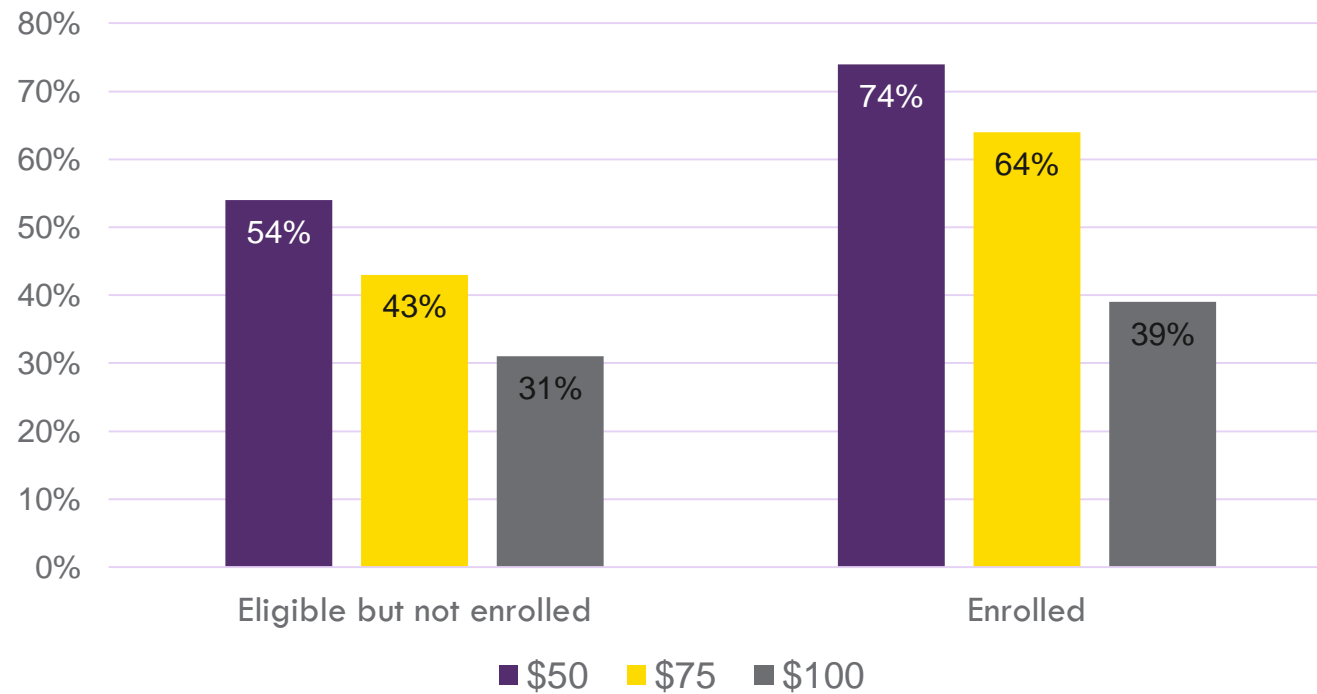
## Key Findings

- 8% of caregivers had at least 1 uninsured dependent.
- Multilingual caregivers were **significantly more likely** to have at least 1 uninsured dependent compared with caregivers who prefer English.



# Interest in Enrolling Dependents

Extremely/somewhat likely to enroll dependents in BG Plan by enrollment status.



## Key Finding

**64%** of enrolled and **43%** of eligible caregivers were interested in enrolling dependents at \$75/month.

# Interest in Enrolling

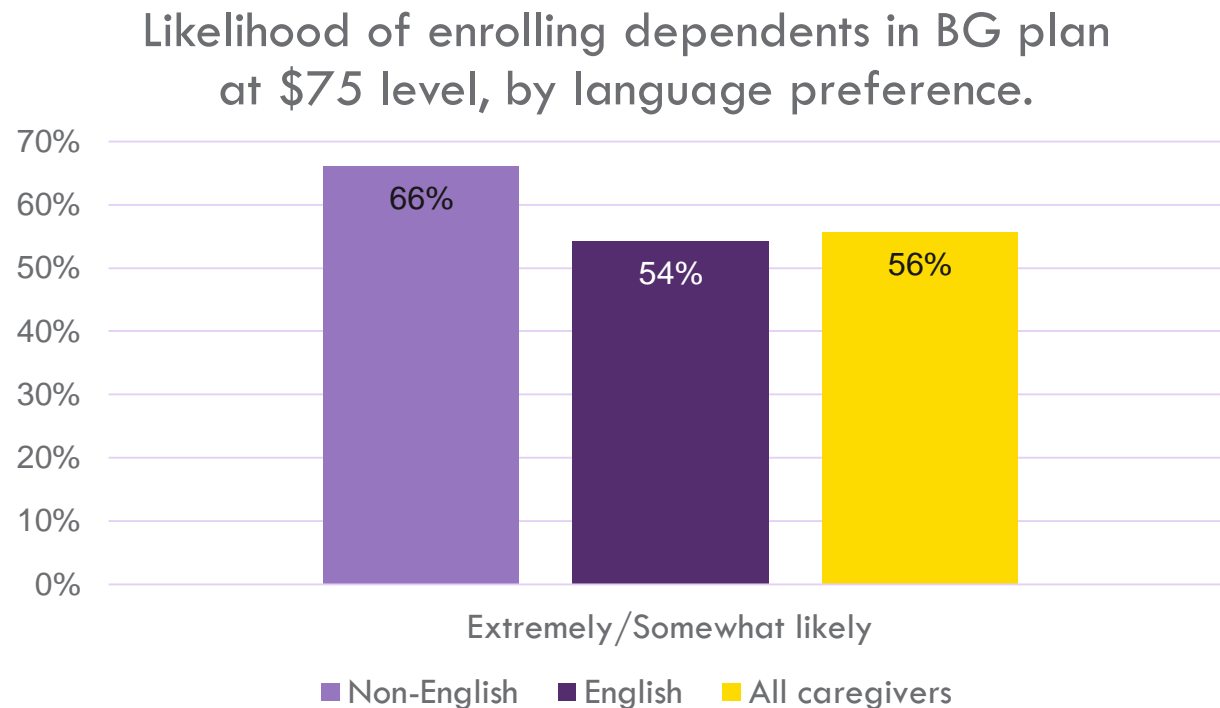
Open ended comments

This is really good insurance, much better than they have through their father, and for a much better price.  
- eligible caregiver

I am losing the plan that currently covers 3 of our 5 family members in January. We are in desperate need of good coverage at a fair price!  
- enrolled caregiver

I will decide based on the monthly payment.  
- eligible caregiver, Korean speaker

# Equity Finding



## Key Finding

Multilingual caregivers had **significantly higher** interest in enrolling dependents.

# Impact on Caregiving Workforce

If dependents  
could get  
coverage through  
BG...

- 68% strongly/somewhat agreed:
- They would feel more satisfied with their job.
- They would be more likely to keep working as a caregiver.

## Key Finding

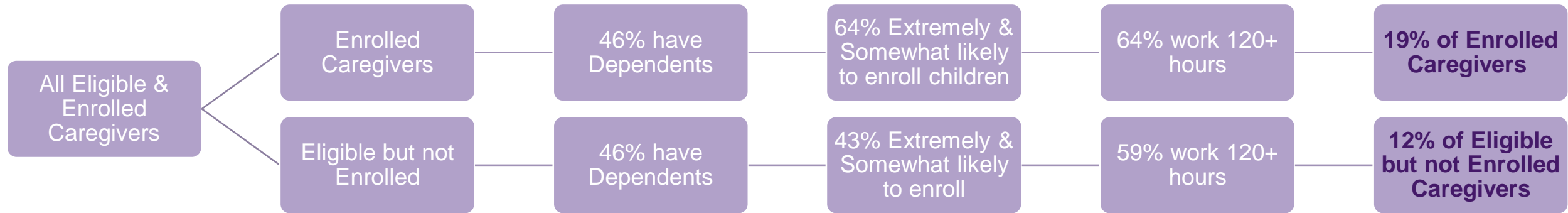
Offering dependent care **may improve** workforce satisfaction and retention.

# HBT Dependent Coverage Model

Element	Description	Assumption	Data Source/Benchmarks
Baseline Need	All elements from baseline model.	All assumptions from baseline model.	Data/benchmarks from baseline model.
Dependent Medical Benefit	Child medical coverage cost based on assumed take-up rate. Assumed implementation of August 2023.		
Reserve	Any impacts to HBT reserve needs based on increased plan obligations related to dependent dental.	Remain within reserve threshold.	Trustee evaluation of risk. Milliman white paper.

# Dependent Medical Coverage

## Research findings

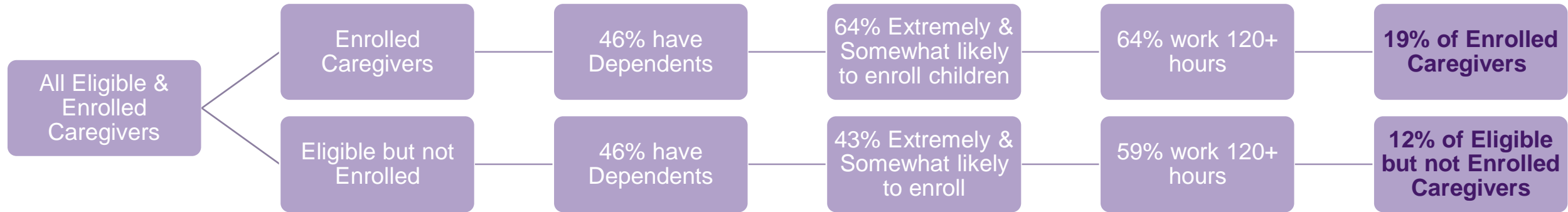


Source: 2021 Dependent Medical Survey



# Dependent Medical Coverage

## Research findings



Total Impact	Number
Caregivers enrolling	1,901
Dependents enrolled	12,830

Source: 2021 Dependent Medical Survey

# Baseline + Dependent Medical Funding Need

Element	Assumption
Baseline Need	All elements from baseline model.
Dependent Medical	19% of Enrolled Caregivers 12% of Eligible but not Enrolled Caregivers
Reserve	Remain within reserve threshold.

Baseline + Dependent Medical Funding	FY24	FY25
Baseline Medical	\$0.25	\$0.46
Dependent Medical	<b>\$0.68</b>	<b>\$1.14</b>
Subtotal	\$0.93	\$1.60
Reserve Use	(\$0.14)	\$0.00
<b>Additional CPH Need</b>	<b>\$0.79</b>	<b>\$1.60</b>

<b>Total HBT Rate</b>	<b>\$4.77</b>	<b>\$5.58</b>
-----------------------	---------------	---------------

# Questions?



Evelyn K.  
Caregiver, Des Moines  
Confidential and proprietary  
information. For SEIU 775  
Benefits Group Trustees and  
Employees only



**TAB 6**



May 2022

# The 2023-25 Budget Story

OFM

OFFICE OF FINANCIAL MANAGEMENT

# OVERVIEW AND PURPOSE

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- 2023-25 biennial budget context
- Revenue unknowns – more to come in June, September and November revenue forecasts
- Caseload and other spending need unknowns – more to come in June and November caseload forecast updates, and agency budget requests due in September
- Budget restrictions
- Budget drivers



# WHAT SHOULD WE EXPECT?

---

## Economic and revenue uncertainty persists

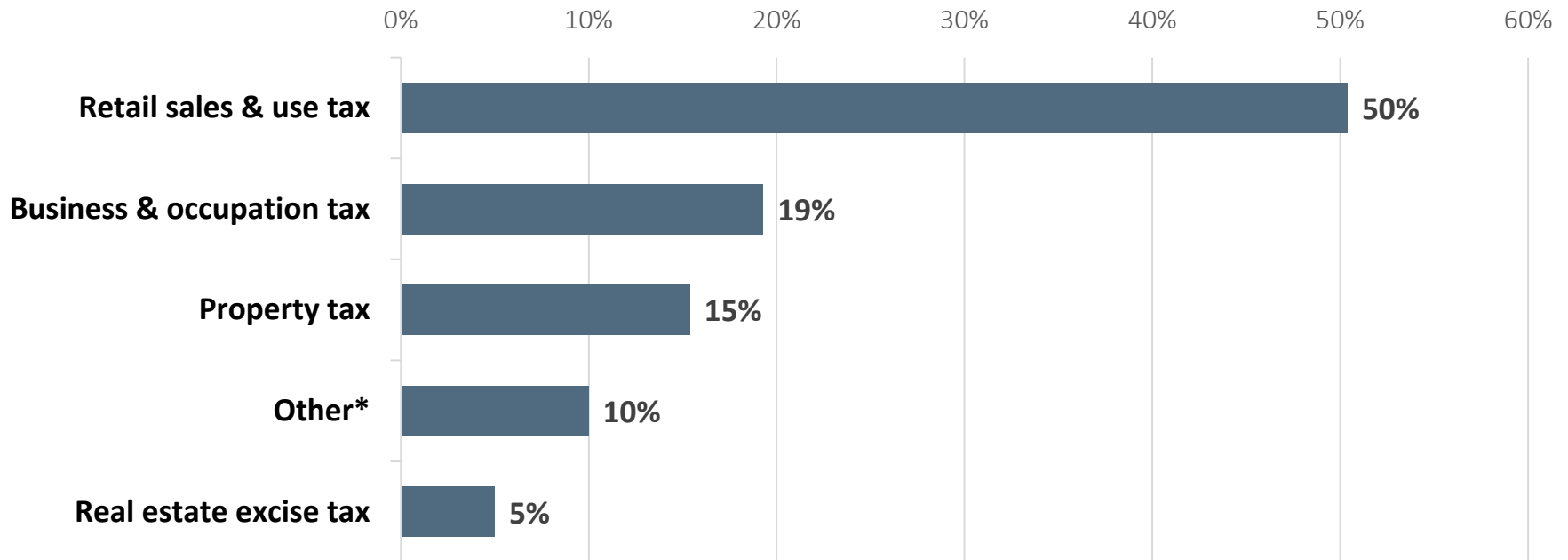
According to the state Economic and Revenue Forecast Council (February 2022)

- Washington employment was 2.5% lower than at its February 2020 peak
- Unemployment rate declined to 4.5% in December from 4.7% in November
- Revenue collections have exceeded expectations
  - Taxable activity was stronger than expected
  - For the current 2021-23 biennium, revenue is \$452 million higher than the November forecast
  - The 2023-25 biennium was increased by over \$1 billion
- Downside to revenue collections forecast
  - COVID concerns
  - War in Ukraine
  - Inflation continues to increase
  - Weak demand causes businesses to slow re-hiring of laid off workers
  - If monetary policy is ineffective
  - Global growth weakens, exports decrease

# MAJOR REVENUE SOURCES - GENERAL FUND STATE

---

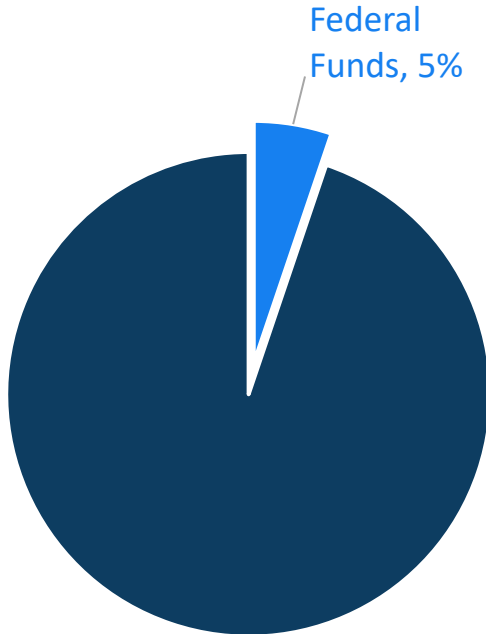
Sources of General Fund State revenue  
2021–23 estimates



\*Other includes revenue from liquor sales, tobacco taxes, insurance premiums, etc.

# FEDERAL COVID-19 RESPONSE FUNDS

---

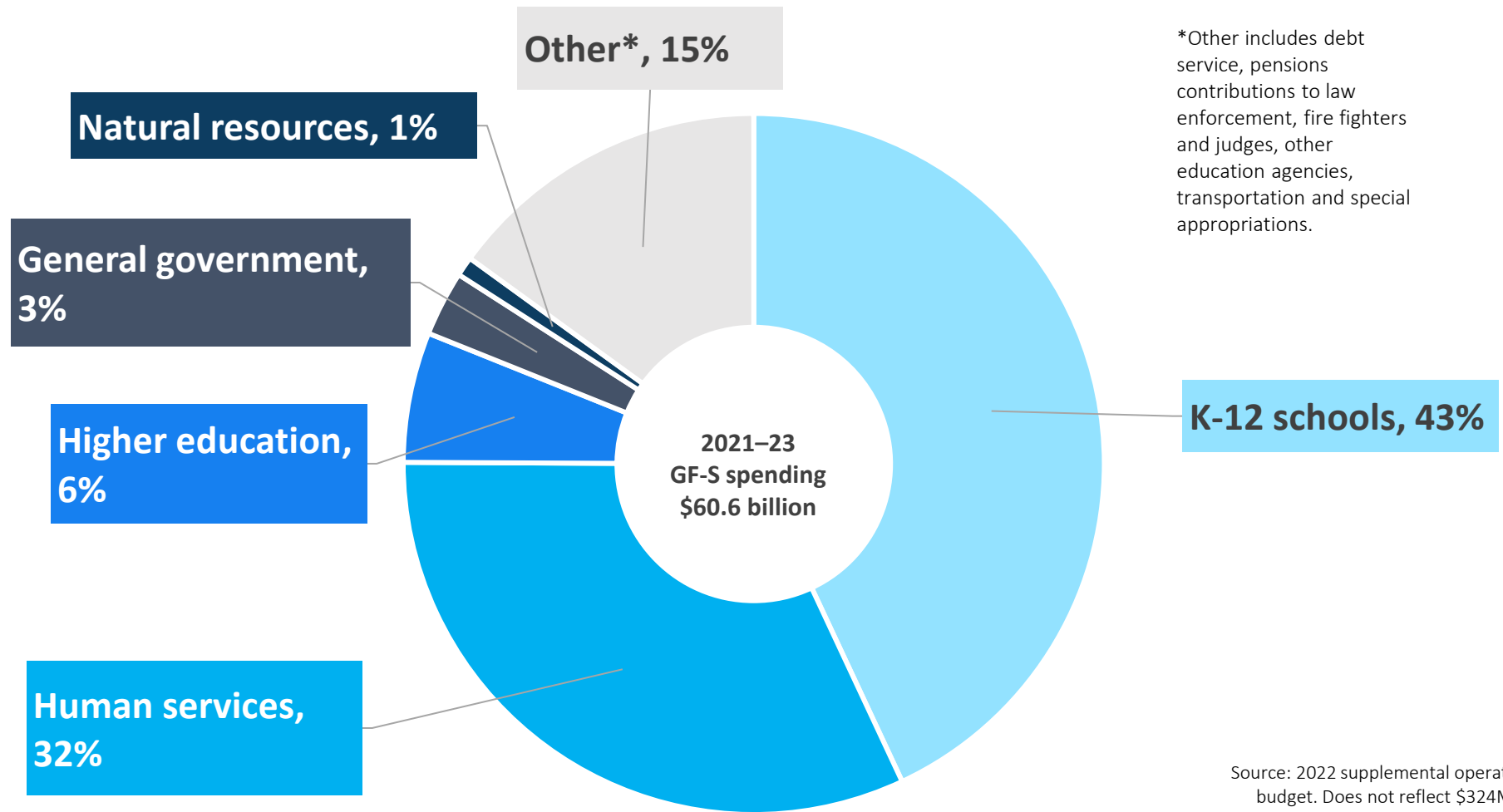


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Federal Funds allocated for COVID-19 response represent approximately **5.2% (\$6.8B)** of total budgeted funds (**\$131B**) for the 2021-23 biennium.

---

# GENERAL FUND STATE SPENDING



Source: 2022 supplemental operating budget. Does not reflect \$324M in assumed under expenditures.

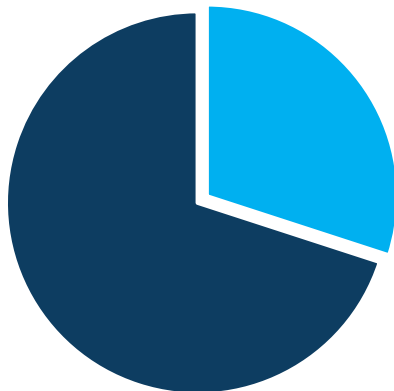
Distribution of 2021-23 state operating expenditures (General Fund State)

Source: Office of Financial Management, May 2022

# MAJORITY OF THE BUDGET IS PROTECTED

---

About **70%** of the budget is protected by law.



The other **30%** is for new items or reductions.

## Examples of protected spending:

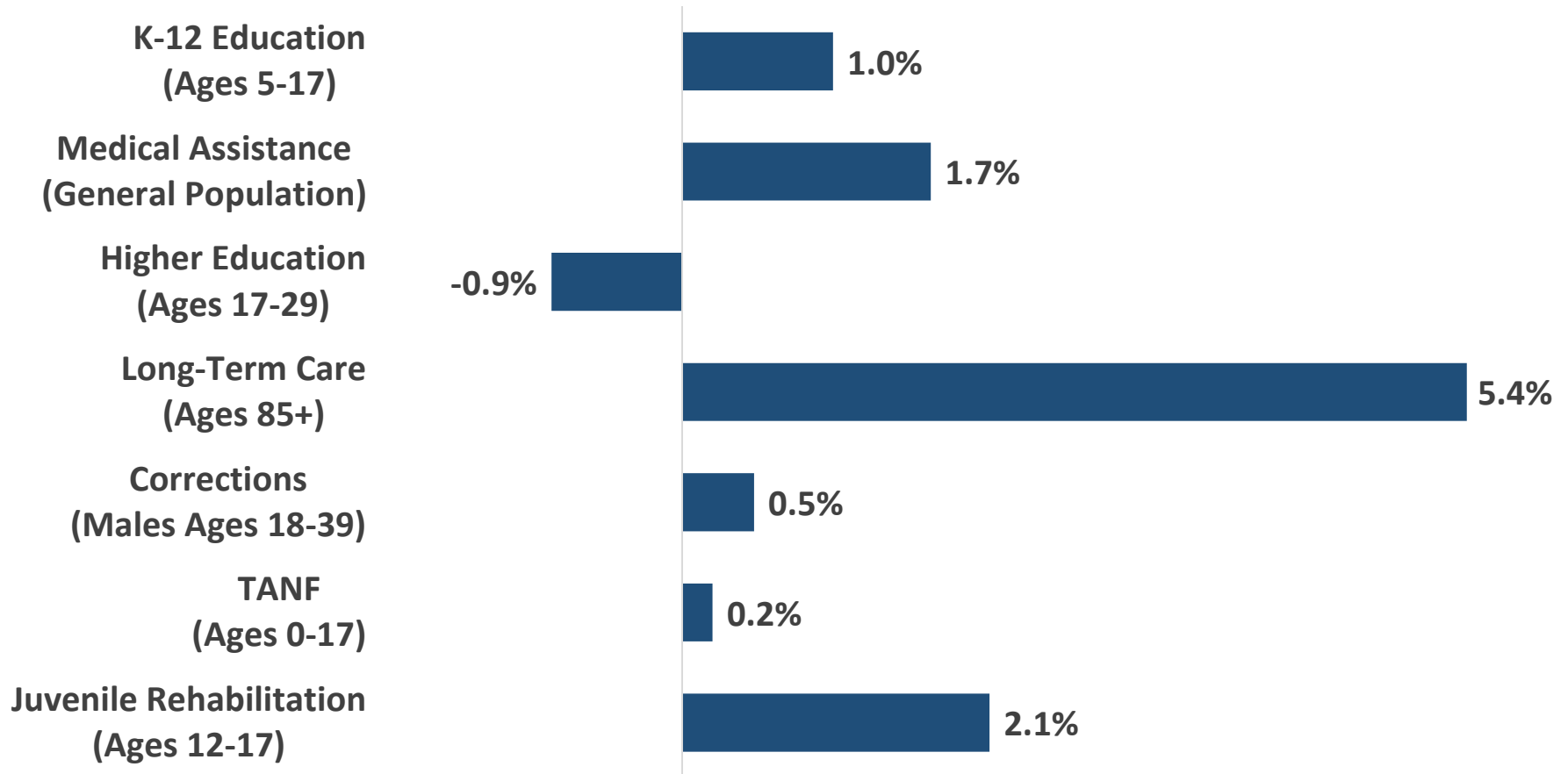
- K-12 basic education
- Mandatory Medicaid
- Nursing homes
- Development disability services
- Constitutionally protected court activities
- Debt service

## Examples of **non-protected** spending:

- Higher education
- Corrections
- Many human services (including state-only funded health care programs)
- Childcare
- Natural resources

# PROJECTED CHANGE IN 'BUDGET DRIVER' POPULATIONS (2021-23)

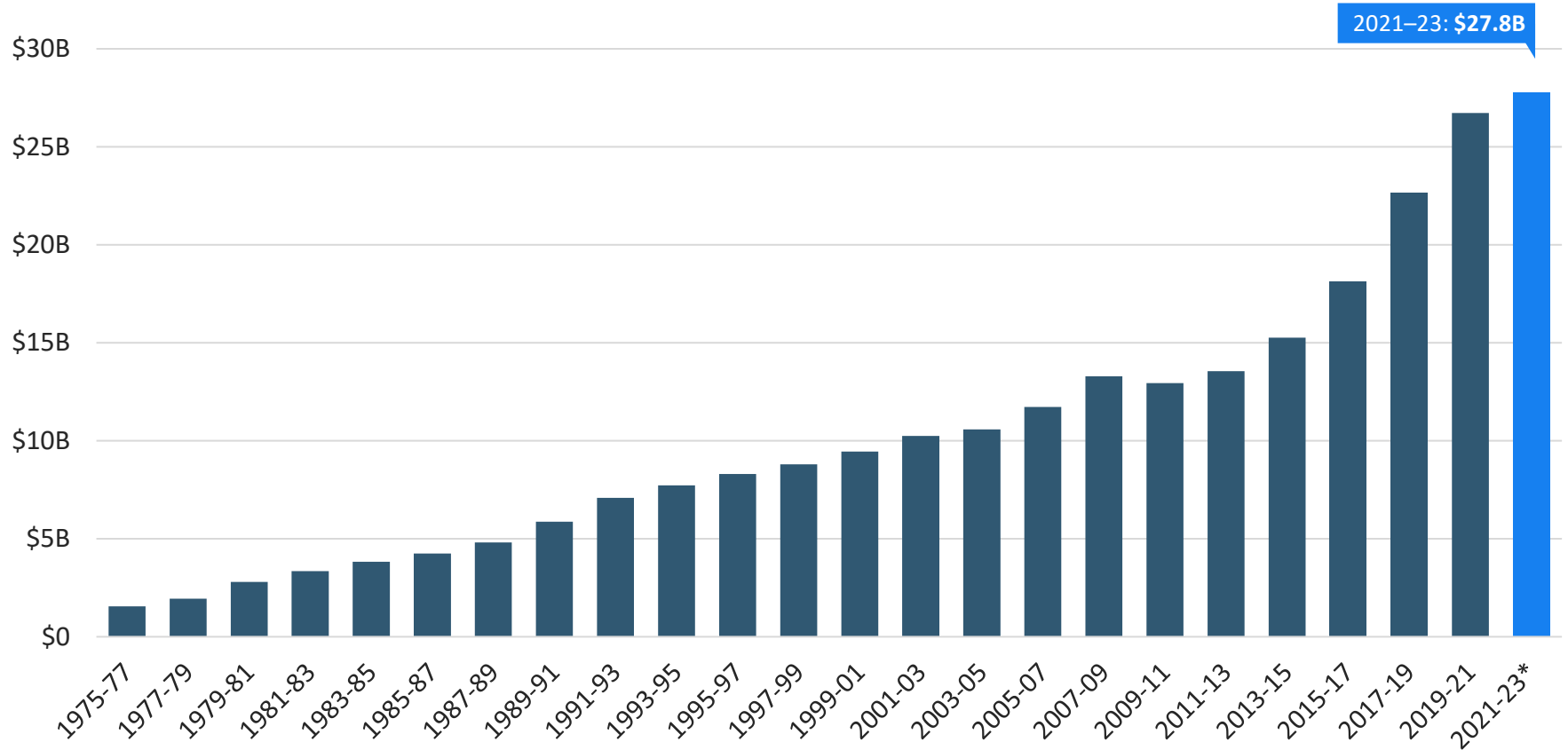
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# STATE SPENDING - K-12 EDUCATION

