

Behavioral Health Comparison Rate Development: Phase two

Engrossed Substitute Senate Bill 5693, Section 215(98), Chapter 297, Laws of 2022

June 30, 2023

Summary

Engrossed Substitute Senate Bill 5693, Section 215(98), directed the Health Care Authority (HCA) to develop behavioral health comparison rates that would provide transparent benchmark estimates of provider payment rates for Medicaid-funded behavioral health services. HCA has partnered with Milliman to conduct this study. The project was multi phased:

- **Phase one:** Initial development of comparison rates for a limited set of services. This work is further described in the Phase one report.
- **Phase two:** Refinement of comparison rates developed in Phase 1 and an evaluation of historical Medicaid managed care organization (MCO) payment rates to the comparison rates. This phase is further described in the report that follows.

Project purpose

In addition to a two phased approach, the study also identified the following goals to meet:

- Develop and publish behavioral health provider payment comparison rates that are consistent with efficiency, economy, quality of care and access to care.
- Provide an examination and understanding of the provider resources involved in delivering individual covered behavioral health services.
- Provide transparent payment rate benchmarks for use by all stakeholders, including during negotiations between payors and providers,
- Support HCA's ability to:
 - Make informed decisions when proposing changes to covered benefits.
 - Improve transparency in analysis and communication between HCA and other stakeholders, such as the program's authorizing environment (i.e., State Legislature and Office of Financial Management), providers, insurers, and advisory work groups.

Key findings

The following report provides a summary of the phase two comparison rates and an evaluation of historical Medicaid MCO payment rates compared to those comparison rates. Information on the difference between current Medicaid MCO payment rates and the comparison rates represent an order of magnitude and should not be considered exact estimates. Actual costs will vary for a number of reasons all noted in the report. There are some instances in which current MCO reimbursement levels are above the phase two comparison rates on average. However, there is a wide range in current reimbursement at the provider level meaning some provider may currently be reimbursed above the comparison rates while

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others may be reimbursed below. There is also quite a lot of variability across services. The report also highlights some of the key data limitations and important caveats that impact this analysis.

Recommendations

While the rate evaluation in phase two was performed at the statewide level across all relevant BH services, the State may want to consider building upon this analysis to examine regional and service level evaluation of rate differences. That could help to inform and potentially prioritize future behavioral health payment policies for targeted areas.

MILLIMAN CLIENT REPORT

Behavioral Health Comparison Rate Development – Phase 2

Washington State Health Care Authority

June 30, 2023

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Executive Summary

Milliman, Inc. (Milliman) has been retained by the Washington State Health Care Authority (HCA) to provide actuarial and consulting services related to its Medicaid managed care program. The state legislature directs HCA and its contracted actuaries to develop behavioral health (BH) comparison rates that will provide transparent payment rate benchmarks for Medicaid-funded BH services.¹ The term “comparison rates” is used in this report for the following reasons:

- HCA is not currently adopting these rates as a state fee-for-service fee schedule or a state-directed payment under managed care.
- Absent future state policy changes, the comparison rates will not be directly incorporated into the state’s managed care capitation rate development (Section A provides additional detail).

This project consists of multiple phases:

- **PHASE 1:** Initial development of comparison rates for a limited set of services with the highest utilization volume in the program, specific to Calendar Year (CY) 2023.
- **PHASE 2:** Refinement of comparison rates developed in Phase 1 and an evaluation of historical Medicaid managed care organization (MCO) payment rates to the comparison rates, with a report due to the Office of Financial Management and the appropriate committees of the legislature by June 30, 2023. The refinement of the comparison rates included a provider survey that collected wage and cost data related to BH service delivery.

This report provides a summary of the Phase 2 comparison rates, including stakeholder feedback, and the required evaluation of historical Medicaid MCO payment rates to those comparison rates.

Comparison rates are developed at the service level making it possible to translate them into a fee schedule. Implementing a comparison rates-based fee schedule may require additional legislative funding in cases where current reimbursement levels do not align with the updated fee schedule. Phase 2 involves additional analyses to help quantify the difference between current reimbursement levels and the refined benchmarks, enabling additional insight into targeted funding improvement opportunities based on observed differences by service and provider type.

Overall changes in the comparison rate assumptions include:

- Updated Bureau of Labor Statistics (BLS) wage amounts (May 2021), wage trend, and employee-related benefit amounts
- Increases to average group size for SUD and BH outpatient group services based on provider survey data
- Updated staffing assumptions for substance use disorder (SUD) residential and withdrawal management services based on staffing data submitted by providers, and development of a comparison rate for Secure Withdrawal Management and Stabilization services (SWMS).

Differences in payment rate development assumptions between Phase 1 and Phase 2 are called out throughout the report during the discussion of the relevant rate component. If no differences are noted, the Phase 1 assumptions continue to be used.

