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## Rate Setting Board

June 14, 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  
June 14, 2022  
10:00 am – 4:00 pm

## Agenda

Time/Minutes	Topic	Presenter
10:00-10:10	Welcome and Introductions	Facilitator
	Purpose/Meeting Overview	Chair
10:10-10:15	Approval of Minutes 06.09.22	Chair
10:15-10:30	Opening Remarks/Old Business	Chair
<b>Board Discussion</b>		
10:30-12:00	Board Discussion	All
12:00-12:45	Lunch	
12:45-2:15	Board Discussion	All
2:15-2:25	Break	
2:25-3:50	Board Discussion	All
3:50-4:00	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 \(wa.gov\)](#)

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

**TAB 2**



*Transforming lives*

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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**



# 6/9/2022 RSB Meeting follow-up

# Rate Questions

## RCW 74.39A.530(4)&(8)

(4) the rate-setting board shall attempt to determine a proposed labor rate,

(8) If the legislature rejects the request under subsection (6) of this section, the matter shall return to the rate-setting board established under this section for further consideration. Until the legislature approves a request for funds under this section, the current labor rate shall stay in effect.

The Chair cannot propose a rate without a Board vote. If there is no agreement on rates to vote on, current labor rate will stay in effect

# Rate Questions

Can the board suggest separate rates for each year?

There is no specific definition of what the rate should look like so separate rates for each year should be okay

# Rate Questions

**Does this information include health care costs and average wage across the biennium?**

The slide only calculates the cost of adding base wage of \$1.37/hr on top of the base wage at the end of FY2023. This does not include any health care increases or any other benefit increases.

## Shoring up pandemic add-on wage in Bien2023-25 Cost of adding \$1.37/hr wage

Starting July 2022, pandemic add-on rate will be reduced 20% from June 2022 amount, every 2 quarters. At the end of June 2023, pandemic add-on rate would be \$1.37/hr. This is what needs to happen to shore up base wage rate to the end of June 2023 state:

- **CDE rate would need to be increased to \$30.11/hr to afford adding \$1.37/hr wage in Bien2023-25**
- **It would cost a total of \$275.3M in Bien2023-25 (\$121.1M GF-S), including Agency Parity**
- **The legislature assumed funding to continue the reduced temporary rate add-ons for in-home providers in fiscal year 2024, so the total incremental cost for adding \$1.37/hr will be \$207.6M (\$91.3M GF-S) in the 2023-25 biennium**

# Rate Questions

**What would the average weighted wage be if it were considered over the biennium?**

The weighted average of base wage over the biennium would be about \$20.46/hr (it would show as 20.44 in the rate tool, but we expect to add about 2 cents from the Shared Benefit seniority adjustment).

**TAB 4**

Current Rates

	10/1/21- 12/31/21	1/1/22 - 4/30/22	5/1/22 - 6/30/22	7/1/22- 9/30/22	10/1/22 - 12/31/22	1/1/23 - 6/30/23	7/1/23 - 6/30/24
Base admin	\$ 1.19	\$ 1.19	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.20
Bad debt	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Startup	\$ 0.42	\$ 0.42	\$ 0.42	\$ 0.42	\$ 0.42	\$ -	
B&O Gross up	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.55	
<i>Total Admin</i>	\$ 2.24	\$ 2.24	\$ 2.24	\$ 2.25	\$ 2.25	\$ 1.82	
Labor Base	\$ 27.01	\$ 27.01	\$ 27.16	\$ 27.92	\$ 28.04	\$ 28.33	\$ 28.53
Pandemic Load	\$ 2.79	\$ 2.79	\$ 2.63	\$ 2.10	\$ 2.10	\$ 1.58	
<i>Labor Rate</i>	\$ 29.80	\$ 29.80	\$ 29.80	\$ 30.03	\$ 30.15	\$ 29.90	
<b>Total Rate</b>	<b>\$ 32.04</b>	<b>\$ 32.04</b>	<b>\$ 32.04</b>	<b>\$ 32.28</b>	<b>\$ 32.40</b>	<b>\$ 31.72</b>	