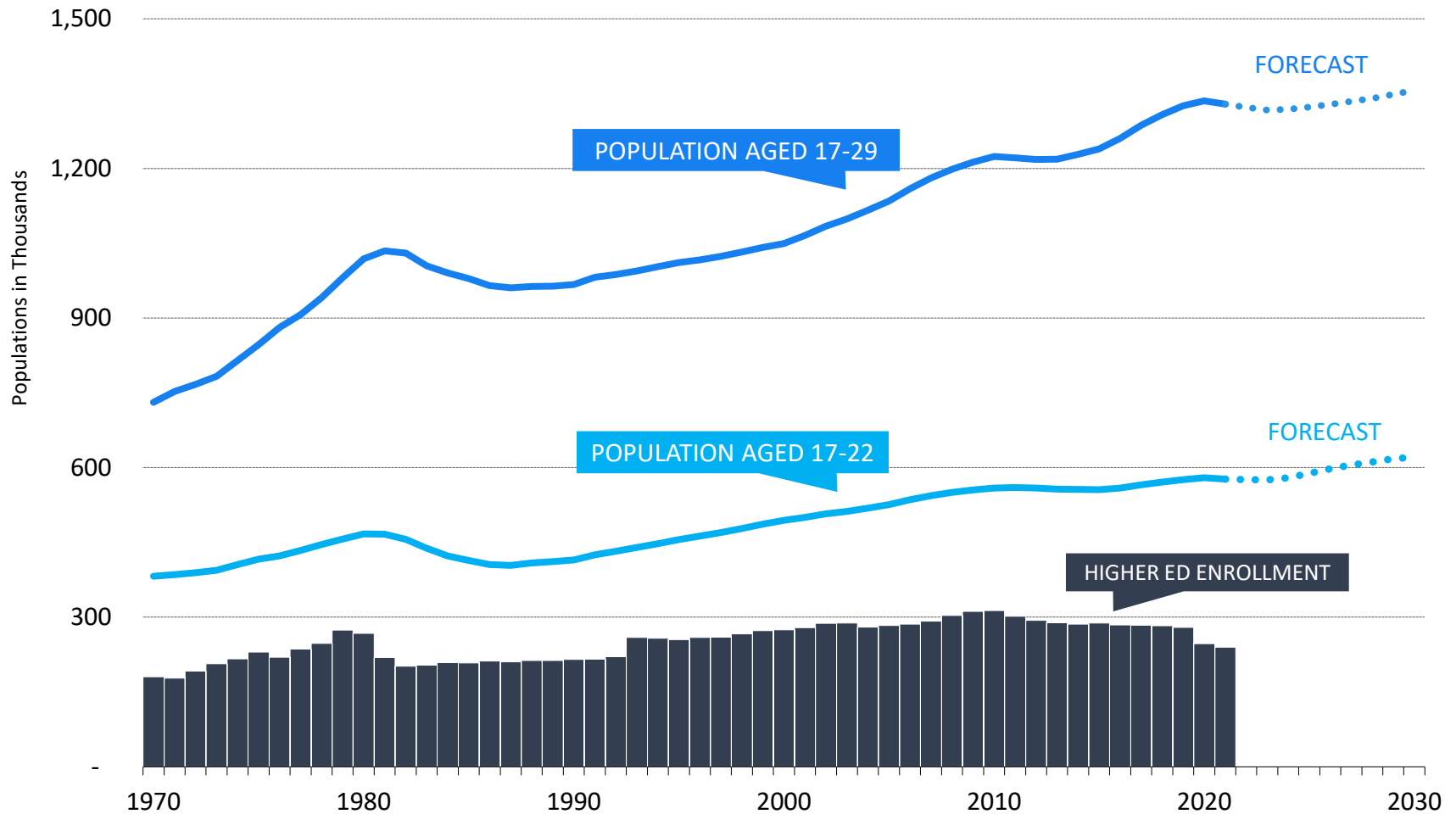
Near General Fund and Opportunity Pathways operating expenditures



\* Including 2022 supplemental budget

Source: Office of Financial Management, May 2022

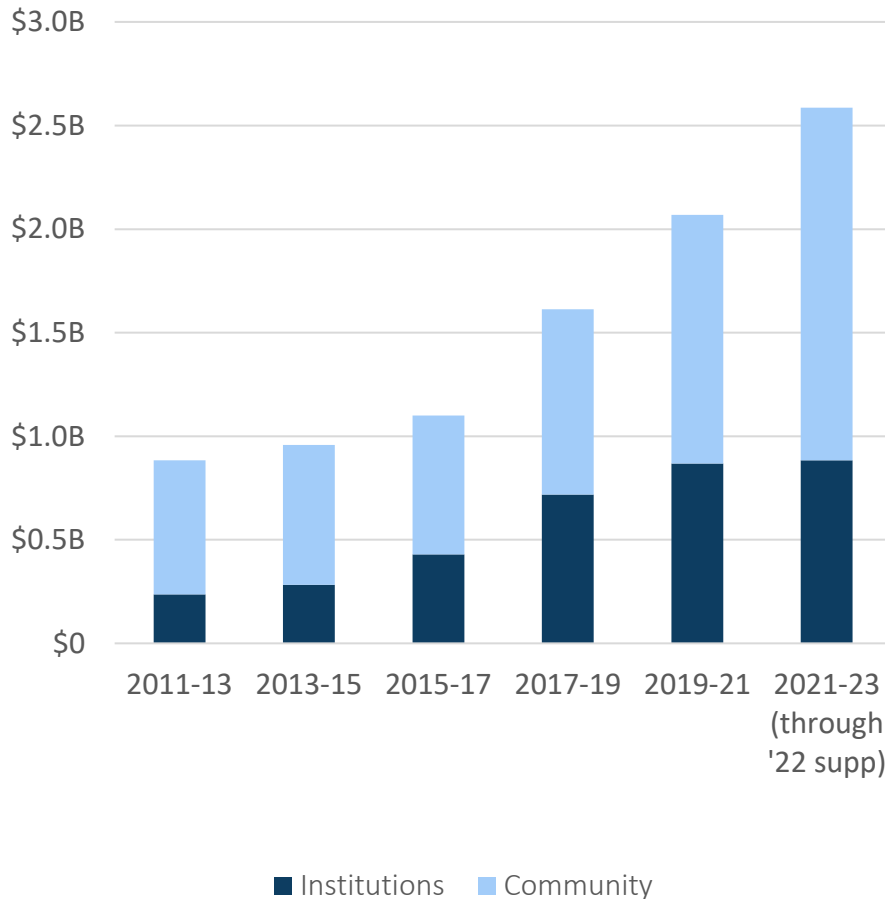
# BUDGET DRIVERS - HIGHER EDUCATION



Source: Office of Financial Management, Forecasting and Research Division, 2021 Budget Drivers

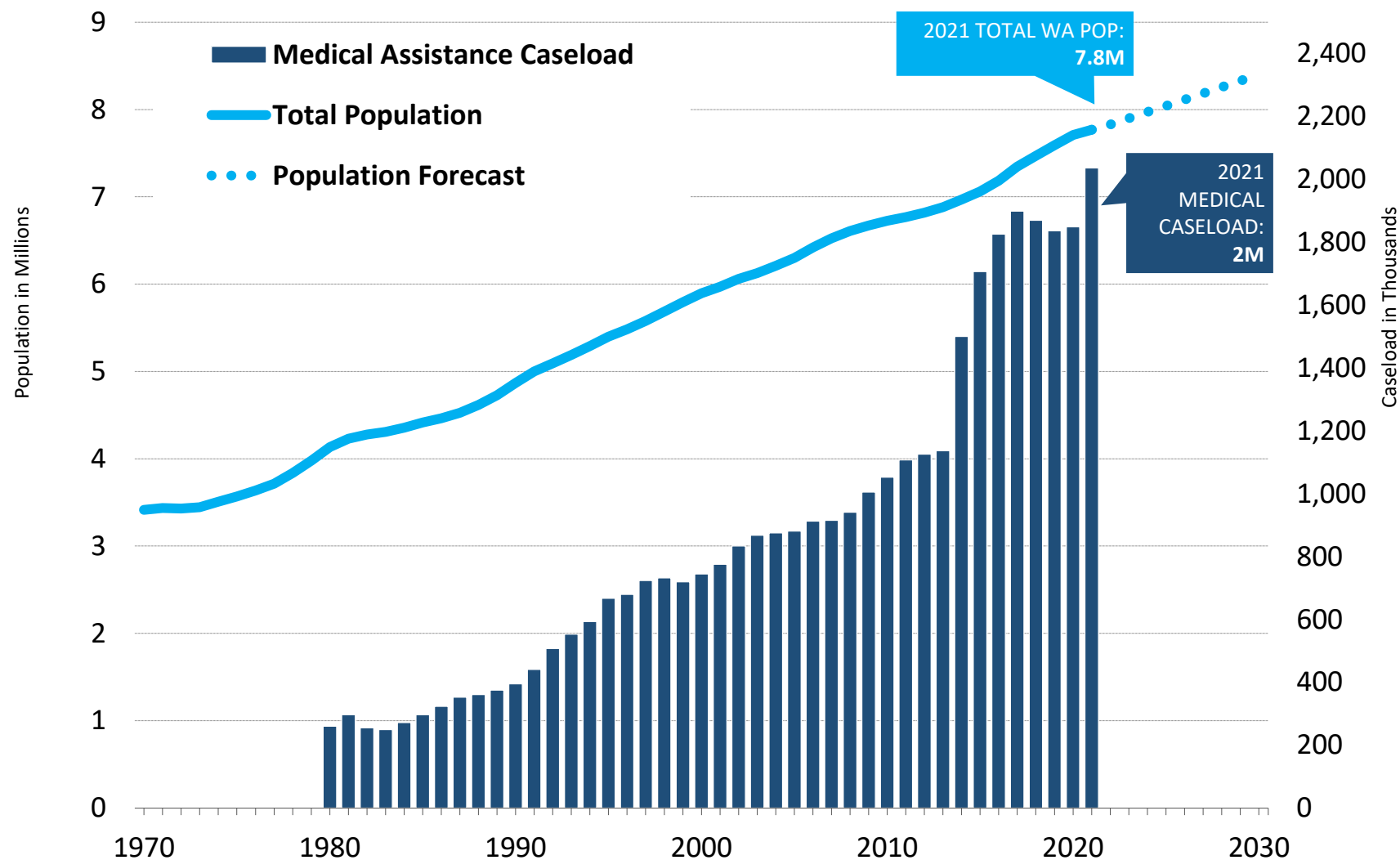
# STATE SPENDING - BEHAVIORAL HEALTH FUNDING

General Fund - State



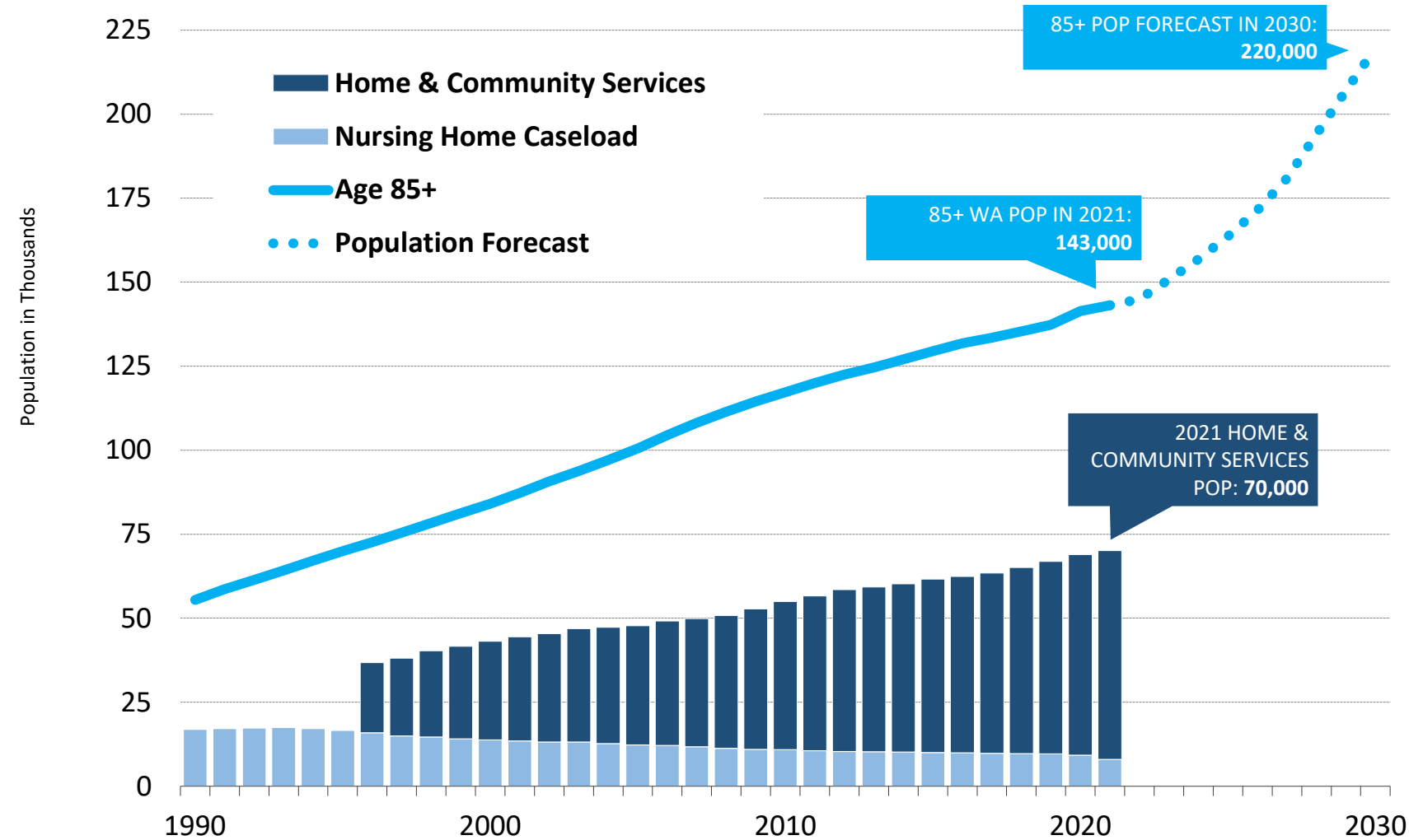
- Biennial investment in behavioral health has increased by nearly \$1.5 billion since the 2015-17 biennium.
- Over \$2.5 billion in GF-S has been invested in behavioral health for the 2021-23 biennium.
- Investments have largely been aimed at rebuilding our behavioral health system and investing along the entire continuum of care:
  - Investing in community bed capacity
  - Children's services,
  - Homelessness and substance use support services and crisis services in the community
  - Providing quality care at the state hospitals
  - Providing step-down resources for individuals as they exit inpatient care

# BUDGET DRIVERS - MEDICAL ASSISTANCE CASELOAD



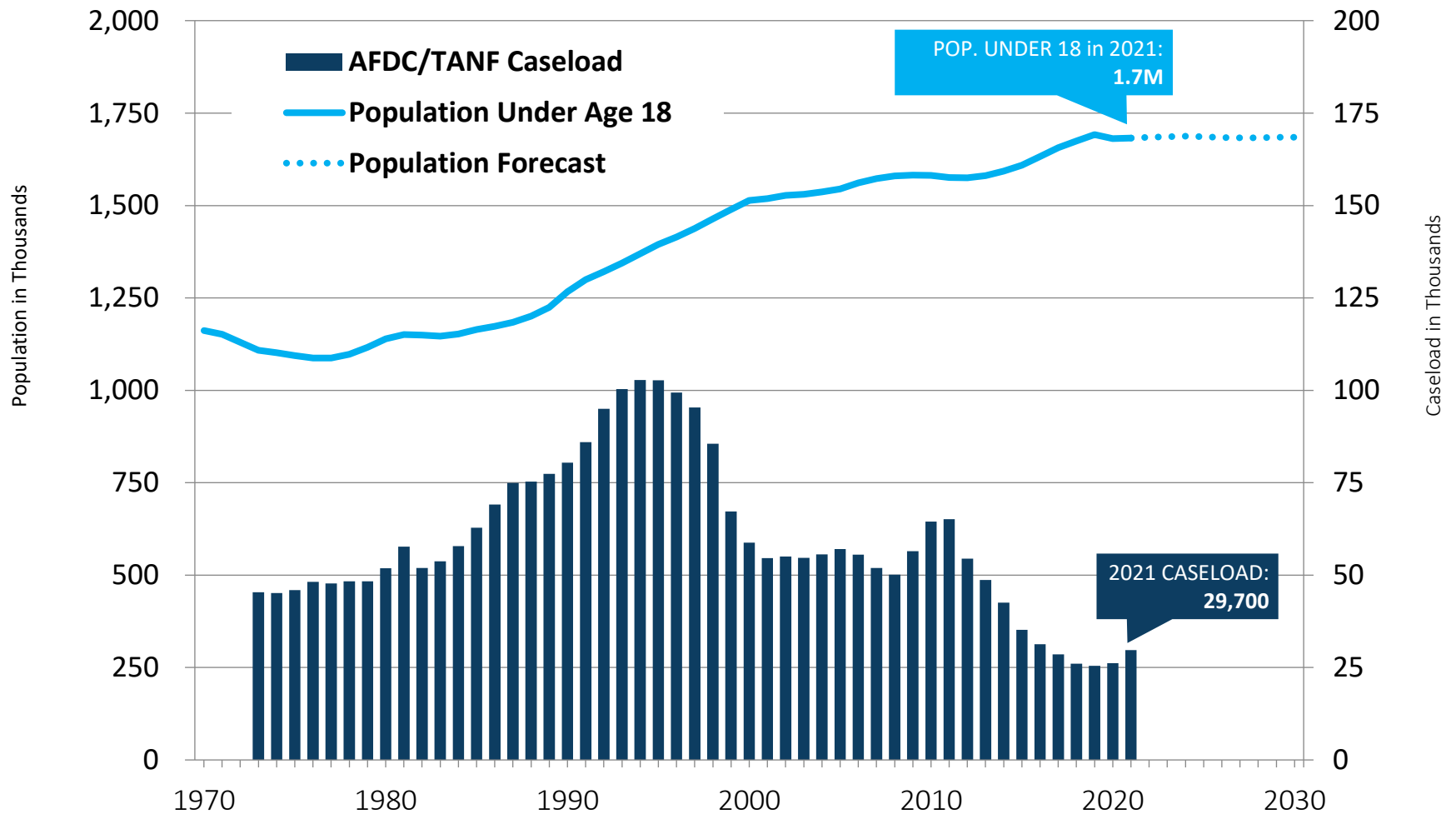
Source: Office of Financial Management, Forecasting and Research Division, 2021 Budget Drivers

# BUDGET DRIVERS - NURSING HOME, HOME & COMMUNITY SERVICES



Source: Office of Financial Management, Forecasting and Research Division, 2021 Budget Drivers

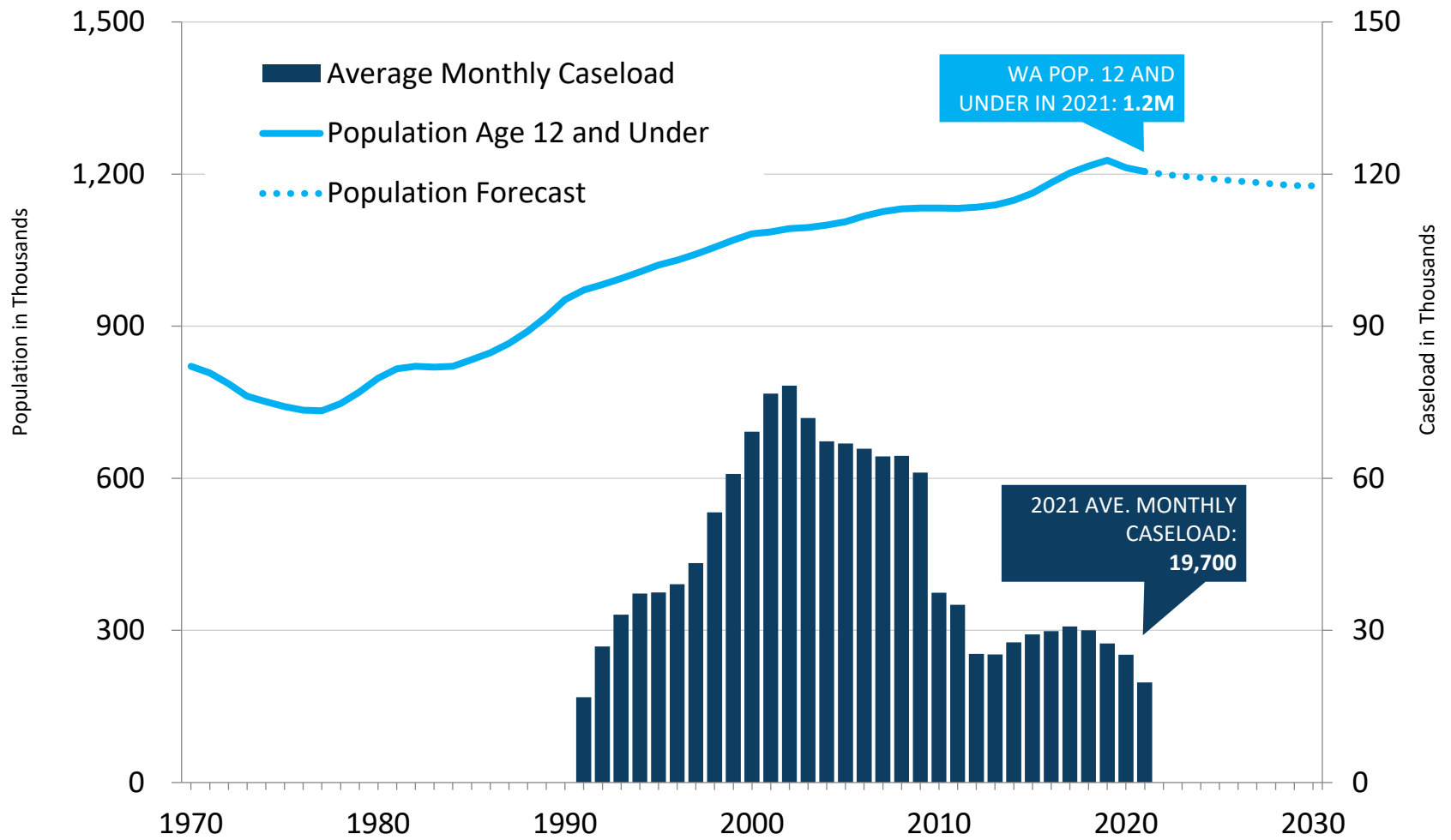
# BUDGET DRIVERS - INCOME ASSISTANCE



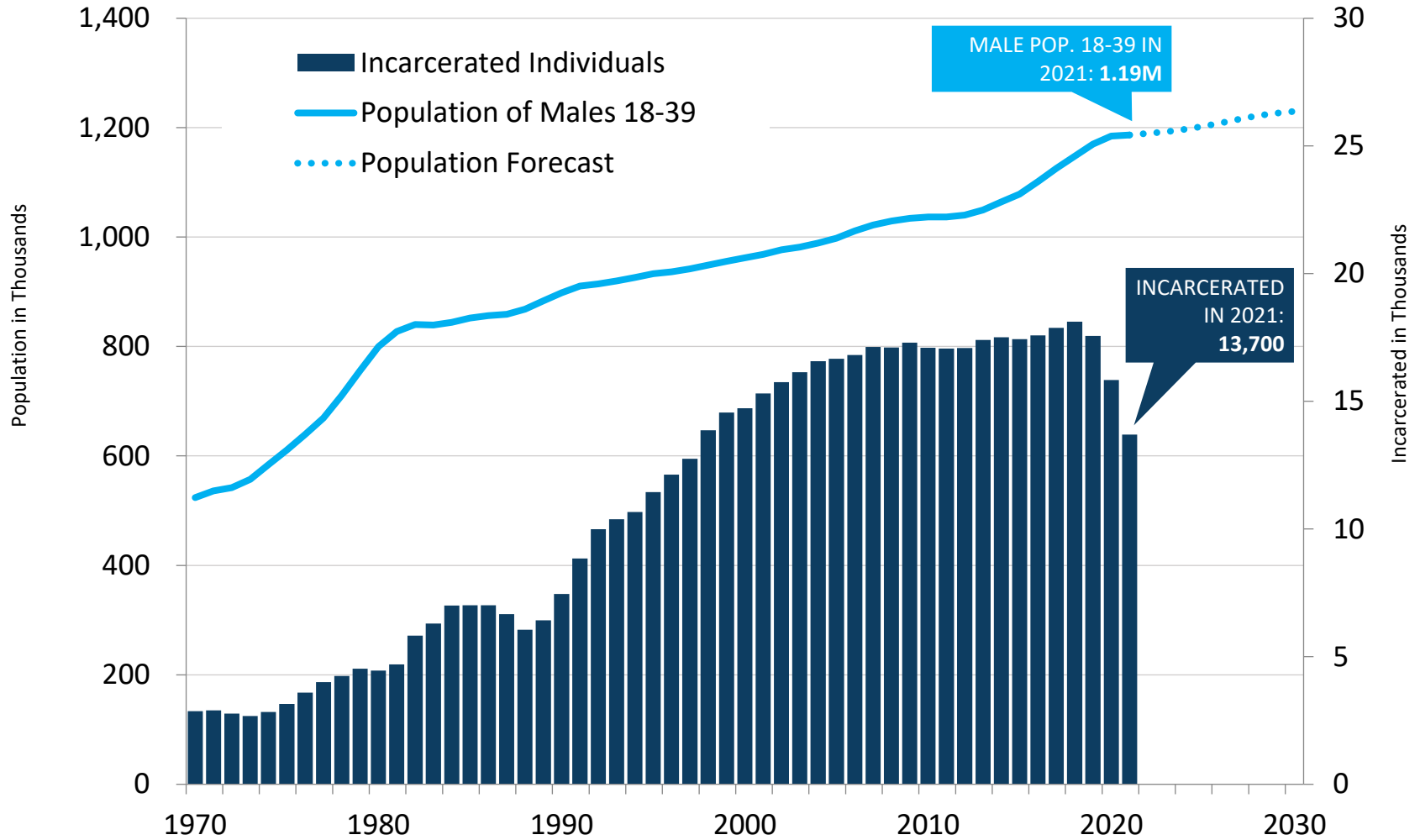
Source: Office of Financial Management, Forecasting and Research Division, 2021 Budget Drivers