¹ Authorized by 2021-2023 State Operating Budget, Section 215, proviso #98 of Engrossed Substitute Senate Bill 5693

A. PROJECT PURPOSE AND INTENDED USE

The primary purpose of this project is to develop and publish Medicaid BH comparison rates that are consistent with the efficiency, economy, quality of care, and access to care. These comparison rates are specific to services provided under Section 13d Rehabilitative Services of Washington's Medicaid State Plan.² *The development of the comparison rates does not equate to immediate capitation rate or fee schedule increases; the following narrative describes the intended use of the comparison rates and the relationship between the comparison rates and managed care capitation rates.*

1. Intended Use of Comparison Rates

The analysis and results of the comparison rate project are intended to:

- Provide an examination and understanding of the provider resources involved in delivering individual covered BH services.
- Provide transparent payment rate benchmarks for use by all stakeholders, including during negotiations between payors and providers.
- Allow HCA and other stakeholders to make a number of meaningful comparisons to better understand the difference between the cost of delivering services and the current payment arrangement.
- Support HCA's ability to:
 - Make informed decisions when proposing changes to covered benefits
 - Improve transparency in analysis and communication between HCA and other stakeholders, such as the program's authorizing environment (i.e., State Legislature and Office of Financial Management), providers, insurers, and advisory work groups
 - Evaluate variation in provider payments by comparing actual payment rates to comparison benchmark rates
- Improve transparency and understanding of the cost of behavioral services delivered to Medicaid clients in order to inform future policy approaches and decisions for the program by the HCA and its authorizing environment.

Comparison rates may or may not be appropriate for use by individual providers, e.g., depending on the extent that their wages are materially different than what is included in this modeling or depending on unique population needs.

2. Comparison Rates and Managed Care Capitation Rates

The comparison rates do not constitute a requirement or commitment that managed care organizations (MCOs) or other payors adjust current payment arrangements to match these benchmarks. Of particular note:

- HCA is not currently considering the adoption of comparison rates developed under this project as a state fee-for-service fee schedule or a state-directed payment under managed care.
- Absent future state policy changes, the comparison rates will not be directly incorporated into HCA's managed care capitation rate calculations.
- The current capitation rate development process considers, among other data points, provider utilization and provider payments reported by MCOs as observed in the encounter data. To the extent that MCOs and providers negotiate their contracted rates through reliance on the comparison rates, capitation rates for future periods will include consideration of such changes through the annual rebasing of capitation rate development.

² State of Washington. Medicaid State Plan Attachment 3, Section 13d. Available online (June 6, 2022): <https://www.hca.wa.gov/assets/program/SP-Att-3-Services-General-Provisions.pdf>

Potential future changes to fee schedules and/or managed care capitation rates will be evaluated for materiality and applicability, and any changes would need to comply with the relevant federal and state regulations.

B. INCLUDED SERVICES

Comparison rates were developed for high-volume BH services, which were defined in Phase 1 as follows:

- Services provided under Section 13d of the Medicaid State Plan with over \$1 million in CY20 MCO payments at the HCPCS code level, falling into the Mental Health Outpatient (MH OP), Substance Use Disorder Outpatient (SUD OP), and SUD Residential service categories³
- PACT and WISE team services

These services represented over 70% of non-inpatient hospital BH payments based on a review of CY 2020 experience data in Phase 1. Comparison rates for SWMS services were also developed in Phase 2 as these services were not included in Phase 1 due to their unique nature and the need for additional stakeholder feedback regarding staffing. Figure 1 provides a list of the services included in this report.

FIGURE 1: PHASE 2 BEHAVIORAL HEALTH SERVICES

MODALITY	PROCEDURE CODES	SERI DESCRIPTION*
Mental Health Outpatient Services		
Intake Evaluation	90791	Psych Diag. Eval
	90792	Psych Diag. Eval w/ med srvc
	H0031	MH health assess by non-MD
	99205	Office/OP visit, new patient, high MDM or 60-74 total time of encounter
Individual Treatment Services	90832	Psychotherapy w/ PT. and/or fam. mem., approx. 30 mins.
	90834	Psychotherapy w/ PT and/or fam. mem., approx. 45 mins
	90837	Psychotherapy approx. 60 mins w/ PT and/or fam. mem.
	H0004	BH cnsling and ther., per 15 minutes
	H0036	Comm. psych. supp. tx., face-face, per 15 mins
	H2014	Skills train and dev, per 15 mins
	H2015	Comprehensive community support services, per 15 mins
High Intensity Treatment	S9480	Intnsv. O/P psychiatric srvc, per diem Unit (UN)
Family Treatment	90846	Fam. psychother. w/o PT
	90847	Fam. psychother. w/ PT present
Group Treatment Services	90853	Grp psychother. (other than of a multiple-fam. grp)
Medication Management	99213	Office/OP visit, established patient, low MDM or 20-29 minutes total time of encounter.
	99214	Office/OP visit, established patient, moderate MDM or 30-39 minutes total time of encounter.
	99215	Office/OP visit, established patient, high MDM or 40-54 minutes total time of encounter.
Peer Support	H0038	Self-help/peer srvc, per 15 mins
SUD Outpatient Services		
Outpatient Treatment	H0004	Behav. Hlth Cnslng and thrpy, per 15 mins
	96164	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes
	96165	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service)

³ Volume threshold defined using proxy priced shadow encounters and encounters paid directly to providers by MCOs. Service definitions based on HCA's IMC Service Encounter Reporting Instructions (SERI) published March 1, 2021.

