

DDPA DSP Wage and IDD Rate Study Initiative

- In the current AR Medicaid managed care environment for HCBS
 - State tax dollars are matched with federal funding for DHS to use for Medicaid HCBS
 - DHS uses actuaries to set capitation rates to pay the Medicaid PASSEs
 - PASSEs negotiate rates and terms with IDD Providers to serve beneficiaries
 - IDD Providers hire DSPs to provide services to beneficiaries
- Currently, IDD Providers rates are not sufficient to hire enough DSPs to serve existing beneficiaries – let alone 3,200 on the HCBS waiver wait list
- No IDD Provider is large enough to have negotiating leverage with the PASSEs who indicate their capitated rates are not enough to increase rates
- PASSEs returned \$300M to the state in funding for 2019 and actuaries have reduced the capitation rate three times since then
- DDPA has commissioned a study to determine what prevailing wages need to be paid to DSPs and what rates providers need to hire enough DSPs to provide an adequate network to serve IDD beneficiaries