# BUDGET DRIVERS - CHILD CARE

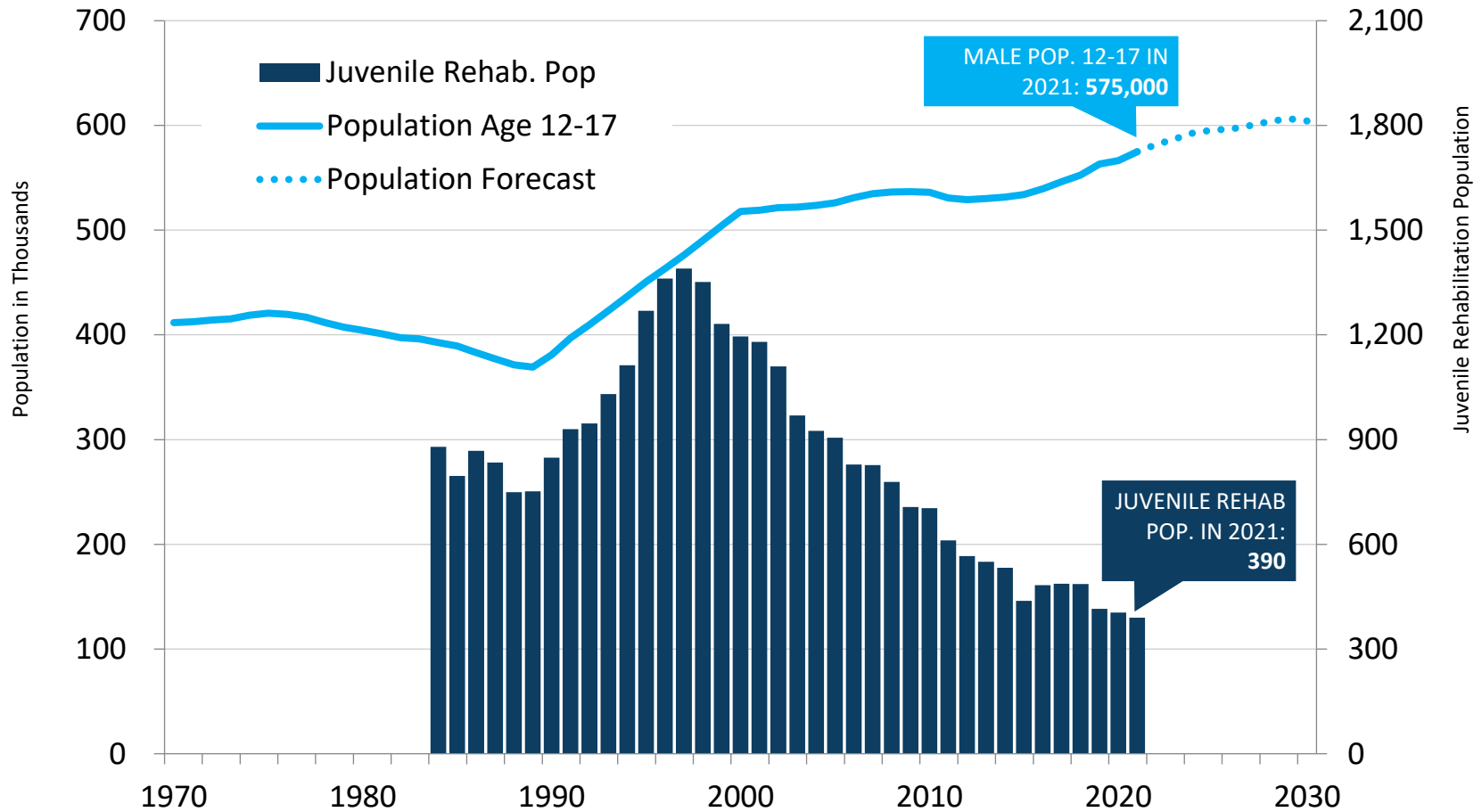


# BUDGET DRIVERS - CORRECTIONS



Source: Office of Financial Management, Forecasting and Research Division, 2021 Budget Drivers

# BUDGET DRIVERS - JUVENILE REHABILITATION



# 2023-25 BUDGET REALITIES

---

- 2021-23 one-time funding
- 2020, 2021 and 2022 federal COVID response funding (one time) expires in 2024
- Employment challenges
- Collective bargaining
- Capital gains
- Continued needs for behavioral health, health care, opioid and housing crises

# STATE BIENNIAL BUDGET TIMELINE

**State  
agencies**

SEPT 2022  
Agencies  
submit budget  
requests

**Governor &  
Office of  
Financial  
Management  
(OFM)**

JUNE 2022  
OFM issues  
budget  
instructions

SPRING–FALL 2022  
Collective  
bargaining occurs

NOV 2022  
Quarterly revenue  
& caseload  
forecasts

OCT 1, 2022  
Submit tentative  
agreements for  
determination of  
financial feasibility

FALL 2022  
OFM reviews &  
governor  
decides

DEC 2022  
Governor proposes  
budget to  
Legislature

JUNE–JULY, 2023  
Agencies submit  
detailed spending  
plans

JULY 1, 2023  
Biennial budget  
takes effect

MAY/JUNE 2023  
OFM reviews,  
governor signs  
budget

**State  
Legislature**

JAN 2023  
Legislature  
convenes

APRIL/MAY 2023  
Legislature passes  
budget

MAR 2023  
Quarterly  
revenue &  
caseload  
forecasts



# FOR MORE INFORMATION:

Nona Snell

360-688-0748

[Nona.snell@ofm.wa.gov](mailto:Nona.snell@ofm.wa.gov)


## OFM

OFFICE OF FINANCIAL MANAGEMENT



TAB 7



A person wearing a backpack and a child on their shoulders are seen from behind, looking out over a calm lake. The lake reflects the surrounding forested mountains, which are covered in trees with autumn-colored foliage. The scene is peaceful and scenic.

# Why adequate pay for home care workers is essential to our economic well-being

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Andy Nicholas, Senior Fellow

Washington State Budget & Policy Center

Presentation before the Consumer Directed Employer  
Rate Setting Board

May 10, 2022

WASHINGTON STATE  
**BUDGET  
& POLICY  
CENTER**

[budgetandpolicy.org](http://budgetandpolicy.org)

# Our mission

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“To use research and analysis to advance the well-being of Washington communities, improve the economic security and social opportunity of all in the state, and support the essential role of government in promoting a just and prosperous society.”

WASHINGTON STATE  
BUDGET  
& POLICY  
CENTER



# About me

---

- Resident of Renton
- Two kids, two dogs
- 15+ years in public finance analysis and advocacy
- Washington state enthusiast



# Overview

- Fiscal and economic conditions in Washington state and the United States
- Economic benefits of adequate pay and benefits for home care and other frontline workers
- Equitable and stable long-term funding options

# Three key points

- Fiscal and economic conditions are strong and lawmakers have many options.
- Improving wages for home care workers would boost local economies and promote racial, gender, and geographic equity.
- Failing to improve wages could harm our well-being.

# Washington's economy is recovering

## Unemployment is falling

- 16.8% (April 2020)
- 4.2% (March 2022)

## Consumer spending (taxable retail sales) is growing

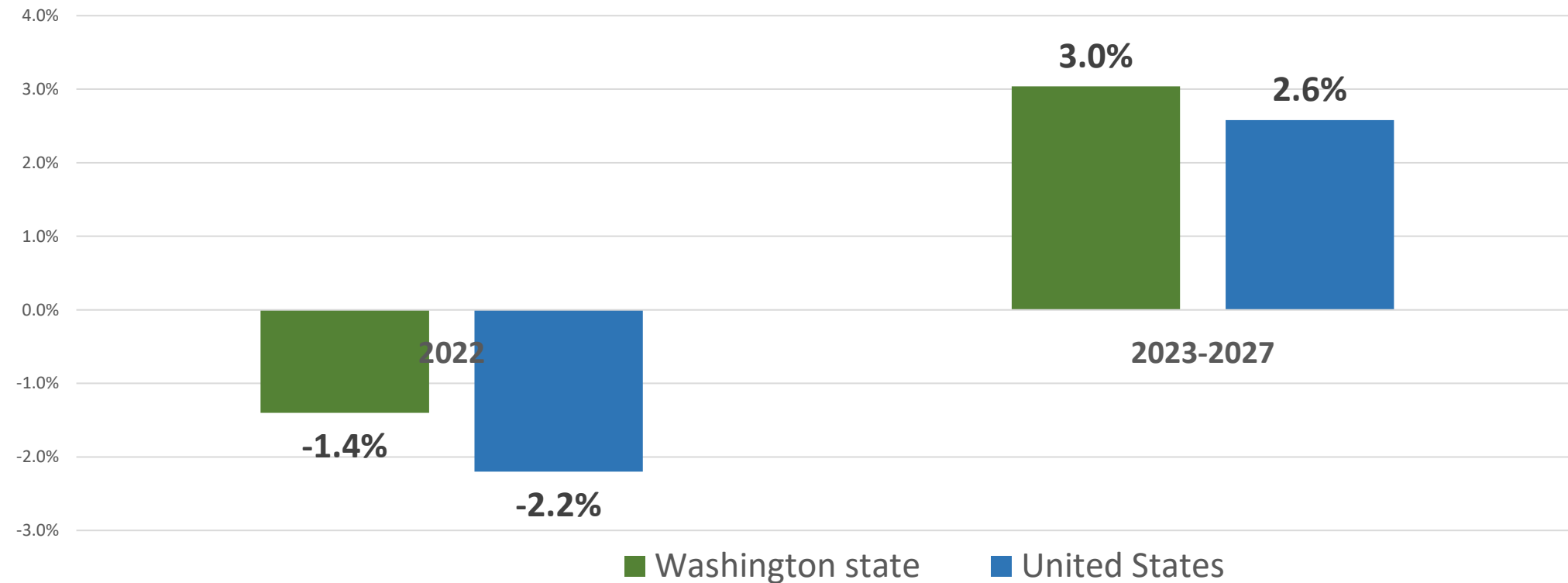
- 2021: +11.1%
- 2022: +8.0%
- 2023: +4.3%

## Total state personal income growing

- 2021: +7.6%
- 2022: +3.6%
- 2023: +5.6%

# Washington's recovery is outpacing the nation

Projected in growth in real personal income in Washington state and the United States





# Fiscal conditions are strong



## Revenue collections are growing:

7.5% (\$255 million) above  
projections

18% higher over the last year

7<sup>th</sup> fastest in the nation



## Revenue projections are increasing

\$1.5 billion higher in 2021-23

\$1.3 billion higher in 2023-25



## Budget reserves are robust

Total reserves = \$4.2 billion  
(13% of annual spending)

Source: [“Economic & Revenue Update,”](#) Economic and Revenue Forecast Council, April 14, 2022.  
[Washington State Economic and Revenue Forecast](#), Economic and Revenue Forecast Council, February 2022.  
[April 2022 Enacted Supplemental Budget Outlook](#), Economic and Revenue Forecast Council, April 2022.  
Urban-Brookings Tax Policy Center, [projected FY 2022 state revenue growth](#).

# Fiscal conditions are strong

---

“State of Washington's Aaa Issuer Rating and general obligation bonds rating reflect its sizable financial reserves; exceptionally strong economic fundamentals driven largely by the technology sector in the Seattle (Aaa stable) metro area; above-average wealth and income levels; and strong fiscal governance practices.”

- Moody's Investors Service, April 15, 2022

# Washington state has *vast* sums of untapped wealth

---

**\$1.5 *trillion***

in real estate wealth

**\$3.03 *trillion***

in “intangible” financial wealth



[Source: 2020 Assessed and Actual Value of All Taxable Property](#), Washington State Department of Revenue, 2020.

[2020 Tax Exemption Study](#), Washington State Department of Revenue, 2020.

Lawmakers have many options to fund adequate pay for home care workers

- At least 94 options for raising revenue within the current tax code
- Draw additional federal funding via a new Home Care Provider Tax
- Reforming Washington's tax code could equitably bolster community foundations

# Three key points

- Fiscal and economic conditions are strong and lawmakers have many options.
- Improving wages for home care workers would boost local economies and promote racial, gender, and geographic equity.
- Failing to improve wages could harm our well-being.

A boost for  
local  
economies

---

Low-wage workers 'buy  
local'

---

Federal matching dollars  
multiply the benefits

---

Services enhance our  
quality of life





Low wage workers support local businesses



Federal  
matching  
dollars  
multiply the  
benefits







Home care  
services  
enhance our  
quality of life

A boost for  
local  
economies

---

Low-wage workers 'buy  
local'

---

---

Federal matching dollars  
multiply the benefits

---

---

Services enhance our  
quality of life

---

# By the numbers



RETURN ON  
INVESTMENT:  
**\$4.00**  
**RETURNED**  
**FOR EVERY**  
**\$1.00**  
**INVESTED**



**800** NEW  
PRIVATE-  
SECTOR JOBS  
PER YEAR



INCREASE  
TOTAL  
PERSONAL  
INCOME BY  
**\$200 MILLION**  
ANNUALLY

Results provided by the National Education Association in 2016 using the REMI economic model, an economic forecasting tool developed by Regional Economic Models Inc. (REMI).

# Outsized benefits for

Rural communities

People who identify as  
women

Residents who are Black or  
African American

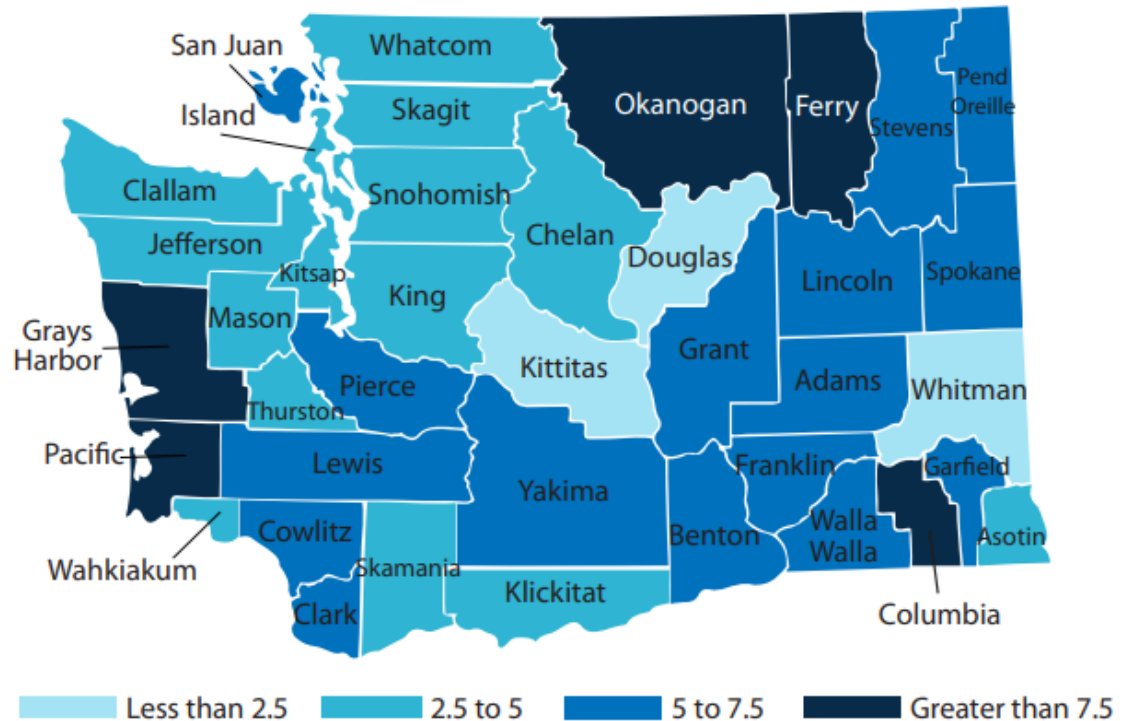


# A boost for rural communities

Figure 4

## *PRESENCE OF HOME CARE WORKERS IS HIGHER OUTSIDE OF THE PUGET SOUND REGION*

Number of home care workers per 1,000 residents



Source: B&PC analysis of individual provider home care data in Washington state as provided by SEIU 775

Promotes  
gender  
justice

**84%**

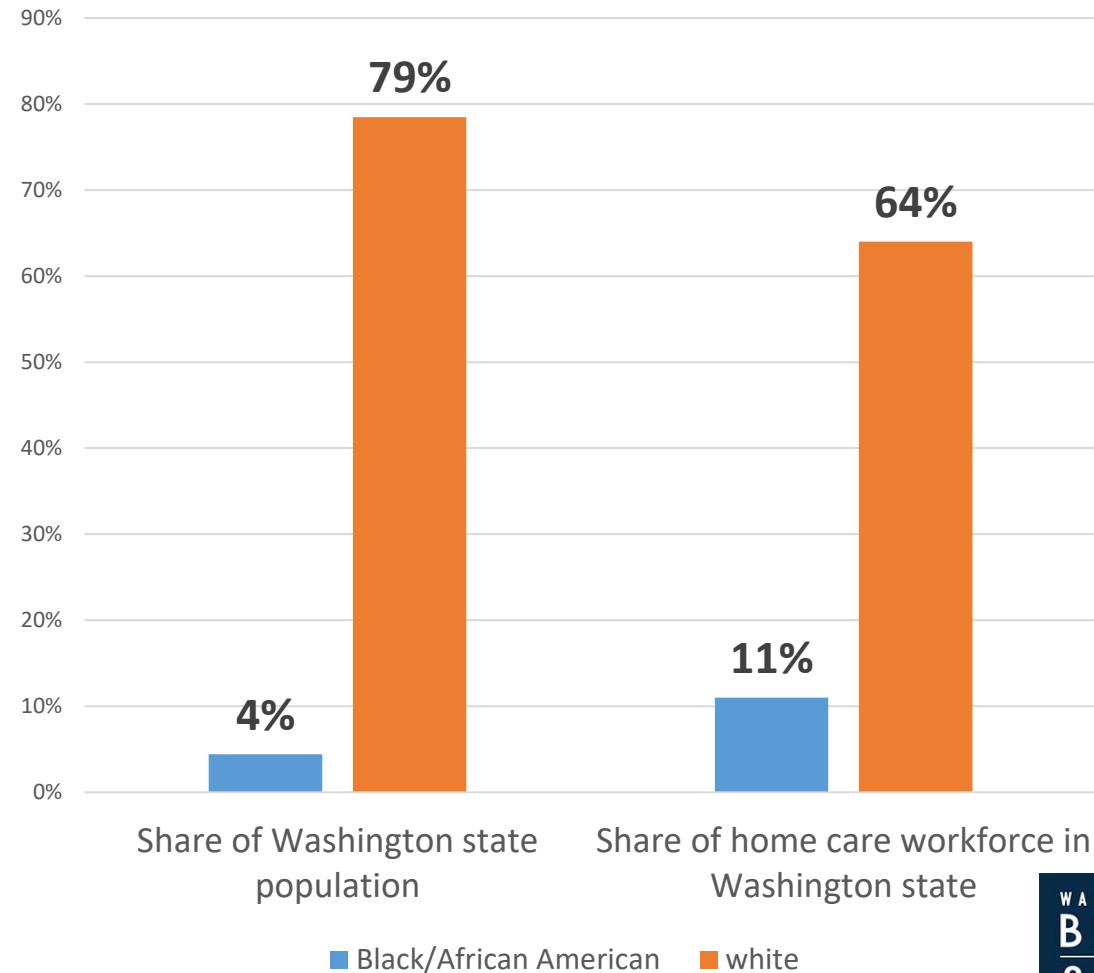
of home care workers identify as women

Source: "Workforce Data Center: Direct Care Workers by Gender, 2019." *PHI*. 2017.  
<https://www.phinational.org/policy-research/workforce-data-center/#var=Gender&states=53>



Pushes back  
against anti-  
Black wage  
discrimination

Composition of the total population and the home care workforce in Washington state in 2019



# Three key points

- Fiscal and economic conditions are strong and lawmakers have many options.
- Improving wages for home care workers would boost local economies and promote racial, gender, and geographic equity.
- Failing to improve wages could harm our well-being.

# Failure is not an option

- Slow Washington's economic recovery
- Reduce access to high-quality of care for seniors and other residents who rely on home care services.
- Increase stress and hardship among families and communities.

A “flat  
contract”  
would harm  
Washington’s  
recovery

Home care worker starting hourly wage (IP wage)  
plus hazard pay, adjusted for inflation (2022 dollars)\*



Source: Budget & Policy Center analysis; data from ERFC, SEIU 775;  
\*Projected Consumer Price Index (CPI-U) for Seattle-Tacoma-Bremerton

# Three key points

- Fiscal and economic conditions are strong and lawmakers have many options.
- Improving wages for home care workers would boost local economies and promote racial, gender, and geographic equity.
- Failing to improve wages could harm our well-being.

# Thank you!

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[budgetandpolicy.org](https://budgetandpolicy.org)



# Sources

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Moody's Investors Service, "[Rating Action: Moody's assigns Aaa to Washington State's refunding GOs, Series R-2022C and R-2022D; outlook stable](#)," April 15, 2022.

Washington State Department of Revenue, "[2020 Assessed and Actual Value of All Taxable Property](#)," 2020.

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Christian Weller, Beth Almeida, Marc Cohen, and Robyn Stone, "[Making Care Work Pay: How Paying at Least a Living Wage to Direct Care Workers Could Benefit Care Recipients, Workers, and Communities](#)," Leading Age, 2020.

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Arno, Peter & Viola, Deborah & Shi, Quihu. "[The MetLife Study of Caregiving Costs to Working Caregivers: Double Jeopardy for Baby Boomers Caring for Their Parents](#)," Metlife, 2011.

PHI, "[Workforce Data Center: Direct Care Workers by Gender, 2019](#)," 2017.

Washington State Budget & Policy Center calculations; data from PHI, "[Workforce Data Center: Direct Care Workers by Race and Ethnicity, 2019](#)," 2019; and the United States Census Bureau, "[Quick Facts: Washington](#)," July 2019.

Washington State Budget & Policy Center calculations; projected Consumer Price Index data from the Economic and Revenue Forecast Council, starting hourly home care worker wage plus hazard pay from SEIU 775.

TAB 8

# SEIU 775 Summary

Prepared for the Consumer Directed Rate Setting Board

May 2022

**Sterling Harders (she/her), President SEIU 775**

## Statutory Factors



Inflation



Other factors (recruitment & retention)



Stable workforce



Affordable healthcare



Reducing reliance upon public assistance



State's ability to pay



Comparables

# Inflation



# Historic levels of inflation

The Seattle Times

Business

Log In | Subscribe

His two-weeks-notice turned into a hope-you-don't-notice.

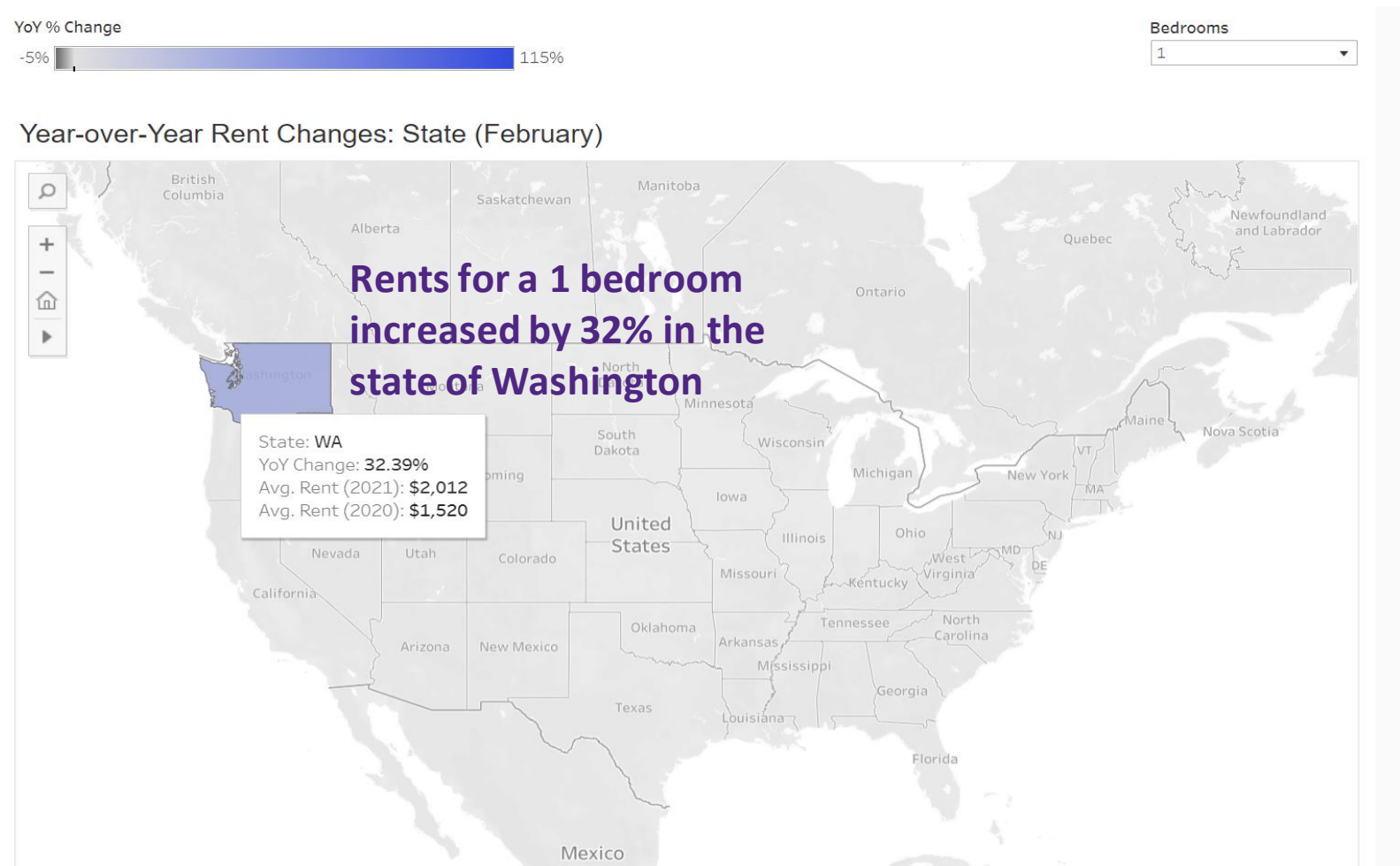
Insider Risk Management | code42

US inflation jumped 8.5% in past year, highest since 1981

April 11, 2022 at 9:01 pm | Updated April 12, 2022 at 6:25 pm



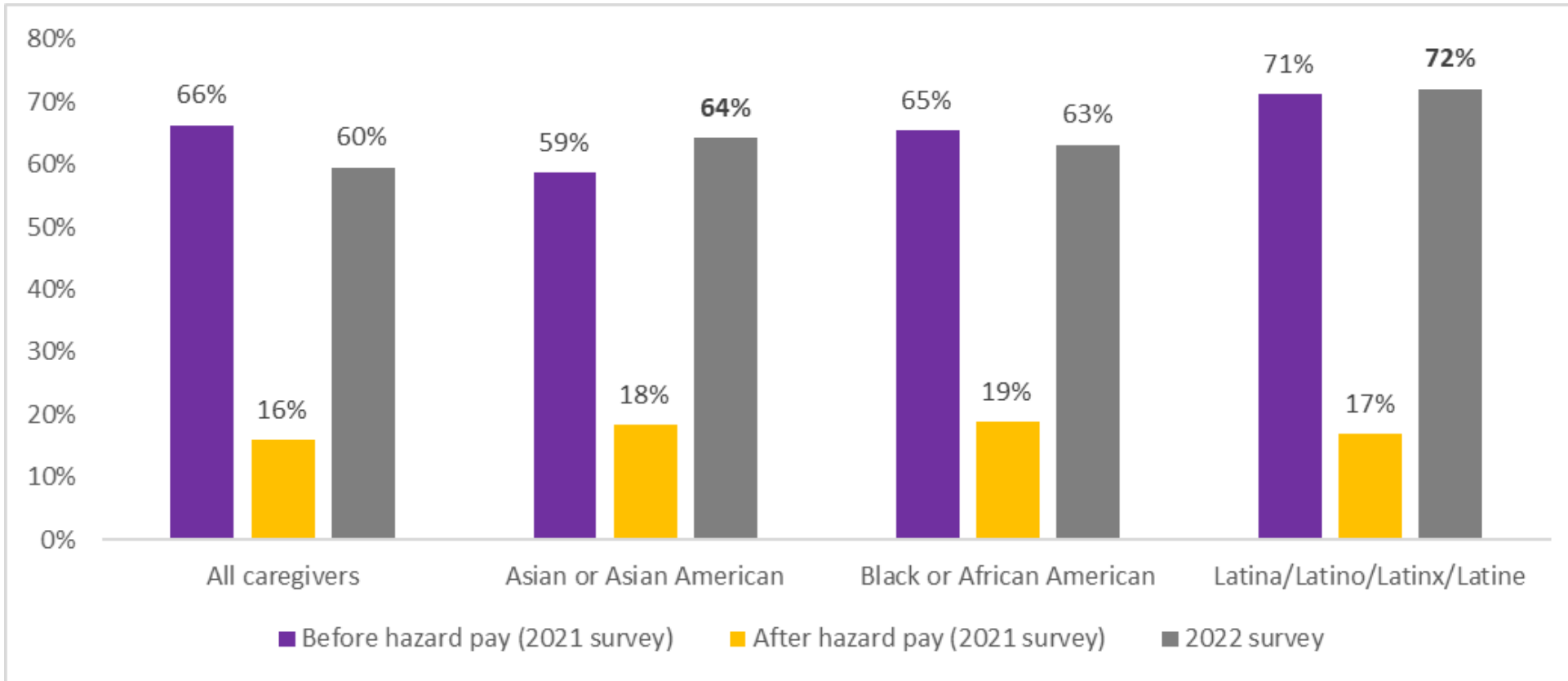
Gasoline prices are displayed at a gas station April 1 in Vernon Hills, Illinois. Inflation soared over the past year at its fastest pace...