MODALITY	PROCEDURE CODES	SERI DESCRIPTION*
Assessment Services	H0001	Alcohol/drug assessment
Case Management	T1016	Case management, each 15 mins
SUD Residential Services		
Withdrawal Management	H0010	Alcohol/drug services; subacute detox in Free Standing E&T facility, per diem (inpatient residential addiction program); Use this code for Clinically Managed Withdrawal Management
	H0011	Alcohol/drug services; acute detox in Free Standing E&T facility, per diem (inpatient residential addiction program); Use this code for Medically Monitored Withdrawal Management
Secure Withdrawal Management and Stabilization	Rev Code 1002 or 0126 plus H0017	Secure Withdrawal Management and Stabilization Facility service in a Free Standing RTF, Per Diem; use this code for Secure Withdrawal Management and Stabilization services
Clinically Managed Residential Services	H0018 (billed with place of service 55 to be specific to SUD)	Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, per diem; ASAM Level 3.5.

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*Washington State Health Care Authority, March 1, 2021. IMC Service Encounter Reporting Instructions to be implemented on or before July 1, 2021.

For purposes of reflecting material provider cost variations for providing clinically managed SUD residential services that correspond to the American Society of Addiction Medicine (ASAM) level of care 3.5 (billed using H0018 with place of service "55" for residential substance abuse treatment facility), we developed comparison rates for the below service type/populations:

- Adult
- Adult co-occurring SUD and mental health diagnoses
- Youth
- Pregnant and Parenting Women (PPW)

As current billing guidelines are not specific to these service types / populations, HCA is evaluating the use of additional modifiers for this procedure code and related changes to the code sets and billing descriptions in SERI.

The following Section 13d services were not included in the comparison rates due to their unique considerations:

- Mental health residential services
- Crisis services
- Opioid treatment programs

A comparison rate was not developed for H0019, long-term SUD residential services corresponding to ASAM Level 3.3, as the four ASAM Level 3.5 comparison rates developed for H0018 reflect a wide variety of needs that are currently being billed under H0018 and H0019.

HCA continues to separately consider an appropriate course of action for comparison rate development for the remaining services.

Note that the only change from Phase 1 regarding the list of included services and service variations as discussed in this section is the inclusion of SWMS in Phase 2.

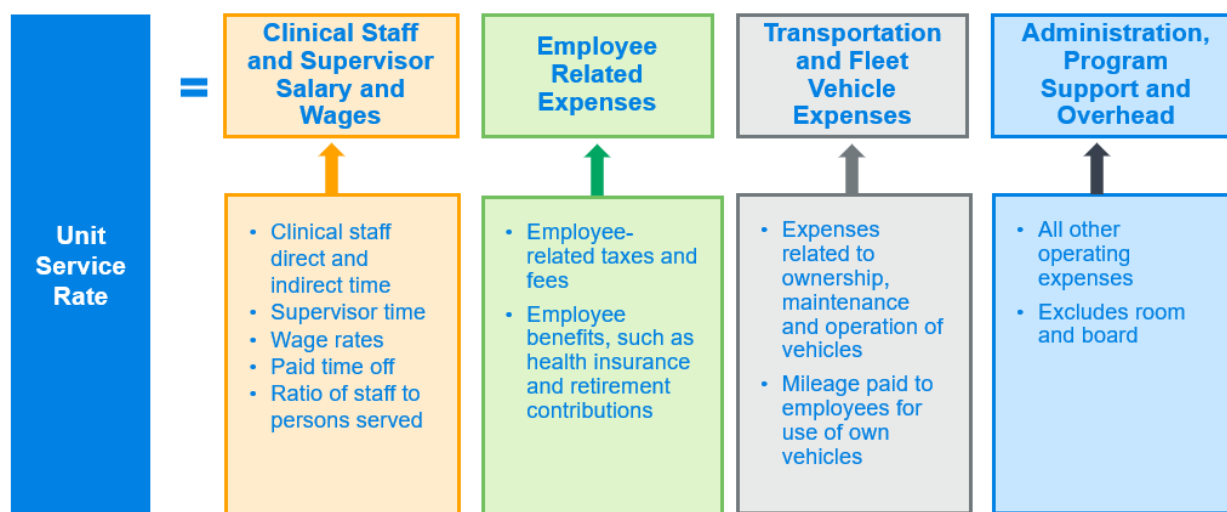
C. COMPARISON RATE DEVELOPMENT APPROACH

The comparison rates were developed using an independent rate model (IRM) approach that serves to capture and document the average expected costs a reasonably efficient Washington provider would incur while delivering the service. This approach provides transparency to rates that are consistent with efficiency, economy, quality of care, and access to care. Another benefit of this approach is that rates are developed independently from actual costs incurred, which facilitates an understanding of the resulting comparison rates under different assumptions. Rather than relying on actual costs incurred from a prior time period to determine what the rates should be, the IRM approach builds rates from the "ground up" and considers what the costs may be to provide the service based on a

set of assumptions. To the extent actual costs incurred by service providers are affected by external factors, such as legislatively-mandated funding levels that are not consistent with factors that drive the market, the IRM approach provides a means to communicate what costs may reasonably be incurred, and the issues faced by providers, so decision makers can more equitably allocate resources based on this information.

To develop comparison rates for each of the services included in Figure 1, we utilized different types of rate models for different type of services, which are described in more detail in Section III.C Rate Model Types. Each of these rate models can be adjusted by applying different assumptions specific to how each of the services is expected to be provided. Although the rate models may vary across services, they all include similar types of assumptions, cost components, and elements. Figure 2 provides the key high-level components included in the IRM approach. These rate models were based on a set of assumptions that are further refined in Phase 2, and the resulting comparison rates should not be taken as final rates to inform HCA policy decisions.