**TAB 5**

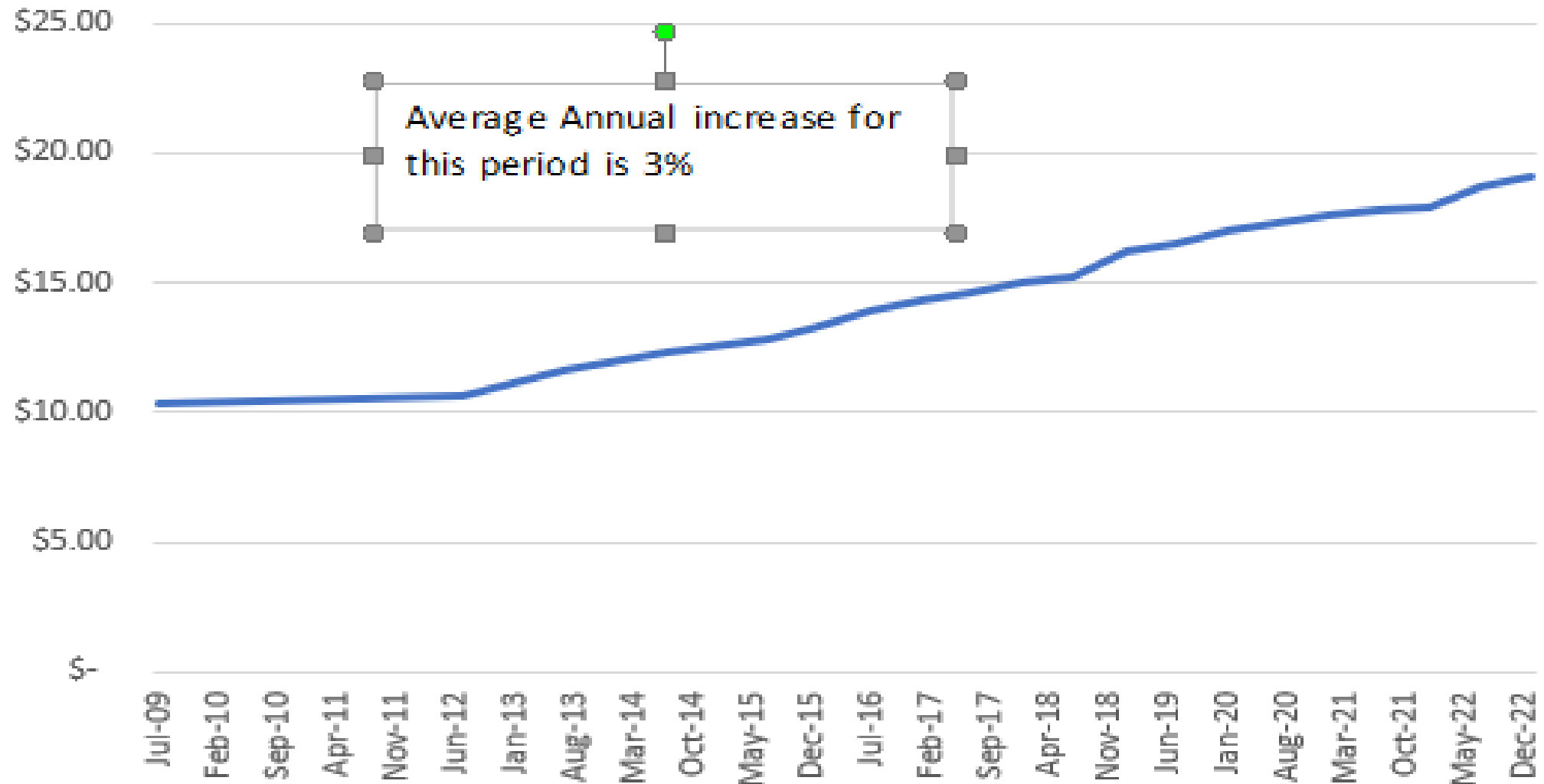


# Fully Loaded Rate

Without the Pandemic Add-on, and excluding overtime, here are the averaged increases in the fully loaded rate per annual fiscal year for the following biennium

Biennial 2017-2019	5.7%
Biennial 2019-2021	7.0%
Biennial 2021-2021	6.2%

## Weighted Avg Base Wage Straight Time, without Pandemic Add-on



## Health Benefit Contribution