Sources: "Rent.Com Rent Report: March 2022," *Rent.Com Research* (blog), accessed April 4, 2022, <https://www.rent.com/research/average-rent-price-report/>

# The impact of hazard pay has decreased

**“Just getting by” or “finding it difficult” to get by**

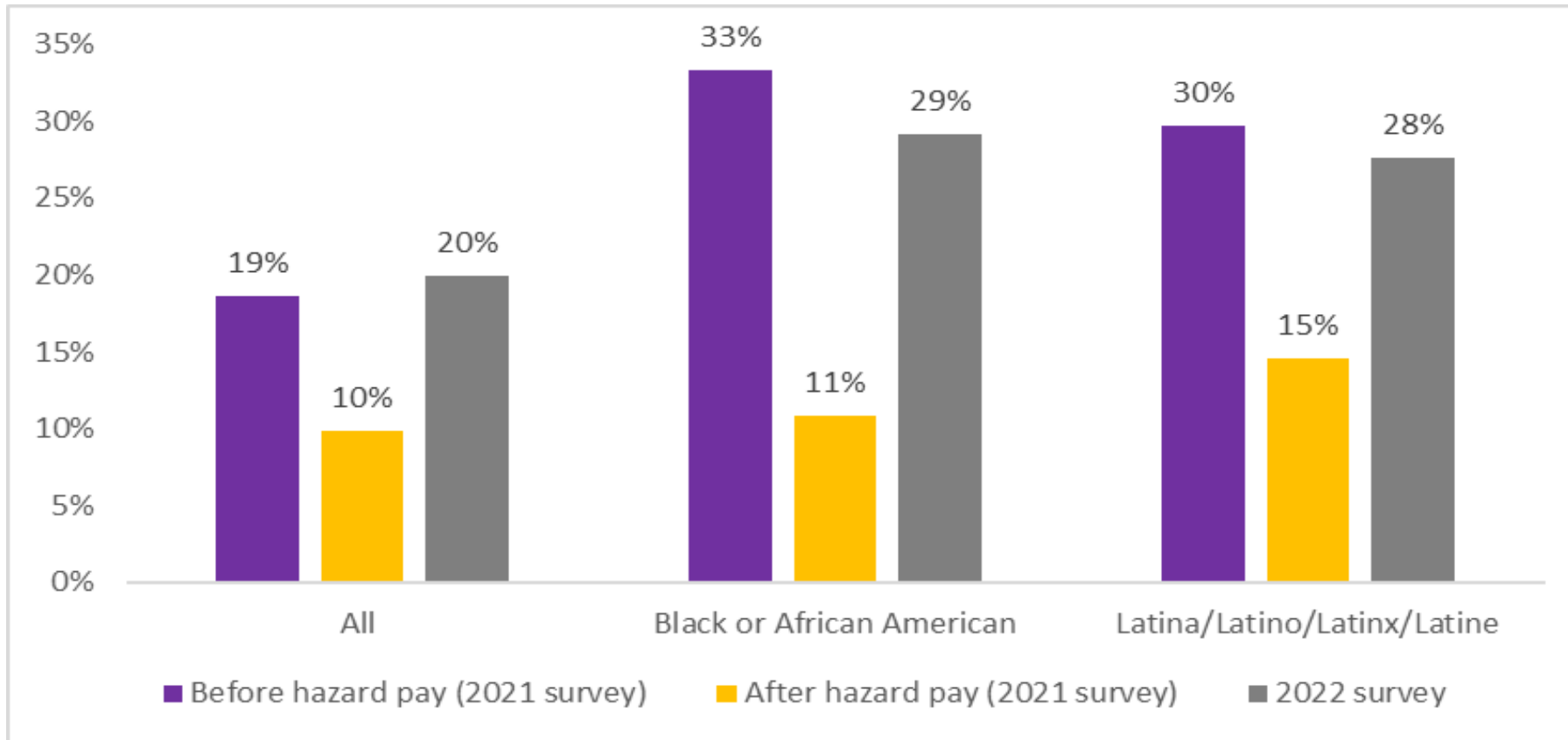


Source: SEIU 775 Member survey, May 2021, and SEIU 775 Member survey, March 2022.



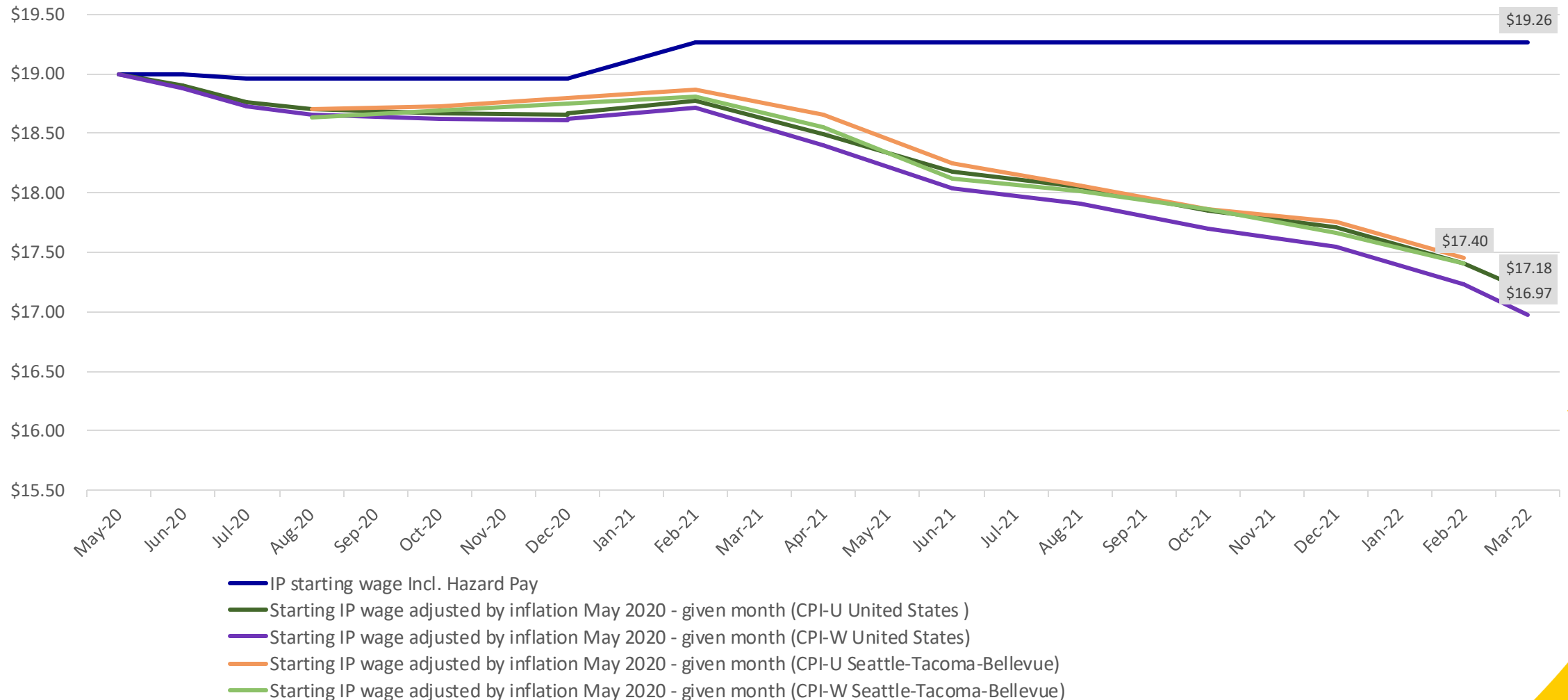
# The impact of hazard pay has faded

**Respondents who ate less or skipped meals over the past 12 months due to financial issues**



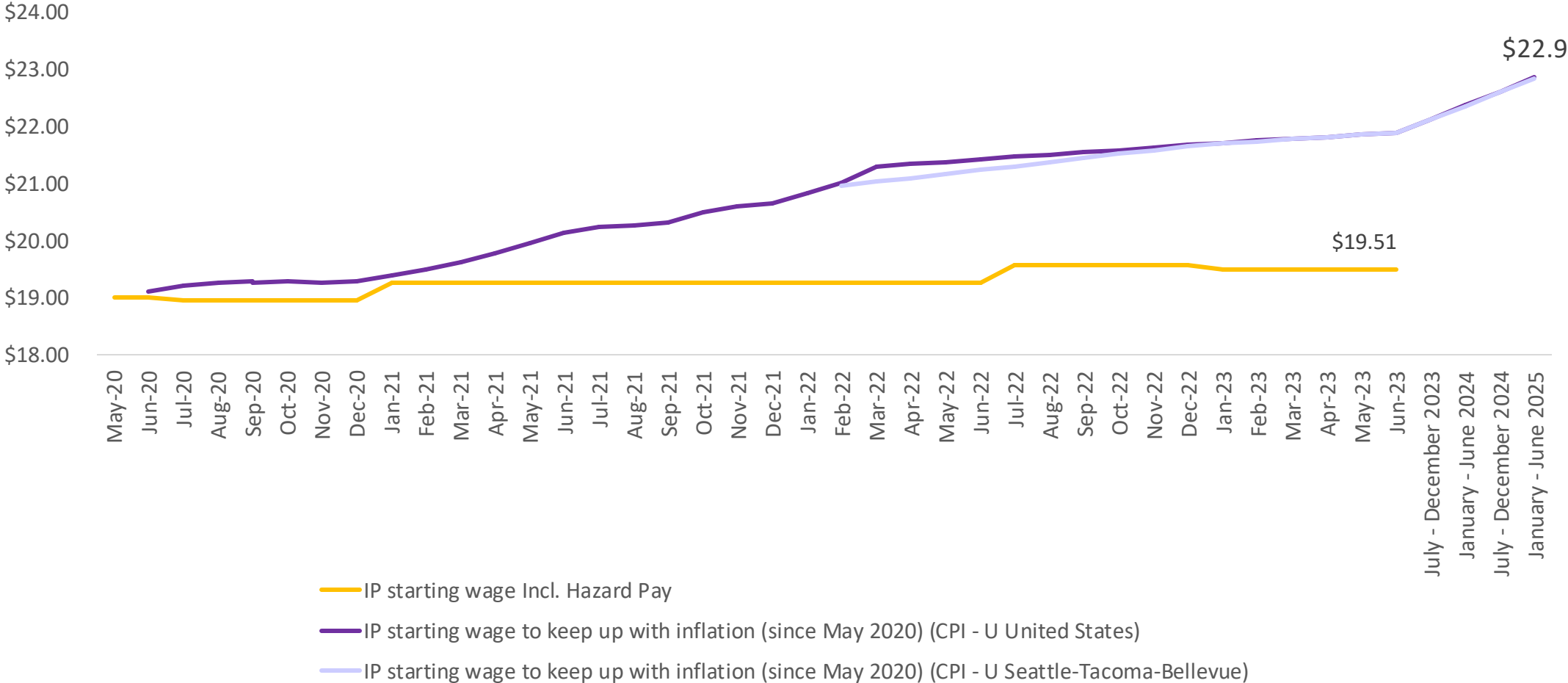
Source: SEIU 775 Member survey, May 2021, and SEIU 775 Members survey, March 2022.

# The impact of inflation on IPs starting wages

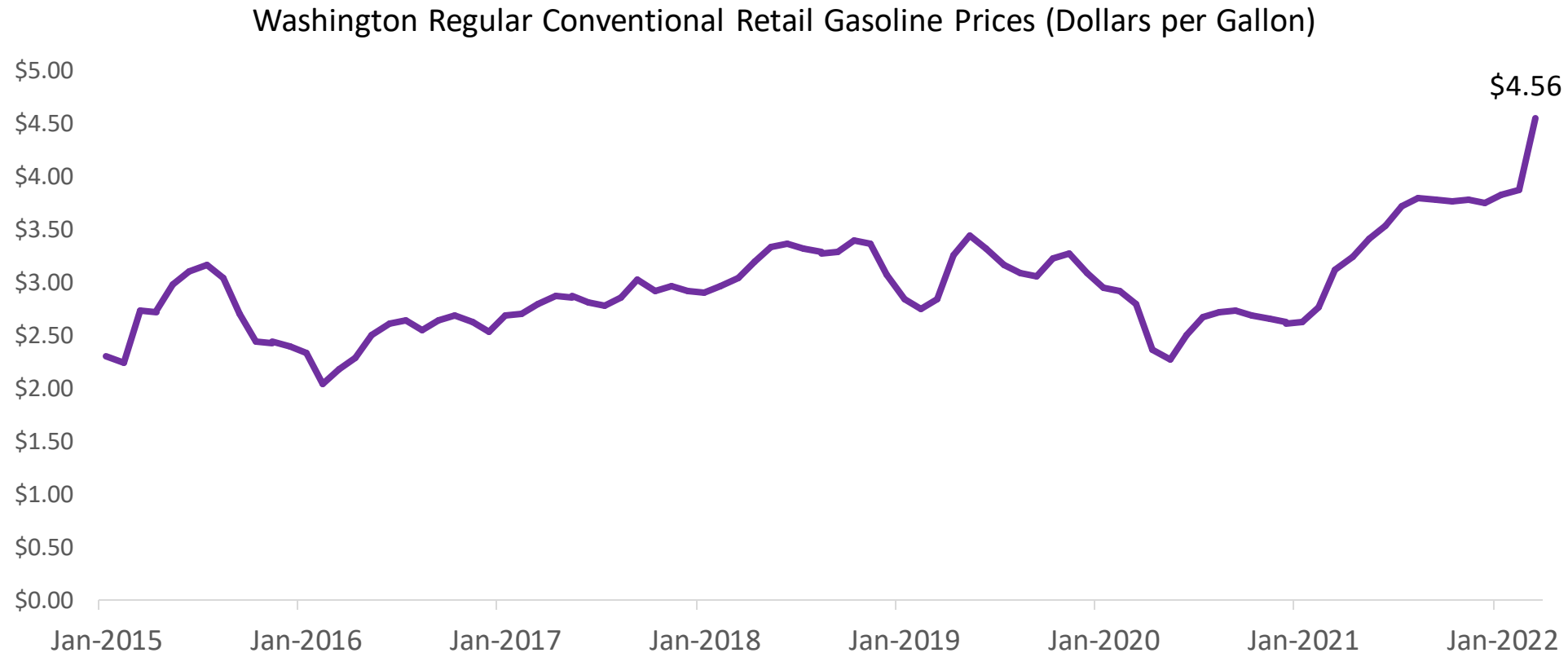


Source: own elaboration with information from the U.S. Bureau of Labor Statistics

# Keeping up with inflation



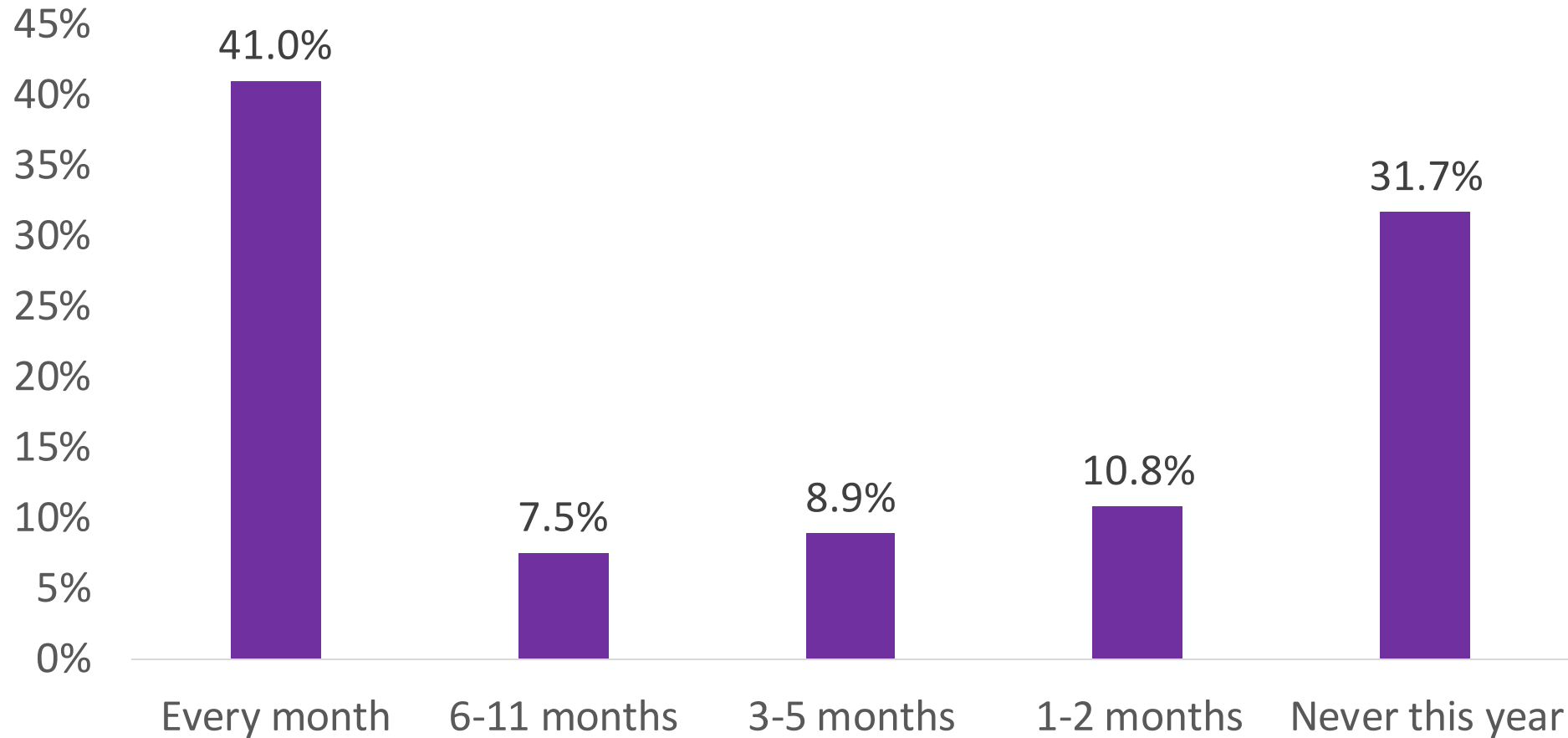
# Gas prices have also increased



Source: Own elaboration with information from U.S Energy Information administration, [https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=p&s=emm\\_epmru\\_pte\\_swa\\_dpg&f=m](https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=p&s=emm_epmru_pte_swa_dpg&f=m)

# Mileage

Months of the year caregivers drove more than 100 miles for their client



“Other Factors” /  
Recruitment and Retention  
&  
Interest in maintaining a Stable LTC Workforce



# *Recruitment and retention considered “other factors”*

- *City of Orting v. Orting Police Guild* (26508-I-14) (Elinski, 2015) (Lists “recruitment and retention” as other factor under .465(1)(e)).
- *City of Union Gap v. Union Gap Police Officers Association* (23524-I-10) (Milller, 2011) (recruitment and retention as “other factors” under .465(1)(e)).
- *Spokane County v. Spokane County Deputy Sheriff's Association* (128358-I-16) (Williams, 2017) at p. 9: (Recognizing that “such other factors” found under (e) are routinely determined by interest arbitrators to include such things as “recruitment and retention,”)
- *Clark County v. Clark County Deputy Sheriffs Guild* (129560-I-17) (Nelson, 2018) (Recognizing recruitment/retention as “other factors”)
- *Clark County v. Clark County Deputy Sheriffs' Guild* (23615-I-10) (Lankford, 2012) (“other factors” includes recruitment and retention).
- *City of Everett v. IAFF Local 46* (127442-I-15) (Krebs, 2016) (“other factors includes “recruitment and retention”)

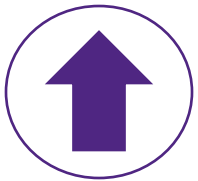




# People are living longer, but not healthier



Increased number of years living with a chronic condition and/or disability



Percentage of population with Alzheimer's is increasing: 16.7% increase between 2020 – 2025 in the state of Washington.

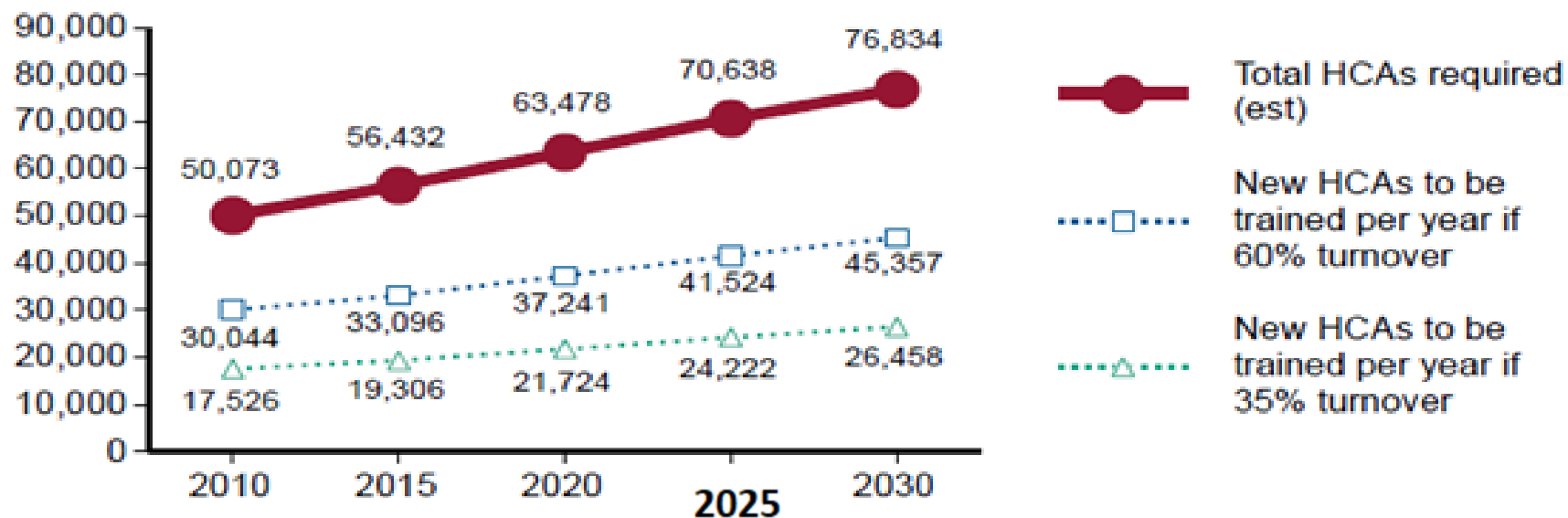
# People with I / DD are living longer

The number of adults with I/DD > 60 years in the United States is **projected to double** from 641,860 in 2000 to 1.2 million by 2030.

Source: "People with Intellectual and Developmental Disabilities Growing Old: An Overview," *University of Minnesota*, accessed January 11, 2022, <https://publications.ici.umn.edu/impact/23-1/people-with-intellectual-and-developmental-disabilities-growing-old-an-overview>.

# Growing demand for caregivers in WA

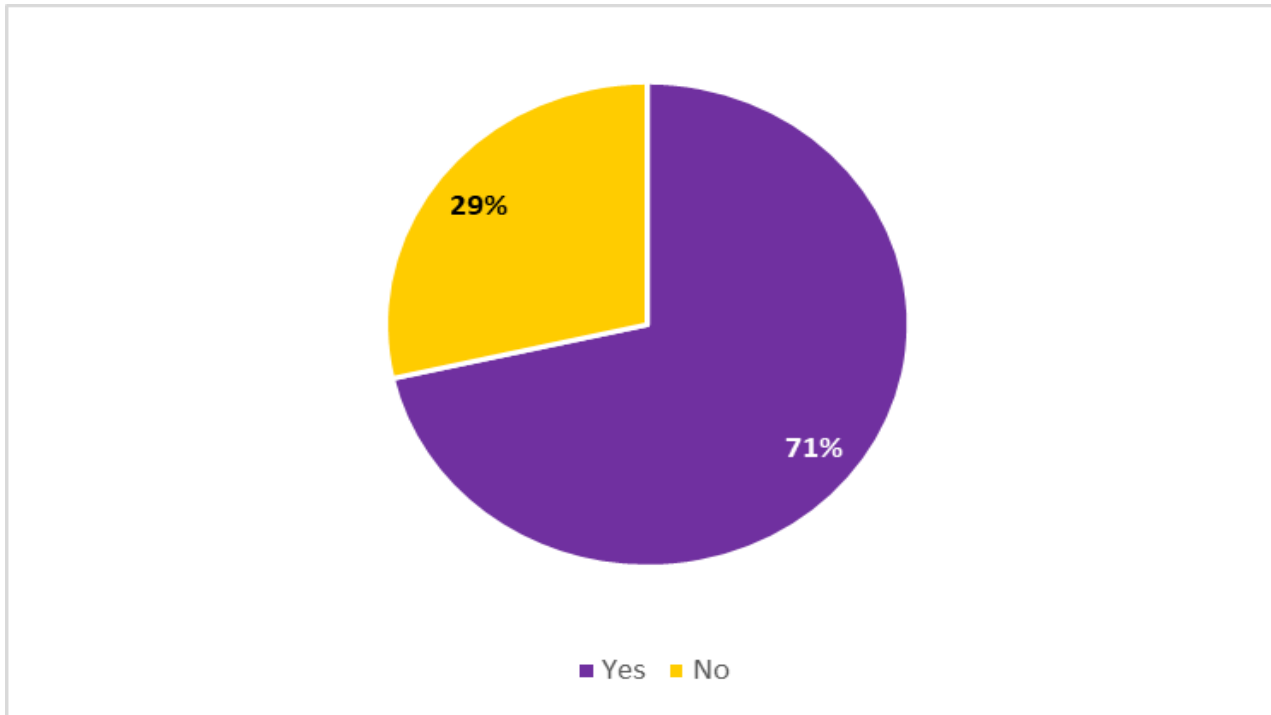
**Figure 3: Projected Increase in Home Care Aide Supply Required for Home- and Community-Based Medicaid Services in Washington, 2010-2030\***



\*Based on estimated increases in the number of Medicaid consumers using HCA services as individual providers, through home care agencies, and in adult family homes and boarding homes.

# Provide authorized Medicaid hours

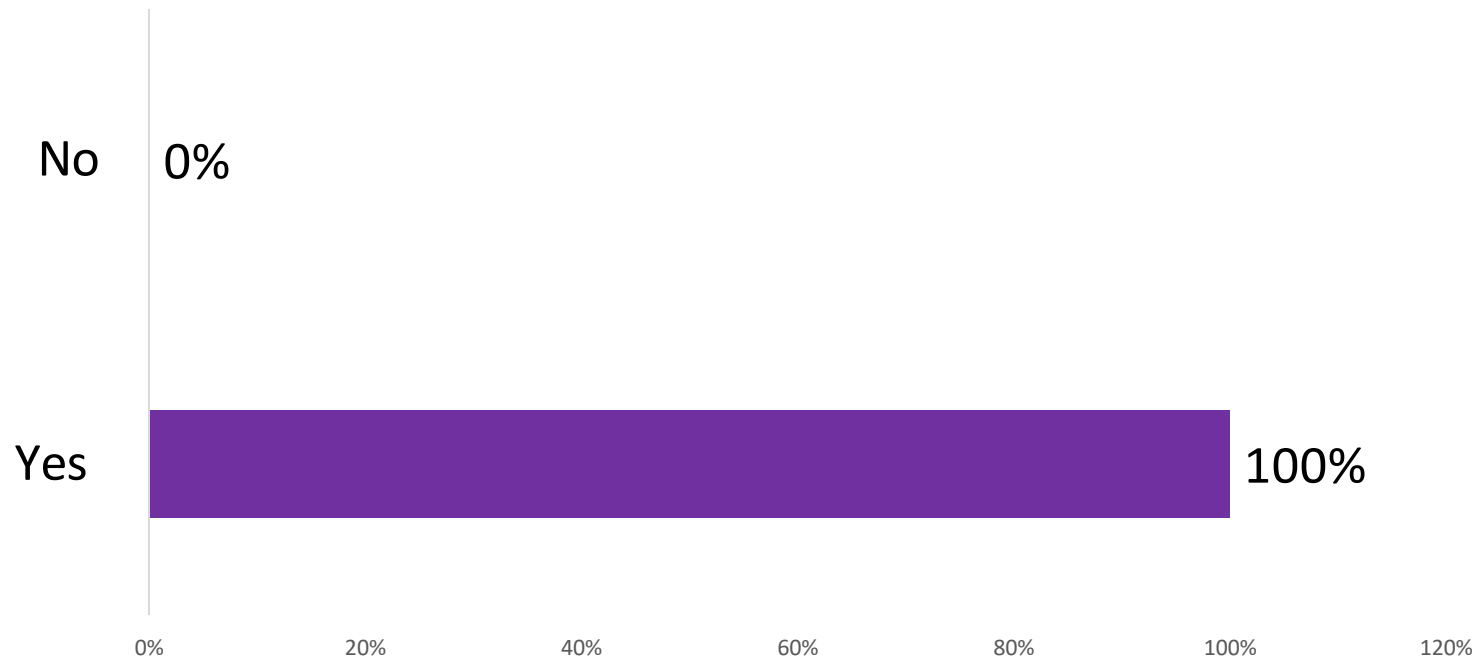
***Q: “Over the past 12 months, has the agency experienced an increase in the percentage of authorized home care Medicaid hours that the agency has been unable to provide?”***



Source: “Temporary rate enhancement impact on home care agencies survey,” SEIU 775, February 2022.