FIGURE 2: HIGH-LEVEL INDEPENDENT RATE MODEL COMPONENTS



The first two components shown in Figure 2 above – Clinical Staff and Supervisor Salary and Wages, and Employee Related Expenses (EREs) – comprise the largest portion of the expected costs built into the rate models. The models have been designed to account for differences in the salary and wages and EREs attributable to the different types of clinical service staff and supervisors authorized to provide the services. *Section II.B* provides a detailed description of each of these components.

For many of the services covered by Washington’s Apple Health behavioral health program, there are several types of clinical staff, or qualifying provider types, authorized to perform the services. Rather than establish rate models that account for every possible qualifying position, we made use of “provider groups”, which are groupings of similar provider types. For example, the provider group “Master’s Level Degree Licensed (MHP)” includes Licensed Social Workers, Licensed/Certified Mental Health Counselors, and Licensed Marriage and Family Therapists.

We worked with the HCA (in conjunction with feedback from the provider workgroup meetings) to assign provider types to provider groups that comprise of workers with similar characteristics, such as educational degrees, professional credentials, and expected wage rates. Model assumptions that drive the clinical staff and supervisor salary and wages and ERE components shown above were determined at the provider group level (e.g., supervisor span of control).

This report provides a more in-depth description of the IRM approach, methodology, and assumptions used to develop the Phase 1 comparison rates and Phase 2 updates. Appendices A through D to this report provide the refined comparison rates by service type. These appendices include rate component breakdowns which show the amount attributable to each of the high-level rate components shown in Figure 2, for each service and provider group

combination included in this project. Comparison rates in these appendices vary by wage region type (high-cost versus standard) and travel region type (urban vs. rural vs. frontier). Statewide comparison rates are also provided. The remaining appendices provide summaries of updated wage levels and assumptions related to ERE, non-productive time, indirect time, and transportation time (Appendices E to I).

Note that the overall comparison rate development approach used in Phase 2 remains consistent with Phase 1 while the payment rate assumptions were updated as applicable using more recent publicly available data and provider survey data as collected and analyzed in Phase 2.

I. Notable Work Contributing to the Comparison Rates

The development of the comparison rates reflects intensive work with HCA and providers to better understand the costs associated with BH program service delivery, with stakeholder engagement performed using a wide variety of virtual meetings. This process has included notable activities in Phase 1 and Phase 2.

Phase 1 activities included the following:

- Milliman participated in bi-weekly meetings with HCA representatives to discuss provider feedback received, planned adjustments to the IRM and comparison rates in response to the feedback, and selected future topics for discussion with the provider workgroups (Oct 2021- June 2022).
- Engagement of stakeholders via a public kickoff meeting, technical workgroup meetings (MH OP, SUD OP, WISe, PACT, SUD residential) including two cross workgroup meetings, and a public stakeholder meeting to review the report and collect additional feedback.

Phase 2 activities included the following efforts used to support the refinement of payment rate assumptions for purposes of Phase 2 comparison payment rate development:

Provider 2022 Cost and Wage Survey for Direct and Supervisory Staff: Providers were asked to respond to a cost and wage survey released on September 9, 2022, which included questions about the overall cost structure, staffing, and services-related information associated with the delivery of Medicaid-funded BH services included in this report. Providers were asked to complete the survey if delivering services under Section 13d Rehabilitative Services of Washington’s Medicaid State Plan (mental health and SUD outpatient providers, SUD and mental health residential providers, and WISe and PACT service providers). The survey administration included trainings and release of frequently asked questions, availability of technical support, and an extension of the deadline. 34 providers responded reflecting a wide range of services, as illustrated in Figure 3 below. Due to the limited response, it was possible to review the survey data to inform assumptions, but survey results were not used as direct inputs into the payment rate assumptions. For example, wages and turnover were compared to the Phase 1 assumptions, but were not a direct input.

FIGURE 3: PROVIDER SURVEY RESPONSES BY SERVICE TYPE

SERVICE	NUMBER OF SURVEYS WITH SERVICE
MH Outpatient	29
SUD Outpatient	24
Peer recovery services	17
Crisis services	10
PACT	5
WISe	13
Opioid Treatment Program	7
SUD Residential	7
SUD Withdrawal Management (including SWMS)	6
Medication Assisted Treatment	12

Note: In some cases, survey respondents provided staffing for more than one type of service.

Supplemental staffing data request: HCA and Milliman requested additional staffing data from PACT, SUD residential and WM providers to supplement the 2022 Cost and Wage Survey data. Thirteen providers responded.

Provider Workgroup Meetings: The HCA and Milliman held ad hoc provider workgroup meetings to discuss and review survey data summary and staffing assumptions in February through April 2023. The provider workgroup meetings consisted of one meeting each with PACT and WISe providers respectively, two meetings with SUD residential and WM providers, and one meeting with SWMS providers.

