North Dakota Department of Human Services

November 2015

DD PAYMENT SYSTEM

Why Change?

Retrospective System (current)	Prospective System (new)
Does not tie needs of consumers to funding.	Funding follows the consumer.
An audit is completed and it can take up to 2 years to issue a final rate & collect cost settlement. This has caused financial issues for some providers.	Level of staffing is based on need of consumer.
Labor intensive for providers & state.	No cost settlement.
	Standard rate statewide.

2009 - 2010

2009 HB 1556 directed DHS to contract to study the methodology & calculations for the rate setting structure used to reimburse private, licensed DD providers.

Consultant Burns & Associates studied retrospective system and issued recommendations.

2011 - 2012

2011 SB 2043 directed DHS, to work with DD providers, to develop a prospective or related payment system with an independent rate model utilizing the Support Intensity Scale (SIS). That ties client needs to funding.

Steering committee created.

Consultants (JVGA & Rushmore Group) began their work.

Pilot group identified.

Steering committee directed consultant to develop a component driven compensation structure which involved developing a single fully loaded value for a unit of staff time.

SIS assessments of consumers began.

JVGA worked on rate development utilizing provider general ledgers, Department cost reports, and provider budgets.

Steering committee & JVGA developed quality measures.

2013 - 2014

Rates finalized.

Assessments continued.

JVGA issued final report.

Crosswalks developed.

Universal budget impact completed utilizing assessment scores.

JVGA issued revised final report.

DHS entered into a contract to develop documents (policies, procedures, administrative code, and service descriptions) for new system.

2015 - 2016

NDACP requested a delay of the planned 7/1/15 implementation.

Items discussed since delay was requested:

Committee developed multiplier method to replace crosswalk.

Outlier process for consumers with exceptional medical or behavioral needs.

Include a transition period

Audit requirements/cost reports.

Develop community and facility based rates for day services.

Other tasks:

Finalize administrative code, service descriptions and related policies & procedures.

Submit waiver and Medicaid State Plan changes to Centers for Medicare & Medicaid Services (CMS).

Implement billing module within case management system

Implement new system.