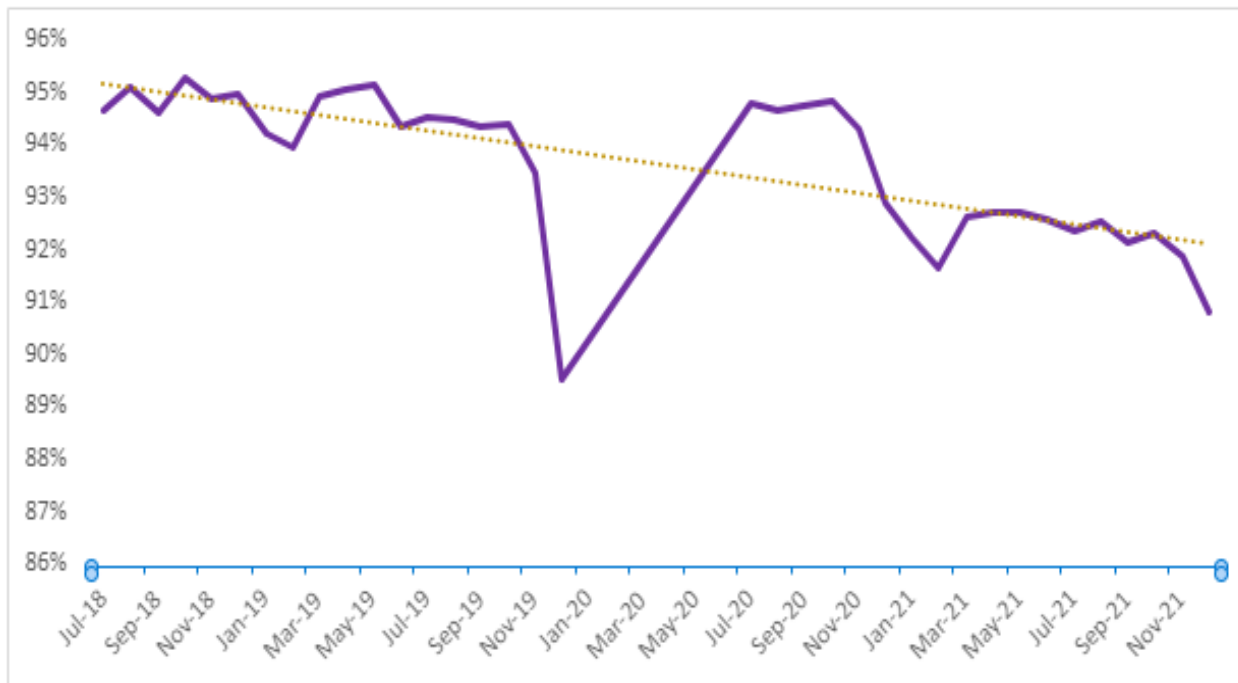
# Recruit home care workers

***Q: "Does your agency have any difficulties filling open positions for home care workers?"***



*Source: "Temporary rate enhancement impact on home care agencies survey," SEIU 775, February 2022.*

# Downward trend in authorized vs. claimed hours



Source: DSHS, Response to Information Request, March 2022

**Question: How did the COVID-19 pandemic worsen the problems facing direct care workers (...)?**

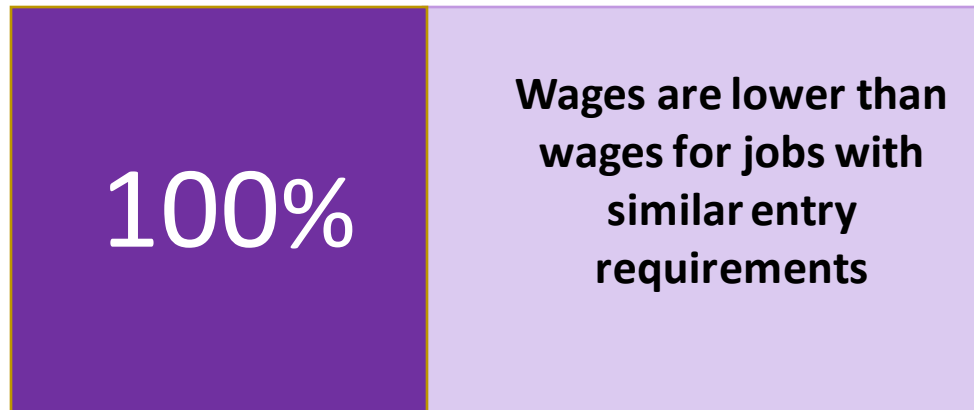
*“Right now, it is the access to services and the fact that people are having to wait to enter services just simply because of the shortage of the workforce.”*

**Bea Rector,**  
Director  
Home and Community-Based Services,  
DSHS

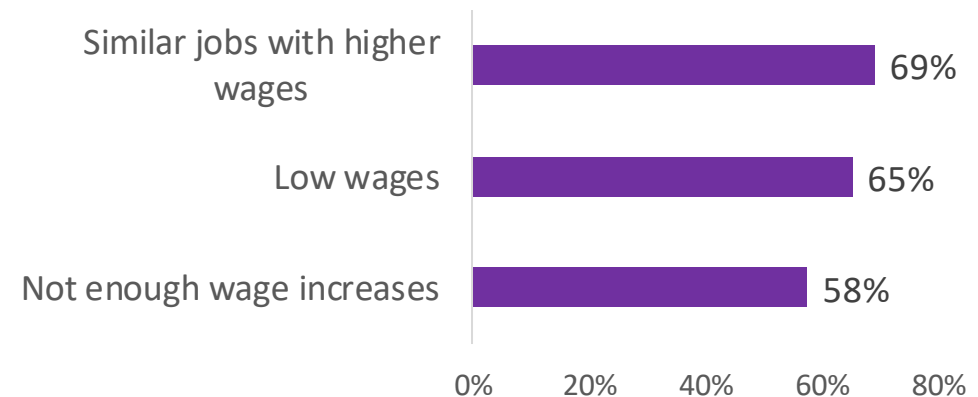
Source: “Strengthening the Direct Care Workforce: Scaling Up and Sustaining Strategies That Work,” Mathematica, Jun 03, 2021. (min 21.18 – 21.26).  
<https://www.mathematica.org/events/strengthening-the-direct-care-workforce-scaling-up-and-sustaining-strategies-that-work>

For home care agencies answering the survey, **wages** are a key factor driving retention and recruitment of home care workers

***Q: “Why do you think your agency has difficulties filling positions for home care workers?”***



***Q: “Why do you think your agency has difficulty retaining home care workers?”***

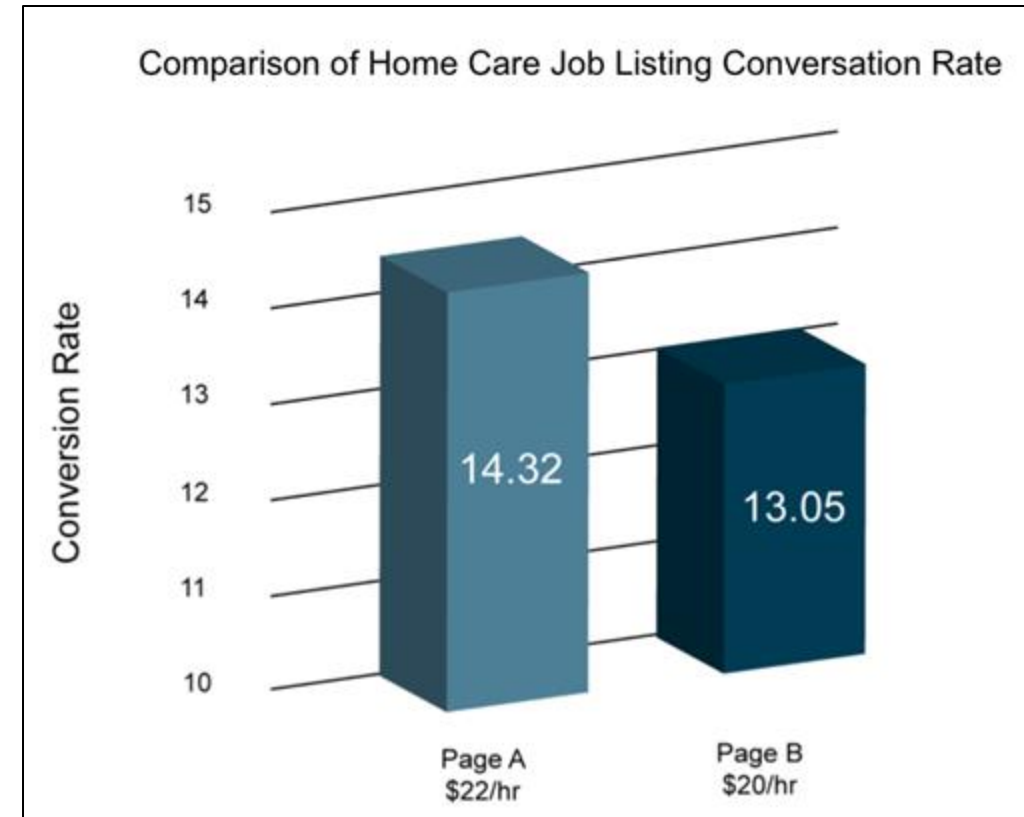


Source: “Temporary rate enhancement impact on home care agencies survey,” SEIU 775, February 2022.



## More job seekers were significantly interested in \$22/hour job offer

- 9.52% more job lead conversions
- Conversions occurred 10% faster on Offer A page, within just 46 seconds on average
- 8% more visitors scrolled down Offer A page
- 95% statistical significance, 72% probability of same result

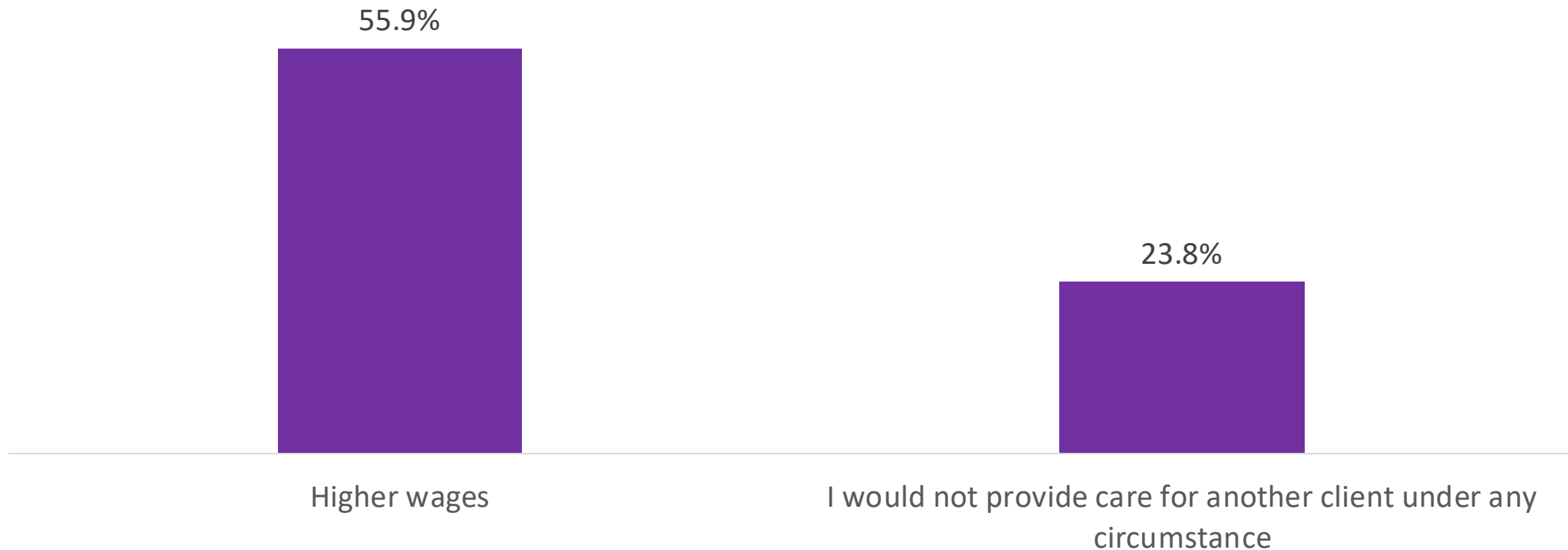


# Recruitment & retention

**49.8%** of respondents who were likely to quit say they would be willing to keep working for \$21 - \$25 dollars per hour

## Recruitment & retention

If you were not providing care for your family member, which of the following conditions would need to happen for you to provide care for another client?



Source: SEIU 775 Member survey, March 2022.

# Recruitment & retention are not only about wages

“My research and my review of the academic literature suggest clearly that retirement benefits are a key factor in employment decisions and can be a key strategy to recruit and retain low-wage workers.”

“The reason employers provide retirement benefits is simple. Allocating pay towards financial security pays off in a more stable workforce and a happy workforce. In my opinion, based on decades of economic research, if personal and home health care workers in the state of Washington were offered retirement plans the state would benefit.”

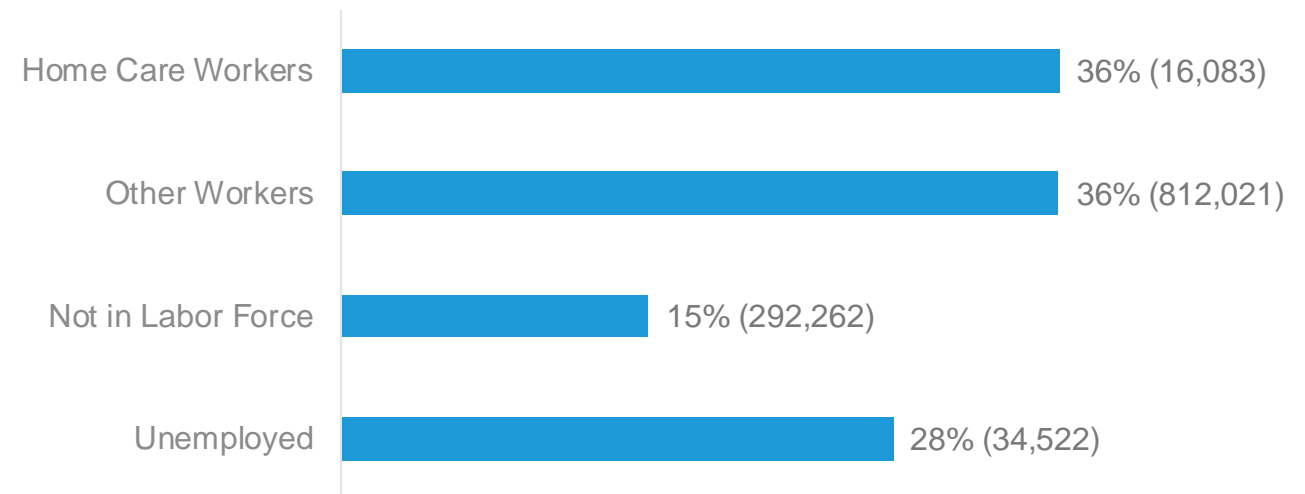
“Offering retirement benefits could reduce turnover in the occupation. There is ample evidence that increasing benefits, such as providing more robust retirement plans, reduces employee turnover. For example, a 2018 Society for Human Resources Management report on the private sector showed that companies that offered competitive benefits were able to recruit 19 percent more effectively and were 28 percent more likely to retain employees (Wessels and Robinson 2018). “

Professor Theresa Ghilarducci, Professor of Economics and Director of The New School's Schwartz Center for Economic Policy Analysis, and Jessica Forden, Research Associate of The New School's Schwartz Center for Economic Policy Analysis.

# New Evidence

A dependent health insurance benefit could attract parents from occupations with similar entry-level requirements, as well as those who are unemployed or out of the labor force: **a potential labor pool of nearly 1.3 million people.**

**Parents with Dependents by Occupation and Labor Force Participation Status in Washington, 2019**



\* Percent error margin is greater than  $\pm 10$  percent. "Other workers" refers to workers in occupations with similar entry-level requirements to home care worker jobs, (i.e., O\*NET Job Zones 1 through 3). O\*NET. 2022. O\*NET 26.2 Database. <https://www.onetcenter.org/database.html#all-files>; analysis by PHI (March 2022).

# Impact on Caregiving – HBT Survey

If dependents  
could get  
coverage through  
BG

- 68% strongly/somewhat agreed they would feel more satisfied with their job
- 68% strongly/somewhat agreed they would be more likely to keep working as a caregiver

# Recruitment & retention

- Over half (58%) of employers say that offering paid leave helps them attract talent (The Workforce Institute at UKG, 2021)
- Paid sick leave decreases the probability of job separation by at least 2.5 percentage points or 25%. The association is strongest for workers without paid vacation leave and for mothers. (Hill 2013)

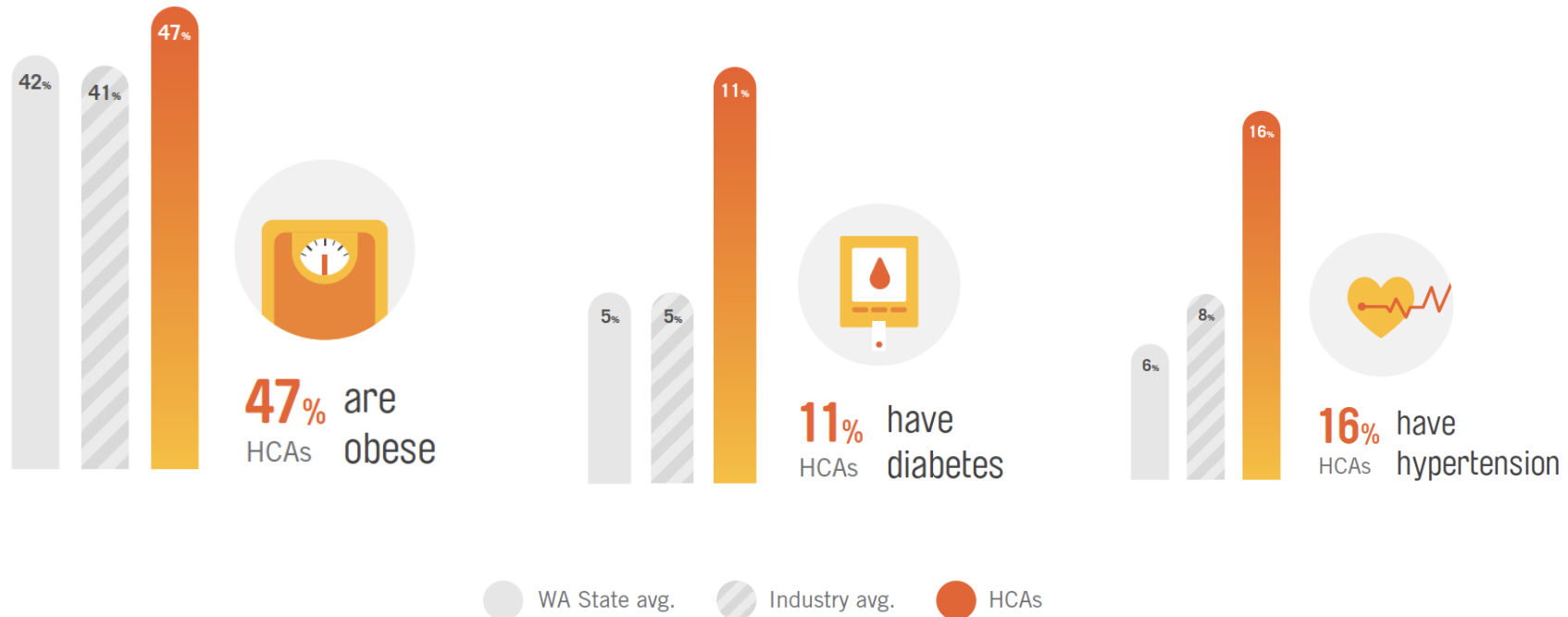


# Affordable Health Care



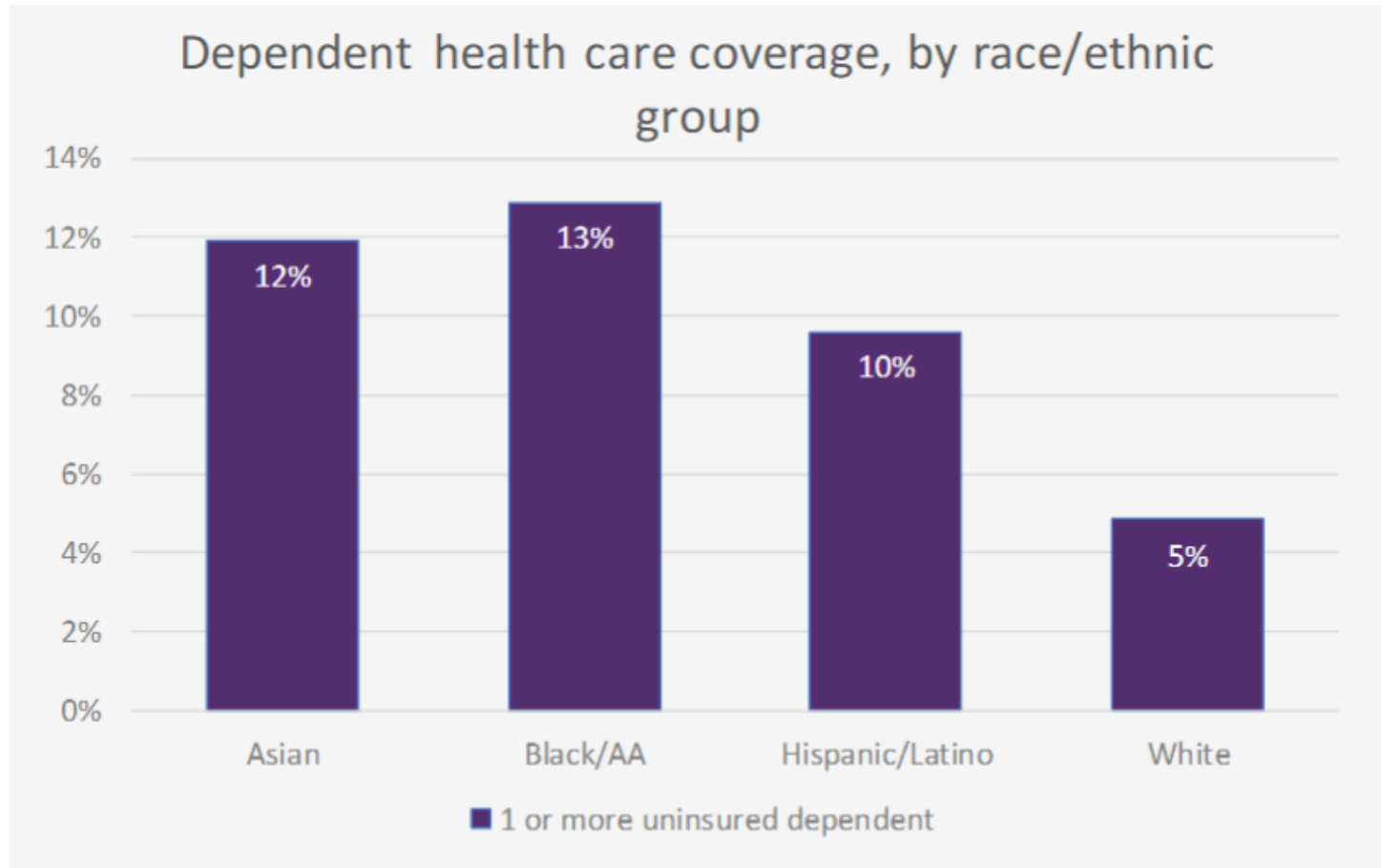
# HBT Population

## Caregivers Face Significant Health Disparities



# 8% of Caregivers Have An Uninsured Child

BIPOC dependents more likely to be uninsured

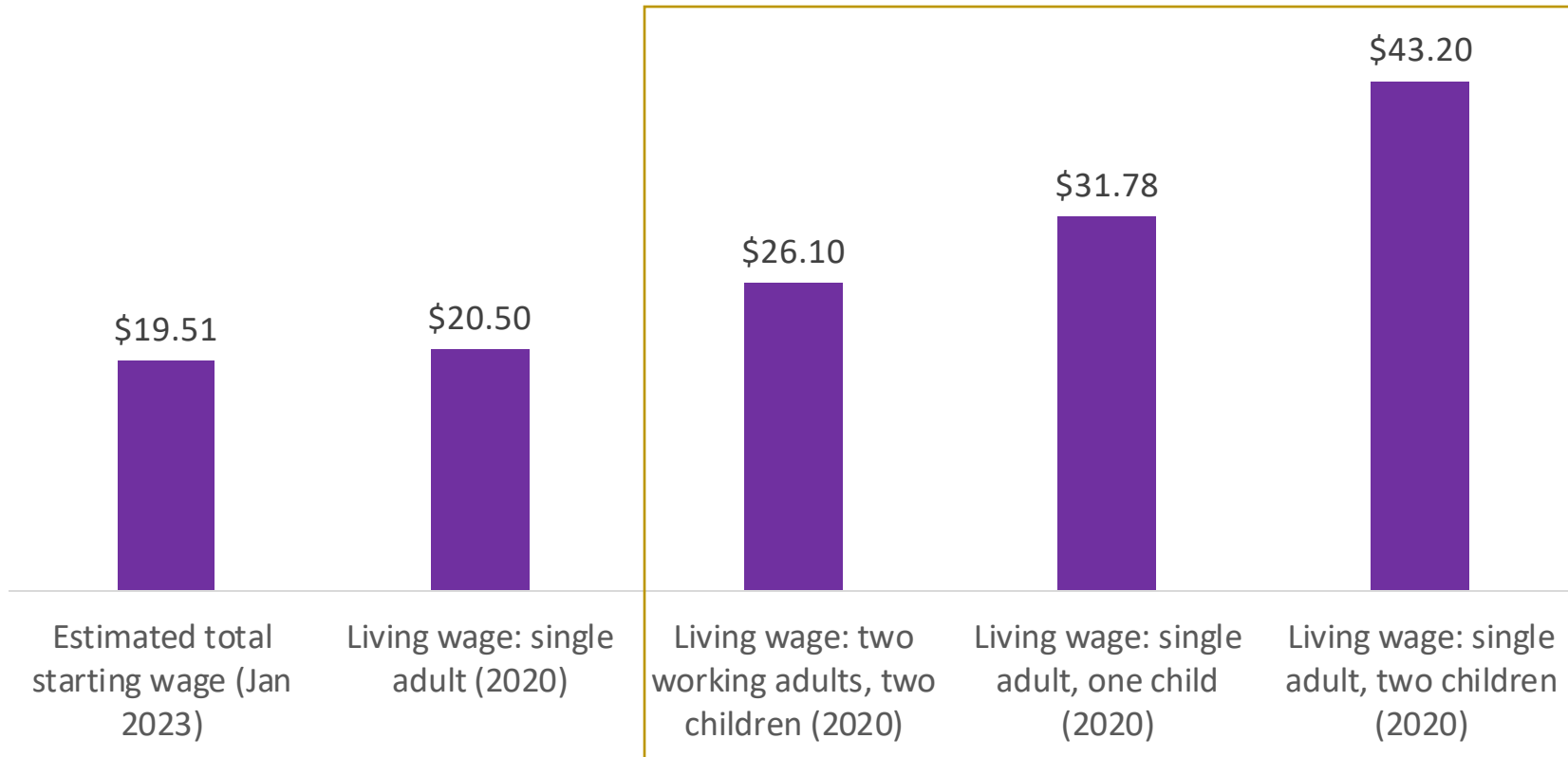


# Reduce Reliance on Public Assistance



# IPs are not making a living wage now

IP starting wage in 2023 Compared to WA Living Wages in 2020



- Almost half of home care workers in Washington (46%) have at least a dependent child
- 1 in 5 are single parents
- Need to expand the workforce