FIGURE 4: SUD RESIDENTIAL, WM, AND SWMS WORKGROUP MEMBERS

SUD RESIDENTIAL AND WITHDRAWAL MANAGEMENT WORKGROUP	SECURE WITHDRAWAL MANAGEMENT AND STABILIZATION WORKGROUP
Ariana Kee, Vice President of Crisis and Stabilization Services, Lifeline Connections	Caroll Opel, Administrator, American Behavioral Health Systems
Jennifer Logan, Vice President of Residential Services, Lifeline Connections	Raven Mosley, Director of Involuntary Treatment, Lifeline Connections
Christine Lynch, Executive Director, Olalla Recovery Centers	Tammie Pennypacker, Program Manager, American Behavioral Health Systems
Amber Blanco, Controller, Triumph	Tony Prentice, Administrator, American Behavioral Health Systems
Edie Dibble, Vice President of Residential Services, Comprehensive Healthcare	Richard Geiger, Chief of Inpatient and Residential Services, Valley Cities Behavioral Health Care
Linda Grant, CEO, Evergreen Recovery Centers	
Kinh Reynolds, Chief Financial Officer, Lifeline Connections	
Loretta Stover, Executive Director, The Center for Alcohol & Drug Treatment	
Kristen Prentice, Program Director, Sea Mar	
Raven Mosley, Director of Involuntary Treatment, Lifeline Connections	
Tammie Pennypacker, Program Manager, American Behavioral Health Systems	
Scott Munson, Executive Director, Sundown Ranch	

FIGURE 5: PACT AND WISE WORKGROUP MEMBERS

PACT WORKGROUP	WISe WORKGROUP
Jenny Billings, Director, Lake Whatcom Center	Mary Stone-Smith, VP and Director of Family Behavioral Health, Catholic Community Services
Tiffany Taylor, Director of Adult Outpatient Services, Behavioral Health Resources	Steve VerValin, CFO, Catholic Community Services
Heather Kranz, PACT Supervisor, Behavioral Health Resources	Linda Thomas, Director of Family Behavioral Health System, Catholic Community Services
	Drew Comito, Associate Director, Excelsior Wellness
	Megan Boyle, Director of Children's Intensive Services, Compass Health

II. Methodology

We used an independent rate model (IRM) approach to calculate the average costs that a reasonably efficient Washington provider would be expected to incur while delivering these services. As denoted by its description—**independent** rate model— this approach builds rates from the ground up, by determining the costs related to the individual components shown below and summing the component amounts to derive a comparison rate for each service.

The IRM approach can be distinguished from other provider payment methodologies in that it estimates what the costs for each service could be given the resources (salaries and other expenses) reasonably expected to be required, on average, while delivering the service. This approach relies on multiple independent data sources to develop rate model assumptions to construct the comparison rates. By contrast, many cost-based methods rely primarily on the actual reported historical costs incurred while delivering services, which can be affected by operating or service delivery decisions made by providers. These operating or service delivery decisions may be inconsistent with program service delivery standards or be caused by program funding limitations that do not necessarily consider the average resource requirements associated with providing these services. Figure 6 provides an overview of the key components and elements of the IRM approach.

FIGURE 6: INDEPENDENT RATE MODEL COMPONENTS

COMPONENT	ELEMENTS	SUB-ELEMENTS	CLARIFYING NOTES
Clinical Staff and Supervisor Salaries and Wages	Service-related time	Direct time	Corresponding time unit, or staffing requirement assumptions where not defined Adjusted for staffing ratios for some services (i.e., more than one person served concurrently, e.g., in group counseling sessions or for residential services).
		Indirect time	Service-necessary planning, note taking and preparation time
		Transportation time	Travel time related to providing service
		PTO/training/ conference time	Paid vacation, holiday, sick, training and conference time. Also considers additional training time attributable to employee turnover
		Supervisor time	Accounted for using a span of control variable
	Wage rates	Can vary for overtime and weekend shift differentials	Wage rates vary depending on types of direct service employees, which have been assigned to provider groups
	Stipends	Payments for on-call capacity	Used for selected services
Employee Related Expenses	Payroll-related taxes and fees	Federal Insurance Contributions Act (FICA), Federal Unemployment Tax Act (FUTA), State Unemployment Insurance (SUI), Workers Compensation	Applicable to all employees, and varies by wage level assumption
	Employee benefits	Health, dental, vision, life and disability insurance, and retirement benefits	Amounts may vary by provider group
Transportation	Vehicle operating expenses	Includes all ownership and maintenance-related expenses	Varies by service with costs estimated based on the federal reimbursement rate.
Administration, Program Support, Overhead	All other business-related costs	Includes program operating expenses, including management, accounting, legal, information technology, etc.	Excludes room and board expenses.

Room and board expenses are excluded from the comparison rate calculations for SUD residential services as these expenses are not allowed for Medicaid payment per federal Medicaid regulation. Providers have, however, indicated that they have experienced challenges covering these costs. The Legislature provided additional funding (\$2M per year) for room and board during the 2023 Legislative session.

The costs for interpreter services are also excluded from the comparison rate development. These costs are separately billable.

While the IRM is intended to be as inclusive as possible for the purpose of explicitly accounting for the key cost components of delivering a specific service, there are situations which may require special considerations of the cost structure or cost elements unique to a specific service operation environment or need. The comparison rates are intended to be a reference point and are not meant to exclude the ability of MCOs and providers to consider these types of situations as part of payment rate negotiations.

Generally, the IRM approach constructs a comparison rate for each service as the sum of the costs associated with each of the components shown in Figure 6. The cost and other assumptions associated with each component are adjusted to reflect the expected use of resources separately for each service.

In *Sections III.A. Provider Groups* and *B. Rate Model Components* we provide more detail regarding each of these components along with their elements and sub-elements.