Sources: Own collaboration with information from Living Wage Report 2020-2021

"The Crisis of Low Wages in the US," accessed April 4, 2022, <https://www.oxfamamerica.org/explore/research-publications/the-crisis-of-low-wages-in-the-us/>

"It Is Time to Resolve the Direct Care Workforce Crisis in Long-Term Care | The Gerontologist | Oxford Academic," accessed April 4, 2022, <https://academic.oup.com/gerontologist/article/61/4/497/5898205>

"Demographics of Multigenerational Households" Pew Research Center, accessed April 4, 2022, <https://www.pewresearch.org/social-trends/2022/03/24/the-demographics-of-multigenerational-households/>

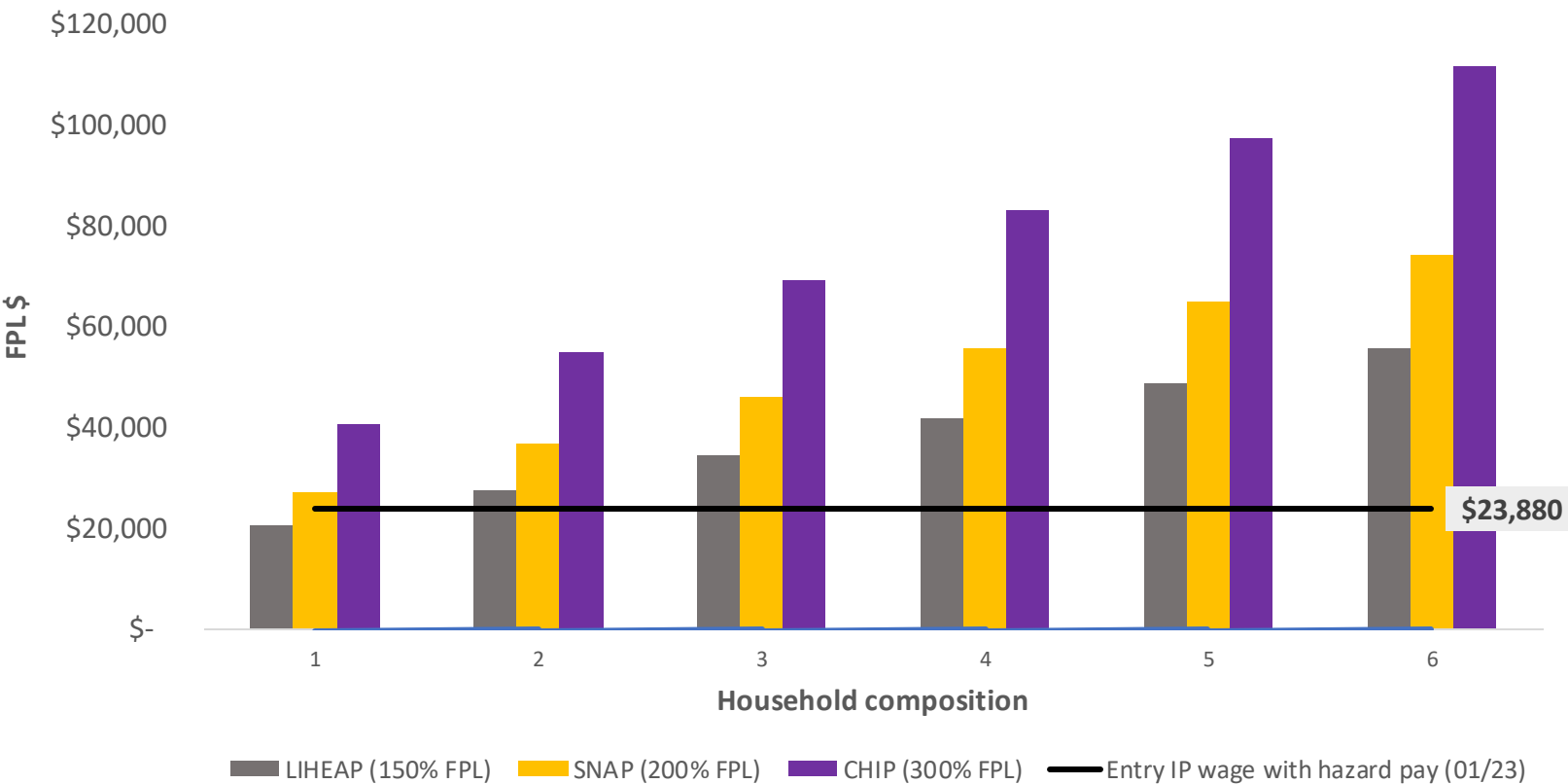


# 2022 and beyond

- Inflation now at its highest rate since early 1980s
- Conflict abroad affecting cost of basic needs
  - Transportation
  - Food
- \$20.50 was the living wage for a single adult in 2020 - on track to be at least \$23.17 by 2025 using Economic and Revenue Council projections

**Alliance for a Just Society** 

# Some public assistance programs caregivers are eligible for



Source: Own elaboration with information from 2021 – 2023 CBA and wage reopener, “Poverty Guidelines,” ASPE, accessed April 4, 2022, <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>



# Benefits of Supporting Caregiver Retirement

Washington State Benefits of Expanding Access to Retirement Savings\*



**\$18,600**

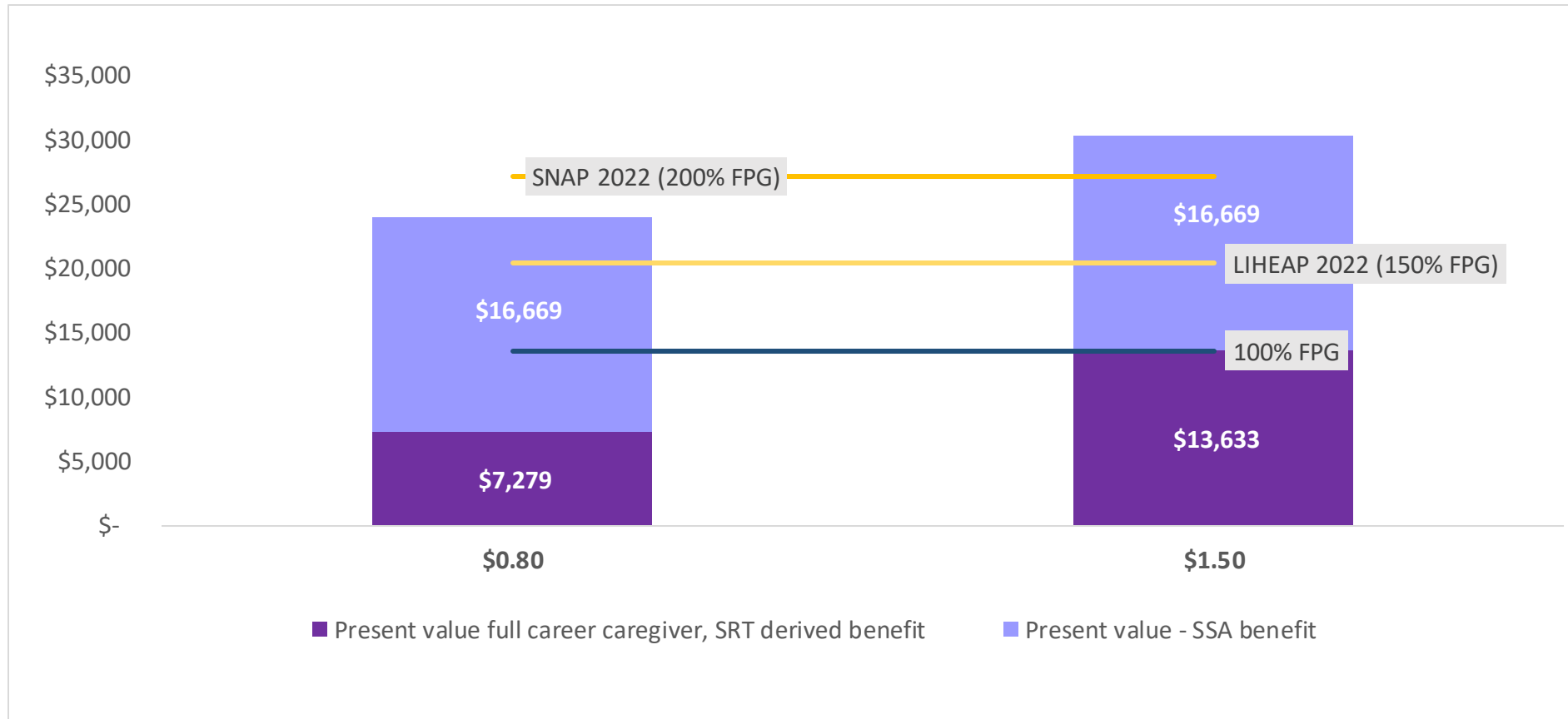
**Annual Per-Beneficiary Spending (Federal & State) for  
Elderly Medicaid Recipients, 2017–2018**

*Source: Centers for Medicaid and Medicare Services*

Current government expenditures to support low-income seniors through benefit programs like Medicaid are significant. Increases in retiree incomes through enhanced savings, and investment in retirement plans like the Secure Retirement Plan would limit the growing demand for these programs as the population ages in our State.

# Full career retirement benefit compared to social assistance programs income eligibility

Present value full career caregiver annual payments, including social security *at various modeled Contribution Rates (illustrative)*



Source: Own elaboration with information from 2021 – 2023 CBA and wage reopener, “Poverty Guidelines,” ASPE, accessed April 4, 2022, <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

# Comparables



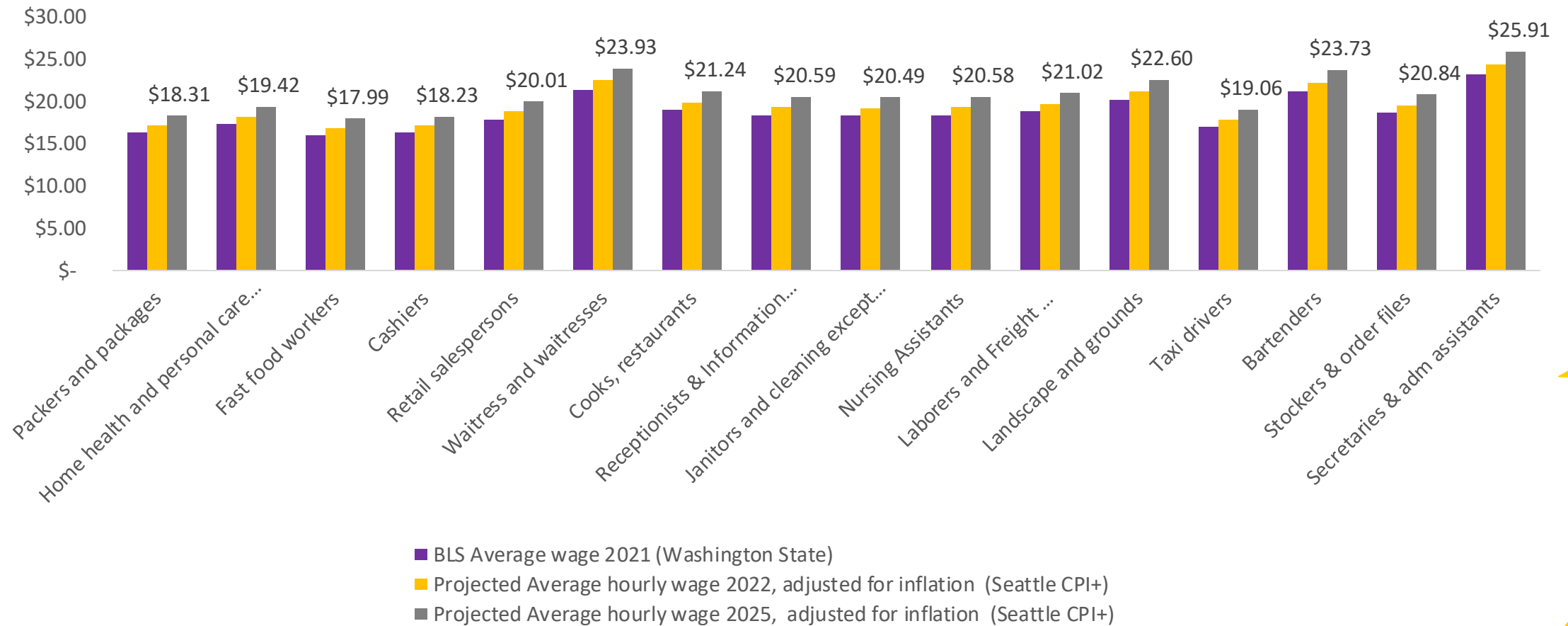
# Arbitrator Williams

“This Arbitrator is particularly mindful of the Union’s closing arguments related to the fact that the data does not set out what wages will be in those comparable jurisdictions on July 1 of 2005 and July 1 of 2006; the years of concern for this interest arbitration proceeding...The Arbitrator agrees with the Union’s line of reasoning...”

2004 IP CBA Interest Arb. Award, pp. 30-31



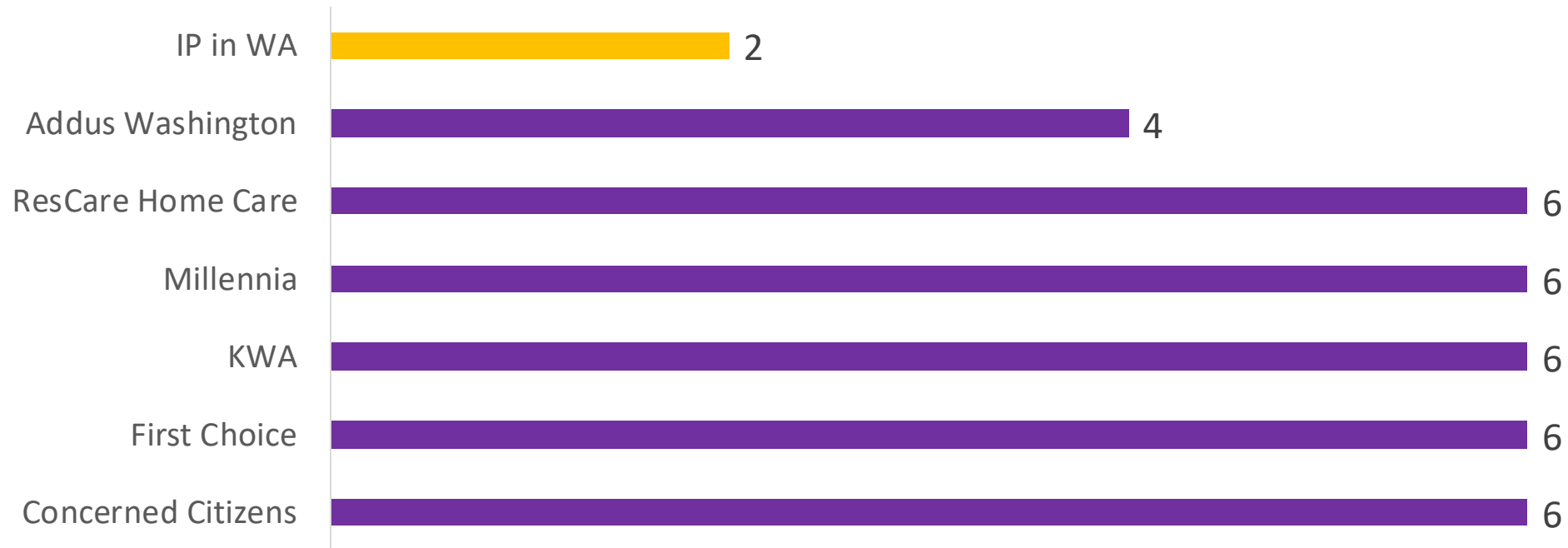
# Market Place Competitors



Source: own elaboration with information from the Bureau of Labor Statistics. Inflation estimates from Washington State Economic and Revenue Forecast Council

# Examples of HCA Paid Holidays

## Home care agencies in WA state



Source: Own elaboration with information from Collective Bargaining agreements 2021 – 2023 found at <https://seiu775.org/findyourcontract/>

Most  
Washington  
Agencies have  
a paid Nurse  
Delegation  
Differential



Organization	Nurse Delegation Differential
Catholic Community Services	50 cents
Full Life Care	50 cents
ResCare	50 cents
Amicable	25 cents
Chesterfield	25 cents
Concerned Citizens	25 cents
Millennia	25 cents
KWA	25 cents

Source: Own elaboration with information from Collective Bargaining agreements 2021 – 2023 found at <https://seiu775.org/findyourcontract/>



# Other acuity differentials in Washington

WA Home Care Agency	Special / Extraordinary Care / Behavioral needs Differential	Transfer / Toileting Differential
Addus Washington	50 cents	
Amicable	25 cents	25 cents
CCS	50 cents	50 cents
Concerned Citizens	25 cents	25 cents
First Choice	50 cents	
Full Life Care		1 dollar
KWA	50 cents	
ResCare	50 cents	

Source: Own elaboration with information from Collective Bargaining agreements 2021–2023 found at <https://seiu775.org/findyourcontract/>

# Ability To Pay



# Washington's economy is recovering

## Unemployment is falling

- 16.8% (April 2020)
- 4.2% (March 2022)

## Consumer spending (taxable retail sales) is growing

- 2021: +11.1%
- 2022: +8.0%
- 2023: +4.3%

## Total state personal income growing

- 2021: +7.6%
- 2022: +3.6%
- 2023: +5.6%

# Fiscal conditions are strong



## Revenue collections are growing:

7.5% (\$255 million) above  
projections  
18% higher over the last year



## Revenue projections are increasing

\$1.5 billion higher 2021-23; \$1.3  
billion higher 2023-25



## Budget reserves are robust

Total reserves = 13% (\$4.2 billion)  
of annual spending

# Lawmakers have many options to fund adequate pay for home care workers

- Plenty of untapped wealth available -- \$1.5 trillion in real estate wealth alone.
- At least 94 options for raising revenue within the current tax code
- Draw additional federal funding via a new Home Care Provider Tax
- Reforming Washington's tax code could equitably bolster community foundations

# What does the data tell us?



# What needs to be done?



1. A wage  
sufficient to  
recruit/retain  
caregivers

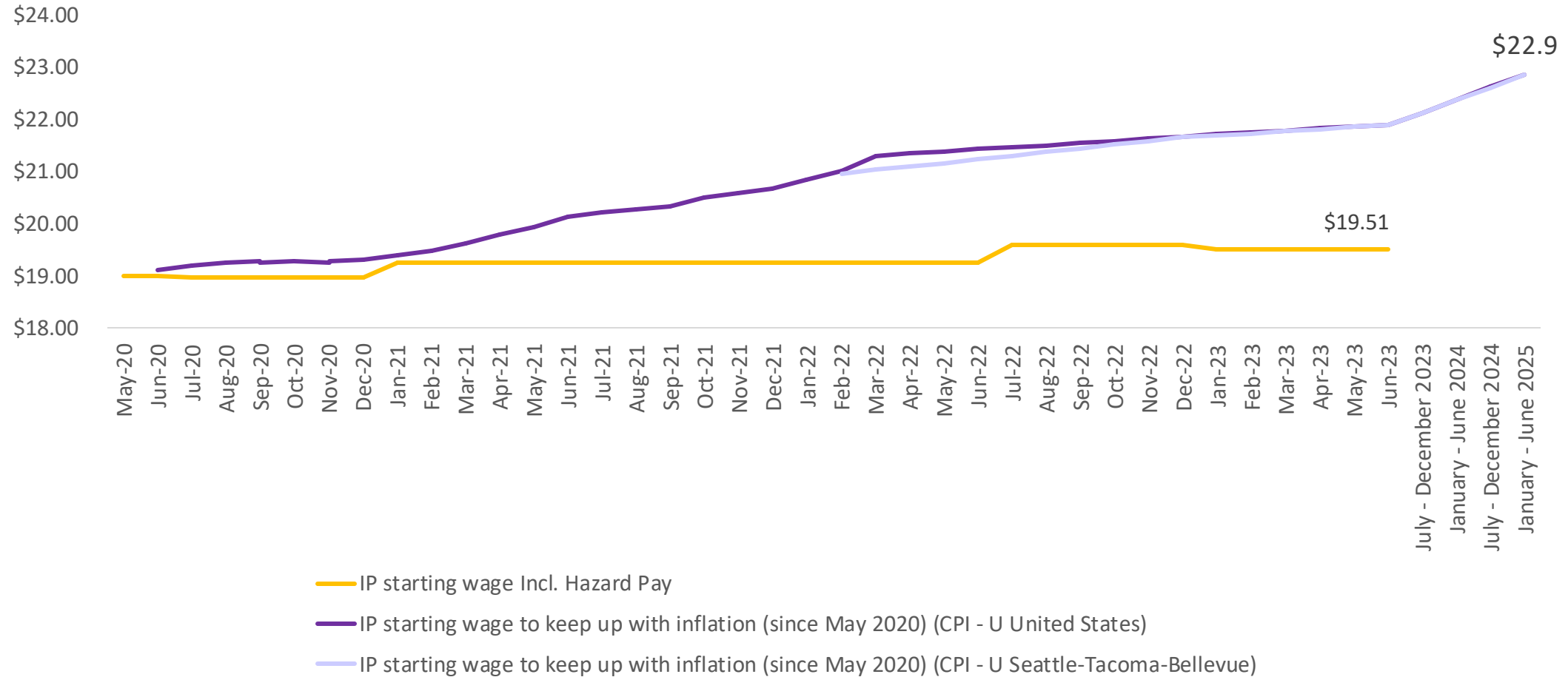


2. A true living  
wage for  
caregivers



3. A wage that at  
least keeps up  
with the cost of  
living

# Keeping up with inflation



Source: Own elaboration with information from SEIU 775 and the State of Washington Collective Bargaining Agreement 2021 – 2023, Wage reopener, COVID-19 MoUs on hazard pay. Inflation estimates from Washington State Economic and Revenue Forecast Council



# 2022 and beyond



- Inflation now at its highest rate since early 1980s
- Conflict abroad affecting cost of basic needs
  - Transportation
  - Food
- \$20.50 was the living wage for a single adult in 2020 - on track to be at least \$23.17 by 2025 using Economic and Revenue Council projections

**Alliance for a Just Society**



Results: More users were significantly interested in \$22/hour job offer

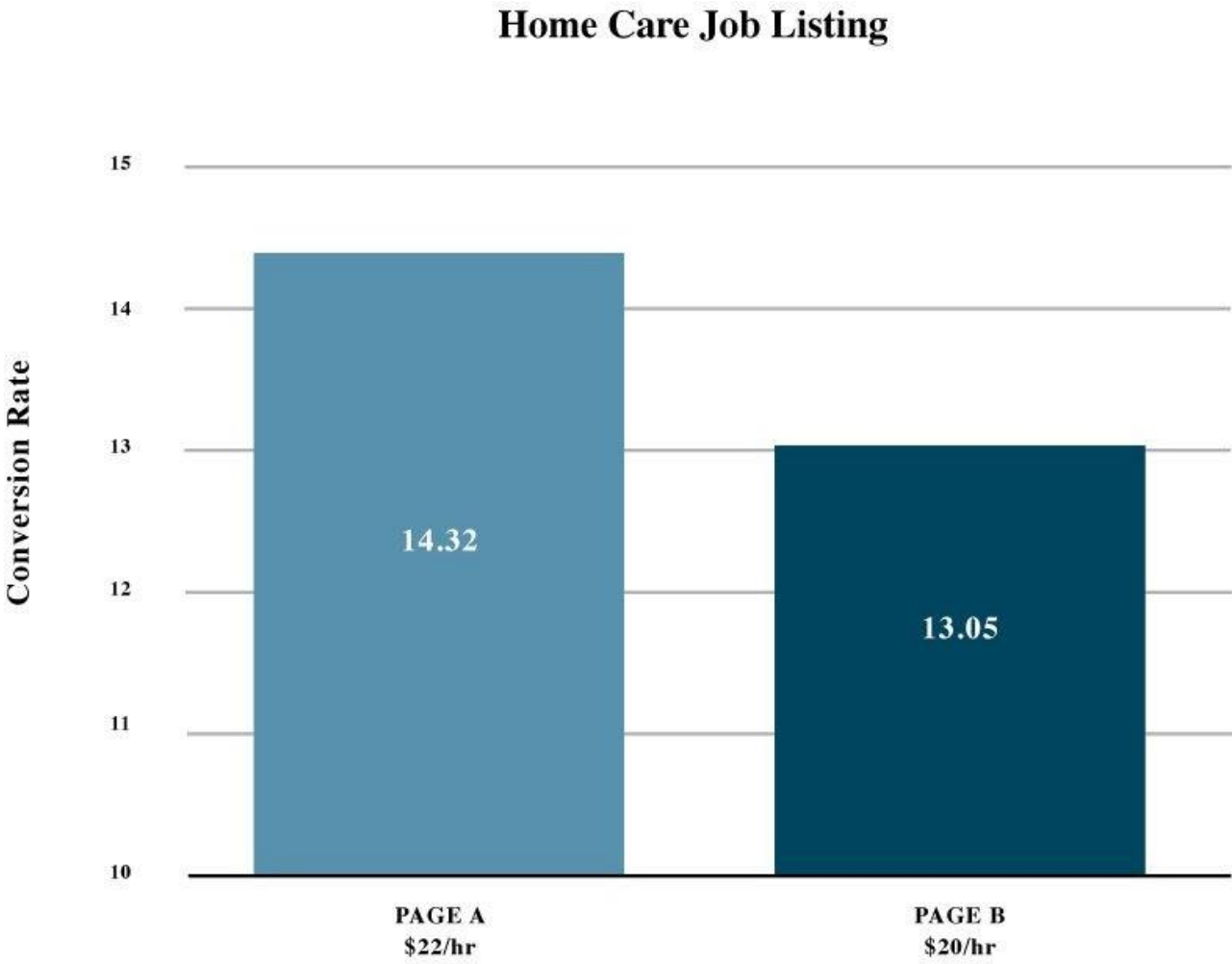
**Offer A \$22/hour**

**9.52% more** job lead conversions than the lower wage offer

Conversions occurred **10% faster**, within just 46 seconds on average

**8% more** visitors scrolled down page

95% statistical significance, 72% probability of same result



Date	IP Starting Wage	Increase from previous period
January 2023	\$19.51	0
July 2023	\$20.29	4%
January 2024	\$21.10	4%
July 2024	\$21.95	4%
<b>January 2025</b>	<b>\$22.82</b>	4%



# Baseline Funding Need

Element	Assumption
Hours	4.5% annual growth
Medical & Cost Trends	5.3% Medical Trend 3.0% Administrative Increase
Enrollment Growth	4.5% annual growth
FMLA/PFML Rate	1.6% utilization
Dependent dental	9,600 dependents 1,317 new caregivers
Reserve	Remain within reserve threshold

Baseline Funding	FY24	FY25
Baseline Funding	\$0.25	\$0.46
Reserve Use	(\$0.25)	(\$0.17)
<b>CPH need</b>	<b>\$0.00</b>	<b>\$0.29</b>

Baseline HBT Rate	\$3.98	\$4.27
-------------------	--------	--------

# Baseline + Dependent Medical Funding Need

Element	Assumption
Baseline Need	All elements from baseline model.
Dependent Medical	19% of Enrolled Caregivers 12% of Eligible but not Enrolled Caregivers
Reserve	Remain within reserve threshold.