A. PROVIDER GROUPS

As described above, for many of the BH services covered by Washington's Medicaid program, there is a range of provider types that are authorized to perform the service as clinical staff. Provider groups that comprise workers with similar characteristics provide a way to balance the need for the rates to reflect appropriate variation in labor costs by type of clinical staff (and clinical supervisors), and at the same time reasonably limit the number of rates needed for each service. Expected education levels can range from clinical staff with high school degrees to fully accredited physicians. Positions can also vary depending on experience and earned professional credentials and certifications.

Model assumptions that drive the clinical staff salaries and wages, PTO assumptions, and ERE components (described in *Section III.B. Rate Model Components*) were determined at the provider group level. For each of the provider groups, where appropriate, the resulting comparison rate varies depending on the input assumptions (e.g., provider group wage rates).

Figure 7 includes the provider groups proposed by HCA. Appendix E shows the relationship between the provider taxonomies listed in the Service Encounter Reporting Instructions (SERI) and the provider groups.

Where appropriate, separate rate models were developed for services that could be delivered by more than one provider group. Each rate model incorporates wage rates, PTO, and ERE assumptions that were specifically attributable to the provider group(s) included in that rate model. Special attention was paid to developing the provider groups taking into consideration the need for ease of understanding, sufficient granularity to reflect the general market experience, and alignment to SERI provider taxonomy.

FIGURE 7: PROVIDER GROUPS

Resident Assistant in SUD Facility (non-clinical)
SUDPT
SUDP Bachelor's and Below
SUDP Master's in a Social Services Field
Certified Medical Assistant
Clinical Psychologist
Licensed Practical Nurse
Master's and Below (Non-MHP Agency-Affiliated Counselors)
Master's Level Degree Licensed (MHP)
Master's Level Degree Unlicensed (MHP)
Physician Assistants, Nurse Practitioners, and Pharmacists
Peer Support
Registered Nurse
Specialty Physician

B. RATE MODEL COMPONENTS

This subsection provides a description of the key rate components listed in Figure 6, which are:

- Clinical staff and supervisor salary and wages
- Employee related expenses
- Transportation
- Administration, program support, overhead

We also provide a description of additional service-specific adjustments. Comparison rate assumptions, unless otherwise noted, were developed in Phase 1 for all of these components primarily based on publicly available data, feedback from the stakeholder workgroups and HCA. Refinement to Phase 1 assumptions were based on more recent publicly available data (e.g., May 2021 BLS data), 2022 Cost and Wage survey data, supplemental staffing data, and workgroup feedback.

1. Clinical Staff and Supervisor Salary and Wages

The clinical staff salary and wage components are typically the largest components of the comparison rates, comprising the labor-related cost, or the product of the time and expected wage rates for the clinical staff who deliver each of the services. This component includes costs associated with the clinical staff expected to deliver the services and their immediate supervisors.

Clinical Staff and Supervisor Time Assumptions

In the IRM approach, clinical staff time is categorized as direct time, indirect time, transportation time, and supervisor time. Adjustments for PTO, holidays, and in some cases overtime, are also incorporated. Figure 8 provides a description of each of these sub-elements and related adjustments.

FIGURE 8: SUMMARY OF SUB-ELEMENTS RELATED TO CLINICAL STAFF AND SUPERVISOR TIME

TIME SUB-ELEMENT	DEFINITION	ASSUMPTIONS
Clinical Staff Direct Time	<ul style="list-style-type: none"> • Amount of time incurred by clinical staff that can be billed for services provided to individuals. • For example, a service billed as a 15-minute unit assumes that the clinical staff direct time is approximately 15 minutes, an assumption that is consistent with service billing guidelines. Examples of the most common unit types, which vary by service, are a set number of minutes per service unit (e.g., 15-minute, 30-minute), per encounter, per day, or per month. 	<ul style="list-style-type: none"> • For service units that are not defined by a time unit (e.g., per encounter or per diem) direct time assumptions were developed for each procedure code.
Clinical Staff Indirect Time	<ul style="list-style-type: none"> • Time that must be spent by non-supervisory clinical staff to provide the service, but is not spent “person facing”, and does not result in a billable unit of service. • Time incurred for necessary activities such as planning, summarizing notes, updating medical records, and other non-billable but appropriate time not otherwise included in clinical staff direct time. • For most services, it is assumed that the indirect time does not result in a billable unit. However, in 2021 the American Medical Association (AMA) changed the service descriptions of select assessment services to allow specific indirect activities to produce a billable unit (e.g., 97151 and 99213), even when the time is not “person facing”. For these services, the rate model reflects all billable time (both person facing and non-person facing) as direct time, and non-billable and non-client-facing time as indirect time. 	<ul style="list-style-type: none"> • Indirect time assumptions vary depending on the service. These assumptions do not apply to SUD residential services, WISe and PACT as staffing is expressed as the number of FTEs (per team or per shift). • Appendix G provides a listing of indirect time by procedure code, which are based on workgroup feedback. • The “PTO Adjustment Factor” row within this Figure provides information on a separate non-productive time factor. • Phase 2 survey data was used to assess overall productivity to what is implicitly assumed for development of the Phase 2 comparison rates. Data analysis indicated that the implicitly assumed overall productivity was similar to what was reported in the survey data.
Turnover	<ul style="list-style-type: none"> • The turnover rate is the assumed percentage of employed staff that leave an organization during the same time period. 	<ul style="list-style-type: none"> • In Phase 1, a 35% turnover rate was used, and was based on stakeholder feedback. • In Phase 2, the 2022 Provider Cost and Wage Survey data indicated higher turnover rate (47%)