Total Impact	Number
Caregivers Enrolling	1901
Dependents Enrolling	12,830

Baseline + Dependent Medical Funding	FY24	FY25
Baseline Medical	\$0.25	\$0.46
<b>Dependent Medical</b>	<b>\$0.68</b>	<b>\$1.14</b>
Subtotal	\$0.93	\$1.60
Reserve Use	(\$0.14)	\$0.00
<b>Additional CPH Need</b>	<b>\$0.79</b>	<b>\$1.60</b>

<b>Total HBT Rate</b>	<b>\$4.77</b>	<b>\$5.58</b>
-----------------------	---------------	---------------

# Retirement

Full Career Caregiver – 45 Years as a Caregiver	20-Year Payout Annual Amount (in \$)	% of Caregiver Income Annual Replacement (for 20-years)	Income Replacement with Social Security
\$0.80	18,100	21%	60%
\$1.50	33,900	40%	<b>80%</b>

# PTO and Paid Holidays



Increase PTO accrual to 1 hour for every 20 hours worked



Add 2 paid holidays per year to get to 6 holidays total

Rate  
sufficient to  
fund:

Component	
Wages	<ul style="list-style-type: none"><li>• 4% Increase every 6 months starting with end of FY 23 total wages</li></ul>
Health Care	<ul style="list-style-type: none"><li>• \$4.77/hr</li><li>• \$5.58/hr</li></ul>
Retirement	<ul style="list-style-type: none"><li>• + 15-cents FY 24</li><li>• + 30-cents FY 25</li></ul>
PTO/Holidays	<ul style="list-style-type: none"><li>• 1/20 PTO accrual</li><li>• + 2 Holidays FY 24 (4 total)</li><li>• + 4 Holidays FY 25 (6 total)</li></ul>
Miscellaneous small investments (as examples)	<ul style="list-style-type: none"><li>• 2-3 cents Training</li><li>• +15 minutes of admin time</li><li>• Nurse delegation differential</li><li>• Mileage cap increase to 140/month</li></ul>



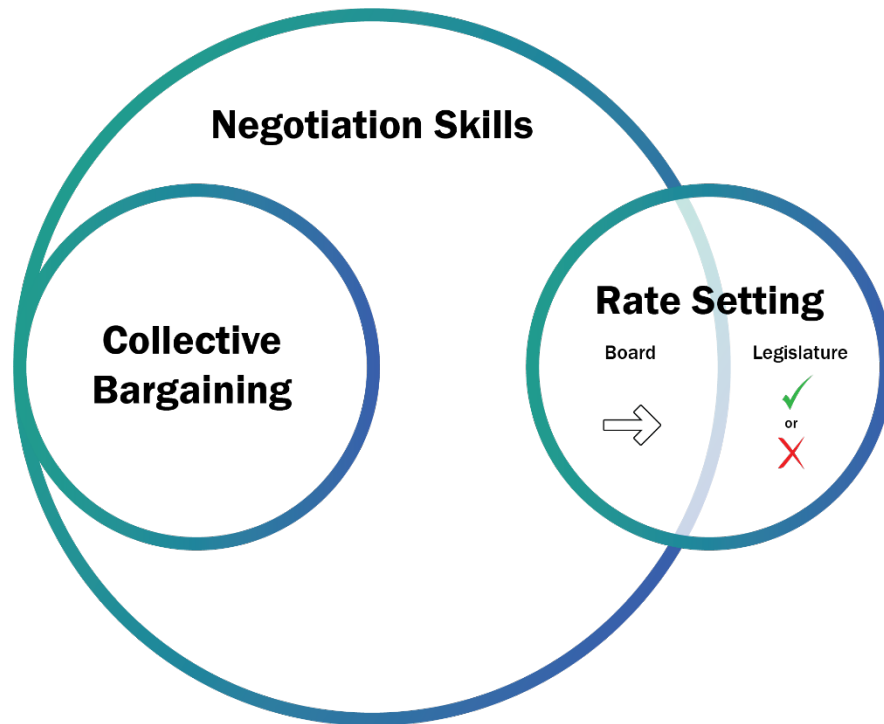
TAB 9

# Navigating the CDE Rate Setting Board Process



**Center**  
For Dialog & Resolution

# Rate setting does not include collective bargaining



- **Negotiation** is the skill parties use to reach mutually acceptable agreements.
- **Collective bargaining** is rule making process that formulates the terms and conditions under which the worker's group and management, may cooperate and work together.
- **Rate Setting** is a process that a public body, with representation of stakeholders reviews, evaluates and recommends to the legislature the rate which includes a labor and an administrative component.

# CDE Rate

Is an hourly combined rate paid to the CDE

Consists of two Components

## Labor Rate

- Wages
- Benefits
  - Must include a specific hourly amount that the CDE may use only for health benefits
- Associated taxes
- Collective Bargaining Agreements

## Administrative Rate:

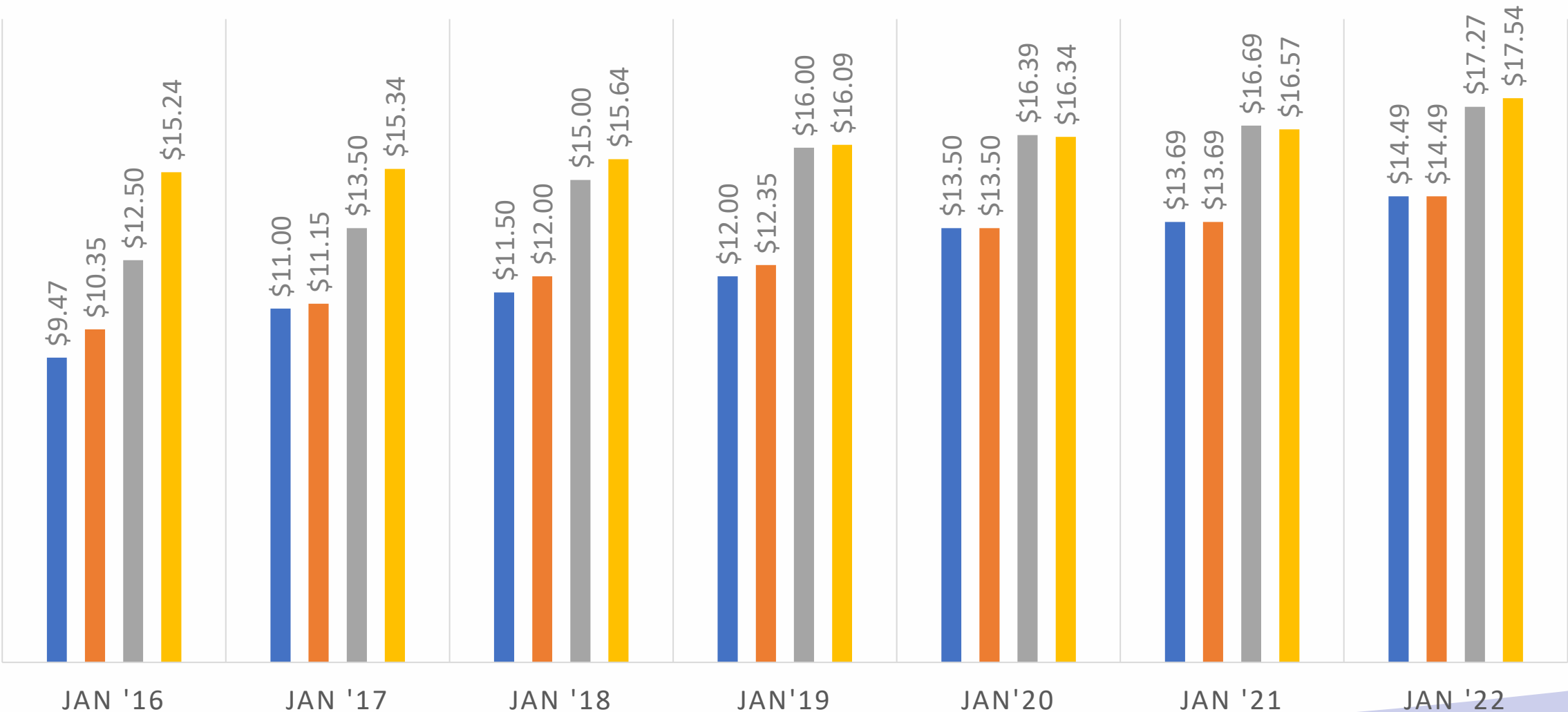
- Funds used by the CDE to perform its administrative duties

TAB 10

# 5/10/2022 RSB Meeting follow-up

# WA STATE AND LOCAL ORDINANCES MINIMUM WAGE

■ State ■ Tacoma ■ Seattle ■ SeaTac\*



\*applies only to certain hospitality and transportation workers

# RSB Information About IP Projections/Cost

In Biennium 2023-25:

- Monthly utilizations are projected to be 7 million service hours per month
- One penny increase of admin rate would cost \$1.4M total fund biennially
- One penny increase of non-wage type labor rate component would cost \$1.7M total fund biennially
- One penny increase of wage type labor rate component would cost \$2M total fund biennially

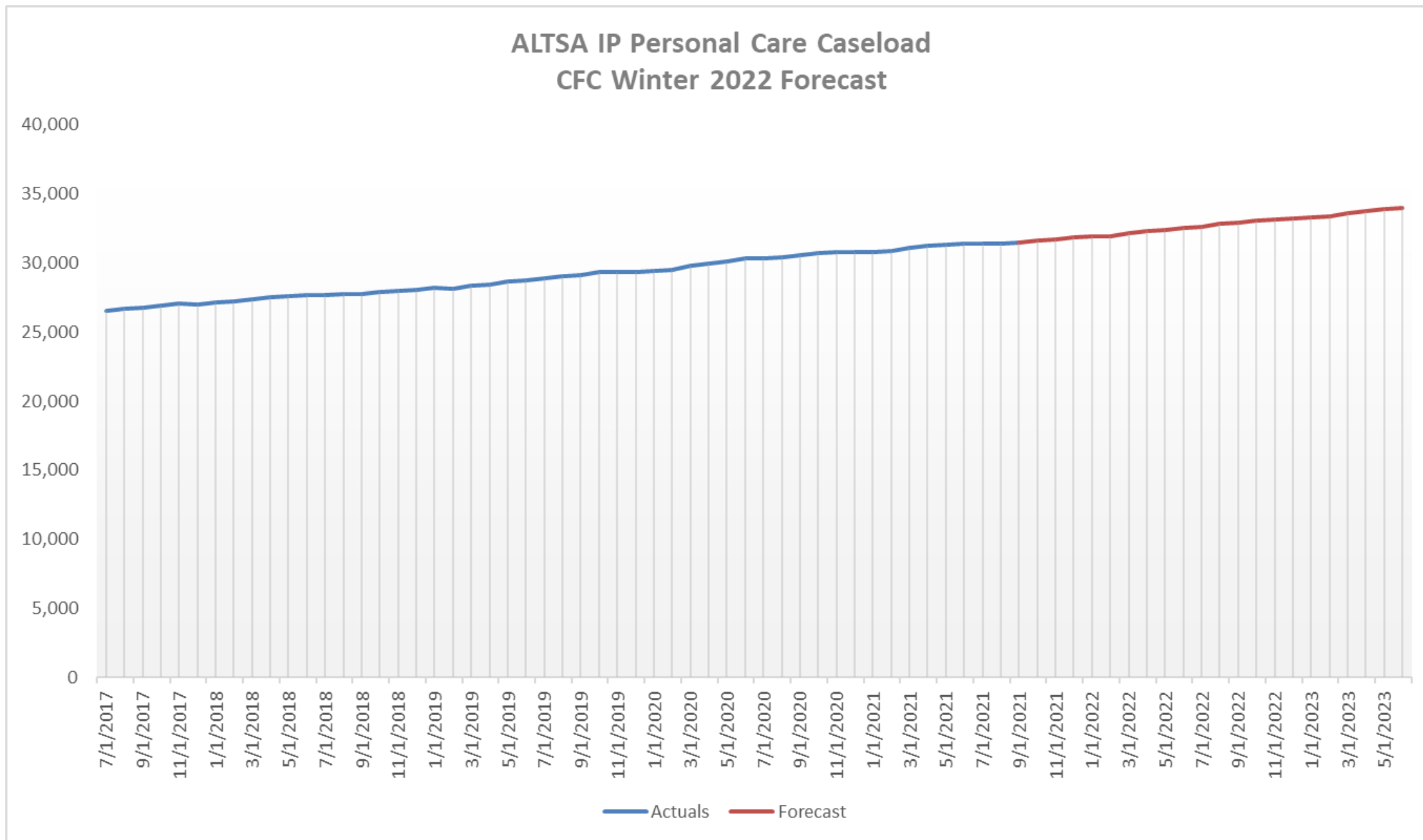


# Impacts of FMAP\* increase for July-Sept 2022

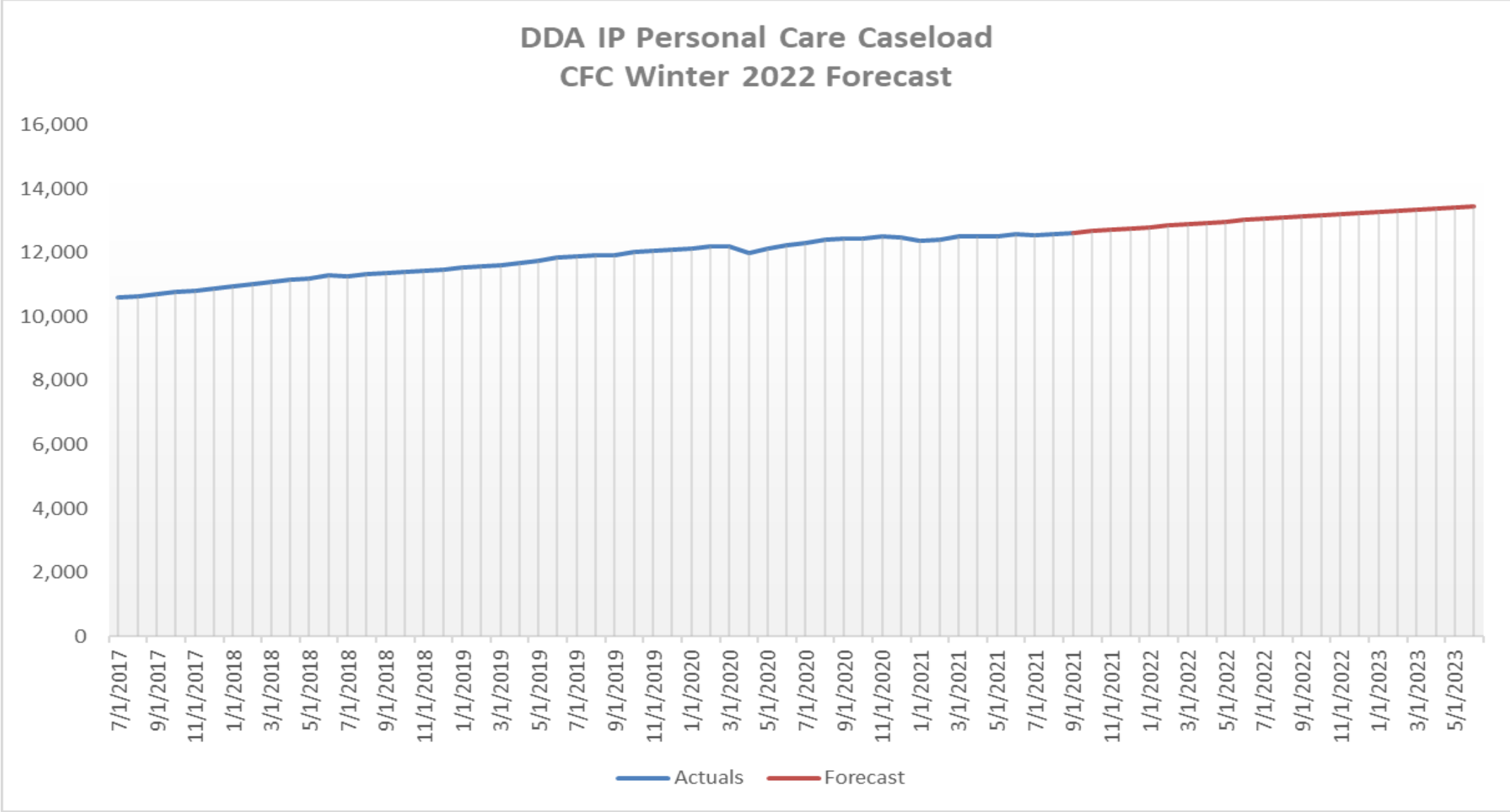
Information about the 6.2% increase was sent to the RSB Board Members in an Excel spreadsheet titled “ALTSA-DDA Enhanced FMAP 6.2% July-Sept 2022 Estimate” on 6/7/2022 via RSB Mailbox

\*FMAP = Federal Medical Assistance Percentage

# June Caseload Forecast ALTSA



June  
Caseload  
Forecast  
DDA



TOTAL - Winter 2022 Forecast plus 2022 Supp Budget Steps				
ALTSA				
FY23 Budget Estimates July-Sept 2022 No FMAP Change				
Budget Unit	State	Federal	Total	
Nursing Homes	121,361,679	127,366,033	248,727,711	
Adult Day Health	938,748	984,748	1,923,497	
PDN	4,046,372	4,158,185	8,204,557	
In-Home	233,902,015	300,306,466	534,208,480	
AFH	57,570,665	71,060,719	128,631,383	
ARC	18,987,340	19,553,348	38,540,688	
AL	9,197,373	9,975,758	19,173,132	
PACE	6,204,132	6,416,807	12,620,939	
ESF	1,538,000	1,543,000	3,081,000	
Total	453,746,323	541,365,065	995,111,388	
	-	-	-	
FY23 Budget Estimates July-Sept 2022 With FMAP Change				
Budget Unit	State	Federal	Total	
Nursing Homes	105,813,431	142,914,281	248,727,711	
Adult Day Health	842,780	1,080,717	1,923,497	
PDN	3,563,187	4,641,370	8,204,557	
In-Home	199,994,375	334,214,106	534,208,480	
AFH	49,182,823	79,448,561	128,631,383	
ARC	16,663,615	21,877,073	38,540,688	
AL	8,119,781	11,053,350	19,173,132	
PACE	5,451,986	7,168,953	12,620,939	
ESF	1,347,000	1,734,000	3,081,000	
Total	390,978,977	604,132,411	995,111,388	
	-	(0)	-	
FMAP Variance In Total				
Budget Unit	State	Federal	Total	
Nursing Homes	(15,548,000)	15,548,000	-	
Adult Day Health	(96,000)	96,000	-	
PDN	(483,000)	483,000	-	
In-Home	(33,908,000)	33,908,000	-	
AFH	(8,388,000)	8,388,000	-	
ARC	(2,324,000)	2,324,000	-	
AL	(1,078,000)	1,078,000	-	
PACE	(752,000)	752,000	-	
ESF	(191,000)	191,000	-	
Total	(62,768,000)	62,768,000	-	
	-	-	-	
FMAP Variance with Adjustment Factor Due to MO			15%	
Budget Unit	State	Federal	Total	
Nursing Homes	(13,216,000)	13,216,000	-	
Adult Day Health	(82,000)	82,000	-	
PDN	(411,000)	411,000	-	
In-Home	(28,822,000)	28,822,000	-	
AFH	(7,129,000)	7,129,000	-	
ARC	(1,975,000)	1,975,000	-	

DDA				
FY23 Budget Estimates July-Sept 2022 No FMAP Change				
Budget Unit	State	Federal	Total	
Residential Srvs	122,100,688	120,988,255	243,088,944	
In-Home IP	75,140,303	93,931,943	169,072,246	
In-Home AP	6,650,619	8,307,025	14,957,644	
In-Home AFH	8,607,272	10,606,111	19,213,383	
In-Home ARC	374,642	464,093	838,734	
In-Home Other	395,098	494,312	889,410	
IFS	968,000	947,500	1,915,500	
Prof Services	2,204,750	2,037,750	4,242,500	
Employ & Day	11,617,000	8,839,000	20,456,000	
Other Comm Srvs	17,750	25,500	43,250	
Respite	4,955,341	4,806,527	9,761,868	
RHC	33,039,250	30,402,000	63,441,250	
SOLA	10,293,500	10,085,750	20,379,250	
Total	276,364,213	291,935,766	568,299,979	
	-	-	-	
FY23 Budget Estimates July-Sept 2022 With FMAP Change				
Budget Unit	State	Federal	Total	
Residential Srvs	107,725,580	135,363,364	243,088,944	
In-Home IP	64,623,816	104,448,430	169,072,246	
In-Home AP	5,717,023	9,240,621	14,957,644	
In-Home AFH	7,343,352	11,870,031	19,213,383	
In-Home ARC	320,264	518,470	838,734	
In-Home Other	339,954	549,456	889,410	
IFS	849,250	1,066,250	1,915,500	
Prof Services	1,941,750	2,300,750	4,242,500	
Employ & Day	10,348,750	10,107,250	20,456,000	
Other Comm Srvs	15,000	28,250	43,250	
Respite	4,300,127	5,461,741	9,761,868	
RHC	29,106,000	34,335,250	63,441,250	
SOLA	9,030,000	11,349,250	20,379,250	
Total	241,660,867	326,639,113	568,299,979	
	-	-	-	
FMAP Variance In Total				
Budget Unit	State	Federal	Total	
Residential Srvs	(14,375,000)	14,375,000	-	
In-Home IP	(10,516,000)	10,516,000	-	
In-Home AP	(934,000)	934,000	-	
In-Home AFH	(1,264,000)	1,264,000	-	
In-Home ARC	(54,000)	54,000	-	
In-Home Other	(55,000)	55,000	-	
IFS	(119,000)	119,000	-	
Prof Services	(263,000)	263,000	-	
Employ & Day	(1,268,000)	1,268,000	-	
Other Comm Srvs	(3,000)	3,000	-	
Respite	(655,000)	655,000	-	
RHC	(3,933,000)	3,933,000	-	
SOLA	(1,264,000)	1,264,000	-	
Total	(34,703,000)	34,703,000	-	
	-	-	-	
FMAP Variance with Adjustment Factor Due to MC			15%	
Budget Unit	State	Federal	Total	
Residential Srvs	(12,219,000)	12,219,000	-	
In-Home IP	(8,938,000)	8,938,000	-	
In-Home AP	(794,000)	794,000	-	
In-Home AFH	(1,075,000)	1,075,000	-	
In-Home ARC	(46,000)	46,000	-	
In-Home Other	(47,000)	47,000	-	

AL	(916,000)	916,000	-
PACE	(639,000)	639,000	-
ESF	(162,000)	162,000	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total	(53,352,000)	53,352,000	-

	-	-	
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FY23 - In-Home Split - July-Sept 2022			
Budget Unit	State	Federal	Total
IP	(21,332,000)	21,332,000	-
AP	(7,073,000)	7,073,000	-
Other	(417,000)	417,000	-
Total	(28,822,000)	28,822,000	-

Forecast Split	State	Federal	Total	% Split
IP	586,695,000	762,578,000	1,349,273,000	74%
AP	194,010,000	253,380,000	447,390,000	25%
Other	11,450,000	14,954,000	26,404,000	1%
Total	792,155,000	1,030,912,000	1,823,067,000	100%

IFS	(101,000)	101,000	-
Prof Services	(224,000)	224,000	-
Employ & Day	(1,078,000)	1,078,000	-
Other Comm Srvs	(3,000)	3,000	-
Respite	(556,000)	556,000	-
RHC	(3,343,000)	3,343,000	-
SOLA	(1,074,000)	1,074,000	-
Total	(29,498,000)	29,498,000	-

	-	-	
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ALTSA/DDA	
Combined Total	(82,850,000)

Data From Winter 2022 Forecast plus Non Forecasted Budget Units After 2022 Supp Budget

ALTSA

FY23 Budget Estimates July-Sept 2022 No FMAP Change			
Budget Unit	State	Federal	Total
Nursing Homes	109,592,679	115,250,033	224,842,711
Adult Day Health	749,748	749,748	1,499,497
PDN	3,635,372	3,690,185	7,325,557
In-Home	196,873,015	254,282,466	451,155,480
AFH	51,873,665	64,865,719	116,739,383
ARC	15,825,340	16,186,348	32,011,688
AL	6,715,373	7,116,758	13,832,132
PACE	5,841,132	5,983,807	11,824,939
ESF	1,538,000	1,543,000	3,081,000
Total	392,644,323	469,668,065	862,312,388

FY23 Budget Estimates July-Sept 2022 With FMAP Change			
Budget Unit	State	Federal	Total
43% Nursing Homes	95,652,431	129,190,281	224,842,711
44% Adult Day Health	656,780	842,717	1,499,497
43% PDN	3,181,187	4,144,370	7,325,557
37% In-Home	168,901,375	282,254,106	451,155,480
38% AFH	44,635,823	72,103,561	116,739,383
43% ARC	13,840,615	18,171,073	32,011,688
42% AL	5,857,781	7,974,350	13,832,132
43% PACE	5,107,986	6,716,953	11,824,939
44% ESF	1,347,000	1,734,000	3,081,000
Total	339,180,977	523,131,411	862,312,388

FMAP Variance In Total			
Budget Unit	State	Federal	Total
Nursing Homes	(13,940,000)	13,940,000	-
Adult Day Health	(93,000)	93,000	-
PDN	(454,000)	454,000	-
In-Home	(27,972,000)	27,972,000	-
AFH	(7,238,000)	7,238,000	-
ARC	(1,985,000)	1,985,000	-
AL	(858,000)	858,000	-
PACE	(733,000)	733,000	-
ESF	(191,000)	191,000	-
Total	(53,464,000)	53,464,000	-

FMAP Variance with Adjustment Factor Due to IV 15%			
Budget Unit	State	Federal	Total
Nursing Homes	(11,849,000)	11,849,000	-
Adult Day Health	(79,000)	79,000	-
PDN	(386,000)	386,000	-
In-Home	(23,776,000)	23,776,000	-
AFH	(6,152,000)	6,152,000	-
ARC	(1,687,000)	1,687,000	-

DDA

FY23 Budget Estimates July-Sept 2022 No FMAP Change			
Budget Unit	State	Federal	Total
Residential Srvs	95,865,688	93,910,255	189,775,944
In-Home IP	63,993,303	80,062,943	144,056,246
In-Home AP	6,058,619	7,580,025	13,638,644
In-Home AFH	7,422,272	9,286,111	16,708,383
In-Home ARC	260,642	326,093	586,734
In-Home Other	395,098	494,312	889,410
IFS	968,000	947,500	1,915,500
Prof Services	2,204,750	2,037,750	4,242,500
Employ & Day	11,617,000	8,839,000	20,456,000
Other Comm Srvs	17,750	25,500	43,250
Respite	4,362,341	4,318,527	8,680,868
RHC	33,039,250	30,402,000	63,441,250
SOLA	10,293,500	10,085,750	20,379,250
Total	236,498,213	248,315,766	484,813,979

FY23 Budget Estimates July-Sept 2022 With FMAP Change			
Budget Unit	State	Federal	Total
44% Residential Srvs	84,099,580	105,676,364	189,775,944
38% In-Home IP	55,061,816	88,994,430	144,056,246
38% In-Home AP	5,213,023	8,425,621	13,638,644
38% In-Home AFH	6,386,352	10,322,031	16,708,383
38% In-Home ARC	224,264	362,470	586,734
38% In-Home Other	339,954	549,456	889,410
44% IFS	849,250	1,066,250	1,915,500
46% Prof Services	1,941,750	2,300,750	4,242,500
51% Employ & Day	10,348,750	10,107,250	20,456,000
35% Other Comm Srvs	15,000	28,250	43,250
44% Respite	3,824,127	4,856,741	8,680,868
46% RHC	29,106,000	34,335,250	63,441,250
44% SOLA	9030000	11349250	20,379,250
Total	206,439,867	278,374,113	484,813,979