TIME SUB-ELEMENT	DEFINITION	ASSUMPTIONS
Clinical Staff Transportation Time	<ul style="list-style-type: none"> A provision for transportation time is included for services where it is expected that clinical staff will be required to travel to patients' homes or other community settings to provide the service in certain circumstances. 	<p>at the 50th percentile and 56% at the 75th percentile). The turnover rate assumption remained at 35% based on the wage levels selected in Phase 2 being materially higher than the survey reported wages.</p> <ul style="list-style-type: none"> Transportation time assumptions, detailed in Figure 9, are based on: <ul style="list-style-type: none"> Estimates of average distance driven per service. Amount of time it takes to travel that distance (based on average vehicle speed), which varies based on the region where the service is provided. When applicable, transportation time for clinical staff is adjusted to reflect the geographic area which the service is being delivered (e.g., allowing for more transportation time in frontier areas as compared to urban areas), and the percentage of services delivered in the community.
PTO Adjustment Factor	<ul style="list-style-type: none"> Accounts for additional time that must be covered over the course of a year by other clinical staff, thereby representing additional clinical staff time per unit. <ul style="list-style-type: none"> Annual time related paid vacation, holiday, and sick time. Annual training and/or conference time expected to be incurred by clinical staff and supervisors. Increased for an estimate that considers the amount of one-time training/onboarding and the frequency of this type of training time that can be attributable to employee turnover. 	<ul style="list-style-type: none"> Varies by provider group Incorporates a non-productive time factor, which reflects additional time spent on non-billable activities that are part of providing overall support to the individual. This time factor is set at 20% of total hours net of PTO and training and reflects workgroup feedback regarding overall productivity levels. Our review of 2022 Provider Cost and Wage Survey data regarding billable and non-billable time indicated that this assumption was consistent with experience. <ul style="list-style-type: none"> Applies to all MH and SUD OP procedure codes included in the comparison rates except for group services and case management services. Appendix F provides the PTO and training assumptions by provider group in addition to the 20% non-productive time factor described above.
Overtime/Holiday Adjustment Factor	<ul style="list-style-type: none"> For certain services, such as SUD residential services that are staffed using a 24/7 staffing model, there is an expectation that that the "typical" staffing model should include some incremental payment for overtime and holiday pay. 	<ul style="list-style-type: none"> Overtime/Holiday pay – a \$2 per hour extra pay for third shift hours and a "time and a half" assumption is applied to the underlying average hourly wage for staff for the holiday time worked. SUD residential services – "time and a half" assumption, set at 10 holidays per year.
Supervisor Time	<ul style="list-style-type: none"> For the services included in this analysis, clinical staff providing services to individuals require supervision. Supervisors, commonly referred to as front line supervisors, are typically more experienced or higher credentialed provider types responsible for the direct oversight and supervision of those employees that are directly providing the services to individuals. Supervision of clinical staff does not typically result in a separate billable unit of service. Some organizations may not have second-line supervisors while other organizations may operate a two-tiered supervision approach to support clinical staff directly providing services. Supervisor responsibilities may vary, but primarily are on-site providing direct supervising, hiring, training and discipline of the clinical staff, whose primary responsibilities are providing services. Supervisor responsibilities may also include program planning and 	<ul style="list-style-type: none"> For most mental health outpatient services, a supervisor span of control assumption of 1:10 was used, meaning that on average, every 10 hours of clinical staff time will require one hour of a supervisor's time. Services delivered by psychiatrists had a supervisor span of control assumption of 1:25. The peer support and SUD outpatient services supervisor span of control assumption was 1:8. These supervisor spans of control are consistent with spans of controls used in other state rate development initiatives. The span of control included in the rate models is inclusive of both first- and second- line supervisory staff.

TIME SUB-ELEMENT	DEFINITION	ASSUMPTIONS
	evaluation, advocacy, working with families, and working with community members. <ul style="list-style-type: none"> Supervisor time is determined through application of a "span of control" assumption, which is a measure of how many clinical staff a supervisor can supervise 	

Transportation assumptions developed in Phase 1 were maintained the same for Phase 2, with an exception to updating the IRS mileage rate. Transportation is assumed to be applicable to all outpatient services excluding SUD residential services. In Phase 1, the place of service "home" reported on encounter data (POS = 12) was used to determine the mix of services provided in the home and community setting for each procedure code receiving a comparison rate.

As illustrated in Figure 9, the entire Washington State (39 counties) was grouped into three transportation regions to recognize regional variations in terms of average transportation time and miles per trip for visits which require clinicians to travel to the patients' homes or community for service delivery. Stakeholder feedback on average miles and transportation time per trip, and other state experience were considered in the development of assumptions specific to each region.