FMAP Variance In Total			
Budget Unit	State	Federal	Total
Residential Srvs	(11,766,000)	11,766,000	-
In-Home IP	(8,931,000)	8,931,000	-
In-Home AP	(846,000)	846,000	-
In-Home AFH	(1,036,000)	1,036,000	-
In-Home ARC	(36,000)	36,000	-
In-Home Other	(55,000)	55,000	-
IFS	(119,000)	119,000	-
Prof Services	(263,000)	263,000	-
Employ & Day	(1,268,000)	1,268,000	-
Other Comm Srvs	(3,000)	3,000	-
Respite	(538,000)	538,000	-
RHC	(3,933,000)	3,933,000	-
SOLA	(1,264,000)	1,264,000	-
Total	(30,058,000)	30,058,000	-

FMAP Variance with Adjustment Factor Due to MOF 15%			
Budget Unit	State	Federal	Total
Residential Srvs	(10,001,000)	10,001,000	-
In-Home IP	(7,591,000)	7,591,000	-
In-Home AP	(719,000)	719,000	-
In-Home AFH	(881,000)	881,000	-
In-Home ARC	(31,000)	31,000	-
In-Home Other	(47,000)	47,000	-

AL	(729,000)	729,000	-
PACE	(623,000)	623,000	-
ESF	(162,000)	162,000	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total	(45,443,000)	45,443,000	-

IFS	(101,000)	101,000	-
Prof Services	(224,000)	224,000	-
Employ & Day	(1,078,000)	1,078,000	-
Other Comm Srvs	(3,000)	3,000	-
Respite	(457,000)	457,000	-
RHC	(3,343,000)	3,343,000	-
SOLA	(1,074,000)	1,074,000	-
Total	(25,550,000)	25,550,000	-

2022 Supp Items in Forecasted Budget Units but not in Winter 2022 Forecast							
AL TSA				DDA			
FY23 Budget Estimates July-Sept 2022 No FMAP Change				FY23 Budget Estimates July-Sept 2022 No FMAP Change			
Budget Unit	State	Federal	Total	Budget Unit	State	Federal	Total
Nursing Homes	11,769,000	12,116,000	23,885,000	Residential Srvs	26,235,000	27,078,000	53,313,000
Adult Day Health	189,000	235,000	424,000	In-Home IP	11,147,000	13,869,000	25,016,000
PDN	411,000	468,000	879,000	In-Home AP	592,000	727,000	1,319,000
In-Home	37,029,000	46,024,000	83,053,000	In-Home AFH	1,185,000	1,320,000	2,505,000
AFH	5,697,000	6,195,000	11,892,000	In-Home ARC	114,000	138,000	252,000
ARC	3,162,000	3,367,000	6,529,000	In-Home Other	-	-	-
AL	2,482,000	2,859,000	5,341,000	IFS	-	-	-
PACE	363,000	433,000	796,000	Prof Services	-	-	-
ESF	-	-	-	Employ & Day	-	-	-
	-	-	-	Other Comm Srvs	-	-	-
	-	-	-	Respite	593,000	488,000	1,081,000
	-	-	-	RHC	-	-	-
	-	-	-	SOLA	-	-	-
Total	61,102,000	71,697,000	132,799,000	Total	39,866,000	43,620,000	83,486,000
FY23 Budget Estimates July-Sept 2022 With FMAP Change				FY23 Budget Estimates July-Sept 2022 With FMAP Change			
Budget Unit	State	Federal	Total	Budget Unit	State	Federal	Total
Nursing Homes	10,161,000	13,724,000	23,885,000	Residential Srvs	23,626,000	29,687,000	53,313,000
Adult Day Health	186,000	238,000	424,000	In-Home IP	9,562,000	15,454,000	25,016,000
PDN	382,000	497,000	879,000	In-Home AP	504,000	815,000	1,319,000
In-Home	31,093,000	51,960,000	83,053,000	In-Home AFH	957,000	1,548,000	2,505,000
AFH	4,547,000	7,345,000	11,892,000	In-Home ARC	96,000	156,000	252,000
ARC	2,823,000	3,706,000	6,529,000	In-Home Other	-	-	-
AL	2,262,000	3,079,000	5,341,000	IFS	-	-	-
PACE	344,000	452,000	796,000	Prof Services	-	-	-
ESF	-	-	-	Employ & Day	-	-	-
				Other Comm Srvs	-	-	-
				Respite	476,000	605,000	1,081,000
				RHC	-	-	-
				SOLA	-	-	-
Total	51,798,000	81,001,000	132,799,000	Total	35,221,000	48,265,000	83,486,000
FMAP Variance In Total				FMAP Variance In Total			
Budget Unit	State	Federal	Total	Budget Unit	State	Federal	Total
Nursing Homes	(1,608,000)	1,608,000	-	Residential Srvs	(2,609,000)	2,609,000	-
Adult Day Health	(3,000)	3,000	-	In-Home IP	(1,585,000)	1,585,000	-
PDN	(29,000)	29,000	-	In-Home AP	(88,000)	88,000	-
In-Home	(5,936,000)	5,936,000	-	In-Home AFH	(228,000)	228,000	-
AFH	(1,150,000)	1,150,000	-	In-Home ARC	(18,000)	18,000	-
ARC	(339,000)	339,000	-	In-Home Other	-	-	-
AL	(220,000)	220,000	-	IFS	-	-	-
PACE	(19,000)	19,000	-	Prof Services	-	-	-
ESF	-	-	-	Employ & Day	-	-	-
				Other Comm Srvs	-	-	-
				Respite	(117,000)	117,000	-
				RHC	-	-	-
				SOLA	-	-	-
Total	(9,304,000)	9,304,000	-	Total	(4,645,000)	4,645,000	-
FMAP Variance with Adjustment Factor Due to MOI 15%				FMAP Variance with Adjustment Factor Due to MOP 15%			
Budget Unit	State	Federal	Total	Budget Unit	State	Federal	Total
Nursing Homes	(1,367,000)	1,367,000	-	Residential Srvs	(2,218,000)	2,218,000	-
Adult Day Health	(3,000)	3,000	-	In-Home IP	(1,347,000)	1,347,000	-
PDN	(25,000)	25,000	-	In-Home AP	(75,000)	75,000	-
In-Home	(5,046,000)	5,046,000	-	In-Home AFH	(194,000)	194,000	-
AFH	(977,000)	977,000	-	In-Home ARC	(15,000)	15,000	-
ARC	(288,000)	288,000	-	In-Home Other	-	-	-



AL	(187,000)	187,000	-	IFS	-	-	-
PACE	(16,000)	16,000	-	Prof Services	-	-	-
ESF	-	-	-	Employ & Day	-	-	-
	-	-	-	Other Comm Srvs	-	-	-
	-	-	-	Respite	(99,000)	99,000	-
	-	-	-	RHC	-	-	-
	-	-	-	SOLA	-	-	-
<b>Total</b>	<b>(7,909,000)</b>	<b>7,909,000</b>	<b>-</b>	<b>Total</b>	<b>(3,948,000)</b>	<b>3,948,000</b>	<b>-</b>

FMAP Calculations updated 10/21 using FY21 actuals

	Newly Eligibles	Newly Eligibles - CFC	ive SSI (ACA Exp)	ive SSI (ACA Exp) - CFC	CFC	State Only	FMAP	Tribal TXIX 100%
FY22	91.3%	95.8%	91.3%	95.8%	57.6%	0.0%	51.6%	100.0%
FY23	91.3%	95.8%	91.3%	95.8%	57.6%	0.0%	51.6%	100.0%

Enter FMAP Rates in yellow cells			Adjusted FMAP Rates							
	Enhanced FMAP Rates		Newly Eligibles	Newly Eligibles - CFC	Presumpt ive SSI (ACA Exp)	ive SSI (ACA Exp) - CFC	CFC	State Only	FMAP	Tribal TXIX 100%
7/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
8/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
9/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
10/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
11/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
12/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
1/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
2/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
3/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
4/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%	100.0%
5/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%	100.0%
6/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%	100.0%
7/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%	100.0%
8/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%	100.0%
9/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%	100.0%
10/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
11/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
12/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
1/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
2/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
3/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
4/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
5/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%
6/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%	100.0%

	GFS Need With 6.2%	GFS Need Without 6.2%
ML 859,231,388.11	337,833,977.44	391,106,323.50





[illegible]

[illegible]

		GFS Need With 6.2%	GFS Need Without 6.2%
	ML		
FY22	13,832,132	5,857,781	6,715,373
4/1/2022			
5/1/2022			
6/1/2022			
7/1/2022	4,695,920	1,988,679	2,279,826
8/1/2022	4,754,685	2,013,566	2,308,356
9/1/2022	4,381,526	1,855,536	2,127,191
10/1/2022	4,685,730	2,241,424	
11/1/2022	4,381,618	2,095,951	
12/1/2022	4,610,999	2,205,676	
1/1/2023	4,545,012	2,174,111	
2/1/2023	3,863,541	1,848,129	
3/1/2023	4,434,191	2,121,100	
4/1/2023	4,172,163	1,995,758	
5/1/2023	4,448,869	2,128,121	
6/1/2023	4,050,149	1,937,393	







Nursing Home - X01										% STATE	
	Newly Eligibles	Newly Eligibles - CFC	Presumptive SSI (ACA Exp)	Presumptive SSI (ACA Exp) - CFC	CFC	State Only	FMAP	Tribal TXIX	100%		
FY22	3.1%	0.0%	0.2%	0.0%	0.0%	0.7%	95.2%		0.8%	47.1%	
FY23	3.1%	0.0%	0.2%	0.0%	0.0%	0.7%	95.2%		0.8%	47.1%	
Enhanced FMAP - NH Only											
FY22	91.3%	95.8%	91.3%	95.8%	57.6%	0.0%	51.6%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%		
6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%		100.0%	42.5%	48.7%
6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%		100.0%	42.5%	48.7%
6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%		100.0%	42.5%	48.7%
6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%		100.0%	42.5%	48.7%
6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%		100.0%	42.5%	48.7%
6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	0.0%	56.2%		100.0%	42.5%	48.7%
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	
0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	0.0%	50.0%		100.0%	48.6%	

				GFS Need With		GFS Need
				ML	6.2%	Without 6.2%
FY22				224,842,711	95,652,431	109,592,679
4/1/2022						
5/1/2022						
6/1/2022						
7/1/2022				74,814,891	31,827,699	36,466,223
8/1/2022				76,017,067	32,339,128	37,052,186
9/1/2022				74,010,753	31,485,603	36,074,270
10/1/2022				76,883,670	37,371,860	
11/1/2022				75,306,389	36,605,170	
12/1/2022				77,677,759	37,757,853	
1/1/2023				78,373,449	38,096,017	
2/1/2023				70,198,476	34,122,299	
3/1/2023				78,379,249	38,098,836	
4/1/2023				75,749,850	36,820,729	
5/1/2023				78,666,703	38,238,562	
6/1/2023				76,528,316	37,199,128	



FMAP Calculations updated 10/21 using FY21 actuals

	Newly Eligibles	Newly Eligibles - CFC	Presumptive SSI (ACA Exp)	Presumptive SSI (ACA Exp) - CFC	CFC	CHIP T21	State Only	FMAP
FY20								
FY21	90.0%	96.0%	90.0%	96.0%	56.0%	79.8%	0.0%	50.0%
FY22	91.3%	95.8%	91.3%	95.8%	57.6%	70.0%	0.0%	51.6%
FY23	91.3%	95.8%	91.3%	95.8%	57.6%	65.0%	1.6%	56.2%

Enter FMAP Rates in yellow cells			Adjusted FMAP Rates							
	Enhanced FMAP Rates		Newly Eligibles	Newly Eligibles - CFC	Presumptive SSI (ACA Exp)	Presumptive SSI (ACA Exp) - CFC	CFC	CHIP T21	State Only	FMAP
7/1/2020			90.0%	96.0%	90.0%	96.0%	56.0%	76.5%	0.0%	50.0%
8/1/2020			90.0%	96.0%	90.0%	96.0%	56.0%	76.5%	0.0%	50.0%
9/1/2020			90.0%	96.0%	90.0%	96.0%	56.0%	76.5%	0.0%	50.0%
10/1/2020			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
11/1/2020			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
12/1/2020			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
1/1/2021			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
2/1/2021			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
3/1/2021			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
4/1/2021			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
5/1/2021			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
6/1/2021			90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
7/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
8/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
9/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	80.8%	0.0%	50.0%
10/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	69.3%	0.0%	50.0%
11/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	69.3%	0.0%	50.0%
12/1/2021		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	69.3%	0.0%	50.0%
1/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	50.0%
2/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	50.0%
3/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	50.0%
4/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	65.0%	0.0%	56.2%
5/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	65.0%	0.0%	56.2%
6/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	65.0%	0.0%	56.2%
7/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	65.0%	6.2%	56.2%
8/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	65.0%	6.2%	56.2%
9/1/2022	6.2%	6.2%	95.0%	95.0%	95.0%	95.0%	62.2%	65.0%	6.2%	56.2%
10/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
11/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
12/1/2022		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
1/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
2/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
3/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
4/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
5/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%
6/1/2023		0.0%	90.0%	96.0%	90.0%	96.0%	56.0%	65.0%	0.0%	56.2%

ML	GFS Need With 6.2%	GFS Need Without 6.2%
374,336,229.20	155,149,116.59	178,357,962.80

## Residential Services - H51

[illegible]

## Adult Family Homes - H52

[illegible]

Adult Residential Care - H52										
	Newly Eligibles	Newly Eligibles - CFC	Presumptive SSI (ACA Exp)	Presumptive SSI (ACA Exp) - CFC	CFC	CHIP T21	State Only	FMAP	% STATE	
FY20	0.0%	0.2%	0.0%	0.0%	96.4%	0.5%	0.8%	2.1%		
FY21	0.0%	0.3%	0.0%	0.0%	96.6%	0.2%	0.7%	2.2%	44.4%	
FY22	0.0%	0.3%	0.0%	0.0%	96.6%	0.2%	0.7%	2.2%	42.9%	
FY23	0.0%	0.3%	0.0%	0.0%	96.6%	0.2%	0.7%	2.2%	42.7%	

## Agency Providers - H52

[illegible]

## Individual Providers - H52

[illegible]



## Other Personal Care Services - H52

[illegible]

## Respite Services - H81

[illegible]

ALTSA

FY23 Total			
Budget Unit	State	Federal	Total
Nursing Homes	47,074,000	48,463,000	95,537,000
Adult Day Health	756,000	938,000	1,694,000
PDN	1,643,000	1,872,000	3,515,000
In-Home	148,116,000	184,094,000	332,210,000
AFH	22,787,000	24,778,000	47,565,000
ARC	12,646,000	13,467,000	26,113,000
AL	9,926,000	11,437,000	21,363,000
PACE	1,450,000	1,733,000	3,183,000
			-
			-
			-
			-
			-
Total	244,398,000	286,782,000	531,180,000

ALTSA

# of Months	3		
Budget Unit	State	Federal	Total
Nursing Homes	11,769,000	12,116,000	23,885,000
Adult Day Health	189,000	235,000	424,000
PDN	411,000	468,000	879,000
In-Home	37,029,000	46,024,000	83,053,000
AFH	5,697,000	6,195,000	11,892,000
ARC	3,162,000	3,367,000	6,529,000
AL	2,482,000	2,859,000	5,341,000
PACE	363,000	433,000	796,000
			-
			-
			-
			-
			-
Total	61,102,000	71,697,000	132,799,000

DDA

FY23			
Budget Unit	State	Federal	Total
Residential Srvs	104,938,000	108,310,000	213,248,000
In-Home IP	44,589,000	55,476,000	100,065,000
In-Home AP	2,369,000	2,908,000	5,277,000
In-Home AFH	4,738,000	5,281,000	10,019,000
In-Home ARC	454,000	550,000	1,004,000
In-Home Other			-
IFS			-
Prof Services			-
Employ & Day			-
Other Comm Srvs			-
Respite	2,370,000	1,950,000	4,320,000
RHC			-
SOLA			-
Total	159,458,000	174,475,000	333,933,000

DDA

# of Months	3		
Budget Unit	State	Federal	Total
Residential Srvs	26,235,000	27,078,000	53,313,000
In-Home IP	11,147,000	13,869,000	25,016,000
In-Home AP	592,000	727,000	1,319,000
In-Home AFH	1,185,000	1,320,000	2,505,000
In-Home ARC	114,000	138,000	252,000
In-Home Other	-	-	-
IFS	-	-	-
Prof Services	-	-	-
Employ & Day	-	-	-
Other Comm Srvs	-	-	-
Respite	593,000	488,000	1,081,000
RHC	-	-	-
SOLA	-	-	-
Total	39,866,000	43,620,000	83,486,000

	State	Federal	Total
4F In-Home Provider PPE move to H52	1,534,000	1,921,000	3,455,000
CDT CDE Transition Costs	238,000	303,000	541,000
HSC SEIU 775 In-Home Providers	8,326,000	10,598,000	18,924,000
LNG SEIU and Liang Settlements	19,648,000	25,006,000	44,654,000
TPR Targeted Provider Rates	15,985,000	19,102,000	35,087,000
	State	Federal	Total
4J Agency Provider Tax Rate Adjustment	112,000	142,000	254,000
HSA SEIU 775 AP Parity	867,000	1,105,000	1,972,000
TPR Targeted Provider Rates	1,390,000	1,661,000	3,051,000
	State	Federal	Total
AFC Adult Family Home CBA	1,389,000	1,278,000	2,667,000
TPR Targeted Provider Rates	3,349,000	4,003,000	7,352,000
	State	Federal	Total
EJ02 Assisted Living Facility Rates	228,000	284,000	512,000
EP Personal Needs Allowance	17,000	16,000	33,000
TPR Targeted Provider Rates	209,000	250,000	459,000

<b>TPR Targeted Provider Rates</b>	<b>20,933,000</b>	<b>25,016,000</b>	<b>45,949,000</b>
16% AFH	3,349,000	4,003,000	7,352,000
1% ARC	209,000	250,000	459,000
83% In-Home	17,375,000	20,763,000	38,138,000
92% IP	15,985,000	19,102,000	35,087,000
8% AP	1,390,000	1,661,000	3,051,000

<b>FY23 Winter 2022 Forecast Split</b>	
92% IP	586,431,000
8% AP	53,519,000
<b>Total</b>	<b>639,950,000</b>

<b>LIANG Appropriated</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
AL TSA	38,265,000	48,666,000	86,931,000
DDA	19,648,000	25,006,000	44,654,000
<b>Total</b>	<b>57,913,000</b>	<b>73,672,000</b>	<b>131,585,000</b>

<b>LIANG Should Have Been</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
AL TSA	36,047,000	45,846,000	81,893,000
DDA	18,506,000	23,552,000	42,058,000
<b>Total</b>	<b>54,553,000</b>	<b>69,398,000</b>	<b>123,951,000</b>

<b>Deduct from Appropriation Over Funded</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
AL TSA	2,218,000	2,820,000	5,038,000
DDA	1,142,000	1,454,000	2,596,000
<b>Total</b>	<b>3,360,000</b>	<b>4,274,000</b>	<b>7,634,000</b>

## ALTSa

### Calculation for ESF Not Forecasted

	State	Federal	Total	Estimated Expended %
FY23 Budget	13,509,000	13,551,000	27,060,000	46%
Estimated Spend FY23	6,233,000	6,252,000	12,485,000	

	State	Federal	Total	% Eligible
Spend Eligible E. FMAP	6,152,000	6,171,000	12,323,000	98.7%

6.20% Revised Fund Split	5,388,000	6,935,000	12,323,000
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Change 12 Months	(764,000)	764,000	-
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# Months 3

### GFS Savings

Budget Unit	State	Federal	Total
	(191,000)	191,000	-

DDA

FY23

Budget Unit	State	Federal	Total
IFS	8,932,000	8,743,000	17,675,000
Prof Services	9,612,000	8,884,000	18,496,000
Employ & Day	68,621,000	52,212,000	120,833,000
Other Comm Srvs	16,269,000	23,249,000	39,518,000
RHC	135,393,000	124,586,000	259,979,000
SOLA	44,979,000	44,072,000	89,051,000
Total	#####	261,746,000	545,552,000

Estimated Spend for FY23

Budget Unit	State	Federal	Total
IFS	3,930,000	3,847,000	7,777,000
Prof Services	9,612,000	8,884,000	18,496,000
Employ & Day	64,504,000	49,079,000	113,583,000
Other Comm Srvs	16,269,000	23,249,000	39,518,000
RHC	132,821,000	122,219,000	255,040,000
SOLA	41,381,000	40,546,000	81,927,000
Total	#####	247,824,000	516,341,000

FY21 Expended %

44%
100%
94%
100%
98%
92%

Estimated Portion of Spend Eligible for Enhanced FMAP

Budget Unit	State	Federal	Total
IFS	3,872,000	3,790,000	7,662,000
Prof Services	8,819,000	8,151,000	16,970,000
Employ & Day	46,468,000	35,356,000	81,824,000
Other Comm Srvs	71,000	102,000	173,000
RHC	132,157,000	121,608,000	253,765,000
SOLA	41,174,000	40,343,000	81,517,000
Total	#####	209,350,000	441,911,000

% Eligible

99%
92%
72%
0%
100%
100%

Revised Fund Split

Budget Unit	State	Federal	Total
6.20% IFS	3,397,000	4,265,000	7,662,000
6.20% Prof Services	7,767,000	9,203,000	16,970,000
6.20% Employ & Day	41,395,000	40,429,000	81,824,000
6.20% Other Comm Srvs	60,000	113,000	173,000
6.20% RHC	116,424,000	137,341,000	253,765,000
6.20% SOLA	36,120,000	45,397,000	81,517,000
Total	#####	236,748,000	441,911,000

# Months 3

GFS Savings

Budget Unit	State	Federal	Total
IFS	(119,000)	-	(119,000)
Prof Services	(263,000)	-	(263,000)
Employ & Day	(1,268,000)	-	(1,268,000)
Other Comm Srvs	(3,000)	-	(3,000)
RHC	(3,933,000)	-	(3,933,000)
SOLA	(1,264,000)	-	(1,264,000)
Total	(6,850,000)	-	(6,850,000)

**TAB 11**



Transforming  
Lives

# Consumer Directed Employer Rate Setting Board Meeting

May 10, 2022



# Purpose/meeting overview

RSB Chair

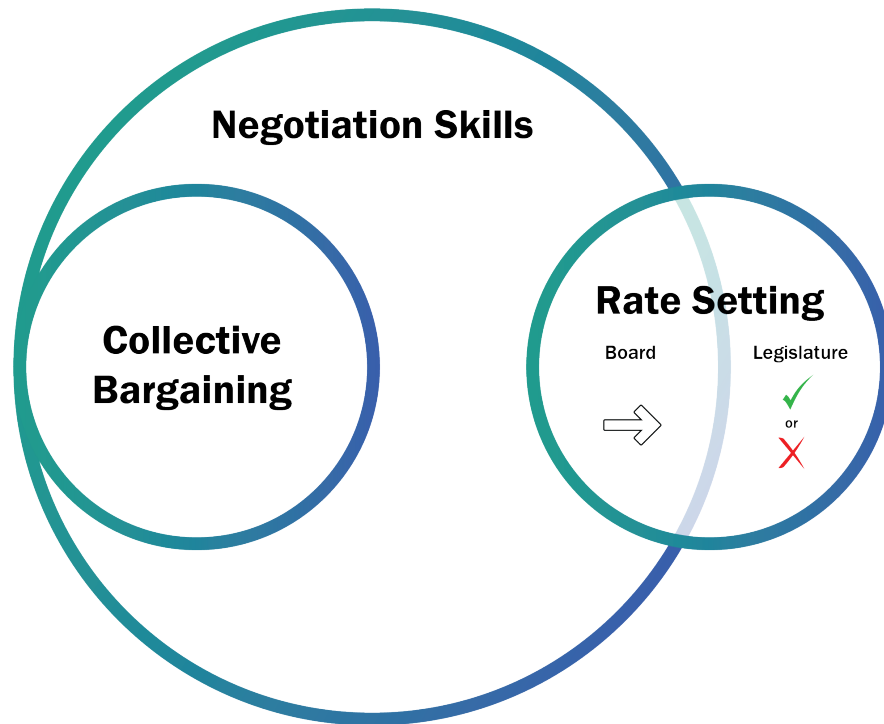
# CDE Rate Setting Board

## Mission Statement

The Board's mission is to determine a rational and sound rate guided by the joint goals of:

- continuing a successful self-directed care in-home program and
- promoting the growth of the individual provider (IP) workforce,
- while sustaining the Consumer Directed Employer(CDE).

# Rate setting does not include collective bargaining



- **Negotiation** is the skill parties use to reach mutually acceptable agreements.
- **Collective bargaining** is rule making process that formulates the terms and conditions under which the worker's group and management, may cooperate and work together.
- **Rate Setting** is a process that a public body, with representation of stakeholders reviews, evaluates and recommends to the legislature the rate which includes a labor and an administrative component.



# Ways to Foster Productive Dialog

- Listen, summarize, and ask curious questions
- Expect curious questions
- Respond, don't react
- Take deep breaths
- Be a thought partner

Approval of 4.19.2022 & 5.02.2022

Meeting Minutes

RSB Chair

# Opening Remarks/Old Business

RSB Chair

# Dependent Coverage Study

## Paraprofessional Healthcare Institute



# HBT Background & Cost Modeling

HBT/Milliman

# Lunch

# State of the State/Budget Parameters

## OFM

# Budget/Revenue Projections

SEIU 775

# Board discussion

# Union Presentation (Labor Summary)

SEIU 775

# Board discussion

# Preparation for Rate Discussion

Maralise Hood Quan, Facilitator

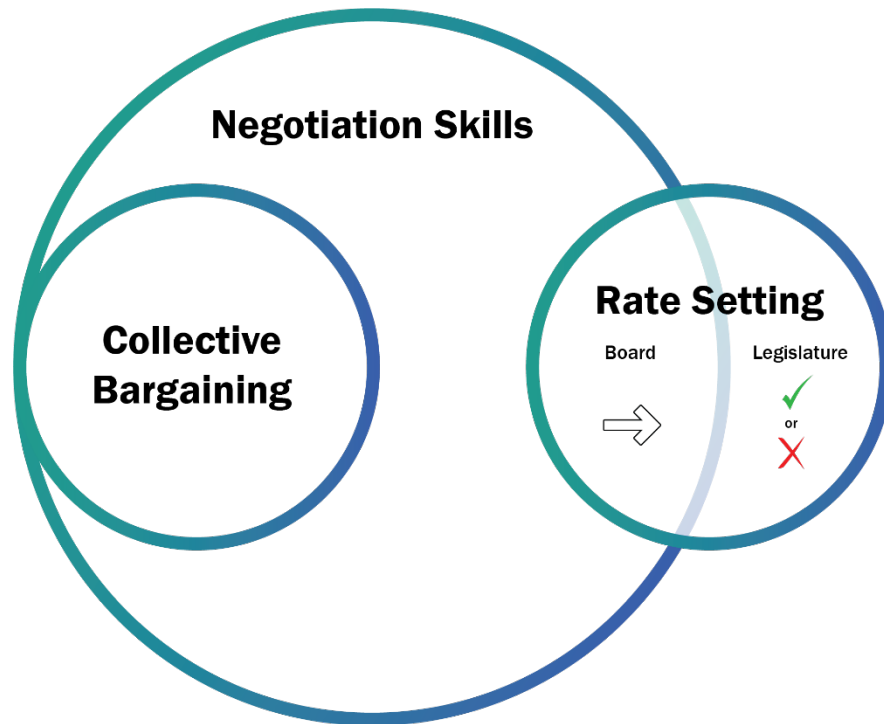


# Navigating the CDE Rate Setting Board Process



**Center**  
For Dialog & Resolution

# Rate setting does not include collective bargaining



- **Negotiation** is the skill parties use to reach mutually acceptable agreements.
- **Collective bargaining** is rule making process that formulates the terms and conditions under which the worker's group and management, may cooperate and work together.
- **Rate Setting** is a process that a public body, with representation of stakeholders reviews, evaluates and recommends to the legislature the rate which includes a labor and an administrative component.

# CDE Rate

Is an hourly combined rate paid to the CDE

Consists of two Components

## Labor Rate

- Wages
- Benefits
  - Must include a specific hourly amount that the CDE may use only for health benefits
- Associated taxes
- Collective Bargaining Agreements

## Administrative Rate:

- Funds used by the CDE to perform its administrative duties

# Wrap-up

# Public Comment

# Adjourn