FIGURE 9: TRANSPORTATION ASSUMPTIONS USED TO IDENTIFY CLINICAL STAFF TRANSPORTATION TIME FOR MH AND SUD OUTPATIENT SERVICES (EXCLUDES WISE AND PACT)

Transportation Regions	Urban (counties with 200+ persons per sq mile)	Rural (counties with 20-200 persons per sq mile)	Frontier (counties with no more than 20 persons per sq mile)
% of Population (and Land)*	74.6% (16.9% of Land Area)	22.3% (47.9% of Land Area)	3.2% (35.2% of Land Area)
Average transportation time per trip (one-way)	30 minutes	30 minutes	40 minutes
Average miles per trip (one-way)	15 miles	23 miles	35 miles

* Population is 2016 estimates based on the 2010 U.S. Census

Application of the transportation time in the IRM considers the following assumptions:

- Percentage of service units with travel required based on January to June 2021 data (expressed in 5 percentage point increments, e.g., 15%, 20%, 30%) (A)
- Average number of units billed per visit (B)
- Average number of one-way trips per visit (C) with travel required of 1.25 (based on other state experience)
- Average time needed for transportation per one-way trip (D) (see Figure 9; varies by transportation region)
- The average transportation time per unit is then calculated using the formula: $A / B * 1.25 * D$

For example, the average transportation time per unit assumption for MH outpatient service family treatment 90846 in the urban transportation region was developed as follows: $30\% (A) / 2 (B) * 1.25 (C) * 30 (D) = 5.63$ minutes. Appendix G lists the transportation time assumptions by procedure code with the corresponding (1) percentage of units with travel required and (2) the average number of units billed per visit with travel required.

The average per month mileage assumptions used for WISE and PACT comparison rates were developed using data provided by workgroup members as summarized in Figure 10 below.

FIGURE 10: TRANSPORTATION ASSUMPTIONS FOR WISe AND PACT TEAMS

SERVICE	Urban (counties with 200+ persons per sq mile)	Rural (counties with 20-200 persons per sq mile)	Frontier (counties with no more than 20 persons per sq mile)
WISe	2,991	4,487	6,979
PACT – Half Team	2,365	3,547	5,518
PACT – Full Team	4,204	6,306	9,809

Wage Rate Assumptions for Clinical Staff and Supervisors

The Phase 1 clinical staff hourly wage for each provider group was updated in Phase 2 using May 2021 wage data from the Bureau of Labor Statistics (BLS) for Washington State. BLS wage data was used because they are publicly available, updated on an annual basis, collected in a consistent and statistically credible manner, and provide the most detailed wage information which allows for wage assumptions to vary by region, by wage percentile, and by provider grouping. The provider types were aligned from the BLS data to the provider groups based on position responsibilities and feedback from the HCA and provider workgroup meetings.

The selection of the BLS wage percentile and annual trend factor was informed by the emerging workforce-specific wage trend, stakeholder feedback, and HCA’s intent to maintain a strong behavioral workforce in Medicaid to carry out BH program goals in today’s inflationary and workforce shortage environment. Figure 11 to the right highlights themes related to wage levels from stakeholder feedback.

Calendar Year (CY) 2024 wage levels for purposes of comparison rate calculation were developed using the following steps:

- Obtain the most recent BLS wage data (May 2021) by occupational code and geographic region. Note that May 2021 wage is roughly 4% higher than May 2020 wage used in Phase 1 for CY 2023 wage projection across all relevant provider groups.
- For each provider grouping, we used the similar BLS occupational categories identified in Phase 1 and their related hourly wages, with one update. The SUDPT provider grouping was originally associated with the Rehabilitation Counselor and the Substance Abuse, Behavioral Disorder, and Mental Health Counselor BLS occupational categories. Survey results, however, indicated a bigger difference between wages for the SUDPT and SUDP Bachelor’s and Below provider groupings than what was assumed via the combination of these two occupational categories. As such, only the Rehabilitation Counselor BLS occupational code was used in Phase 2 for the SUDPT provider grouping.
- Apply an annual trend factor of 5.3% to the base wage rates for CY 2024 wage projection, which resulted in an overall 17.8% increase in wages from May 2021 to July 2024. This trend is specific to the comparison rates and related time periods. Note the Phase 2 trend factors are lower than the Phase 1 trend factors (annualized trend factor of 6.5% and aggregate trend factor of 22.1% used in Phase 1) due to the use of more recent Federal Reserve Economic Data (FRED) for Average Hourly Earnings of All Employees, Education and Health Services data through January 2023.

Figure 11: High Level Themes Regarding Wage Levels from Stakeholder Feedback:

Phase 1

- Significant pressure on wages due to:
 - Competition from other programs and private sector
 - Employee expectations
 - Workforce shortages that predated COVID
 - Overall cost of living
- Difficulty in retaining employees at all levels due to:
 - Impact of COVID on workforce participation
 - Intensity of work in community-based mental health
 - Ability to obtain higher wages with other employers
- Clinical staff are increasingly less experienced due to difficulty in retaining more experienced staff.

Phase 2

- Overall comments emphasized Phase I stakeholder feedback on wages pressure
- Recruitment challenges in rural areas
- Difficulty to staff at the ideal staffing mix levels

- Calculate the proposed CY 2024 statewide hourly wage rate for each provider grouping using the average of the trended wages at 50th and 75th percentile for non-supervisor clinicians.
- Group the entire state into two wage regions and applied uniform regional wage factors to recognize the material wage differential between high-cost areas and the remaining areas. These regional wage factors were developed in Phase 1 using a geographic BLS wage data analysis. The results of this analysis indicated that there was no material wage variation at the aggregate level between Metropolitan Statistical Areas (MSAs) and non-metropolitan areas outside of two high-cost MSAs. Figure 12 identifies the payment rate variation by the high-cost areas and standard area wage regions.

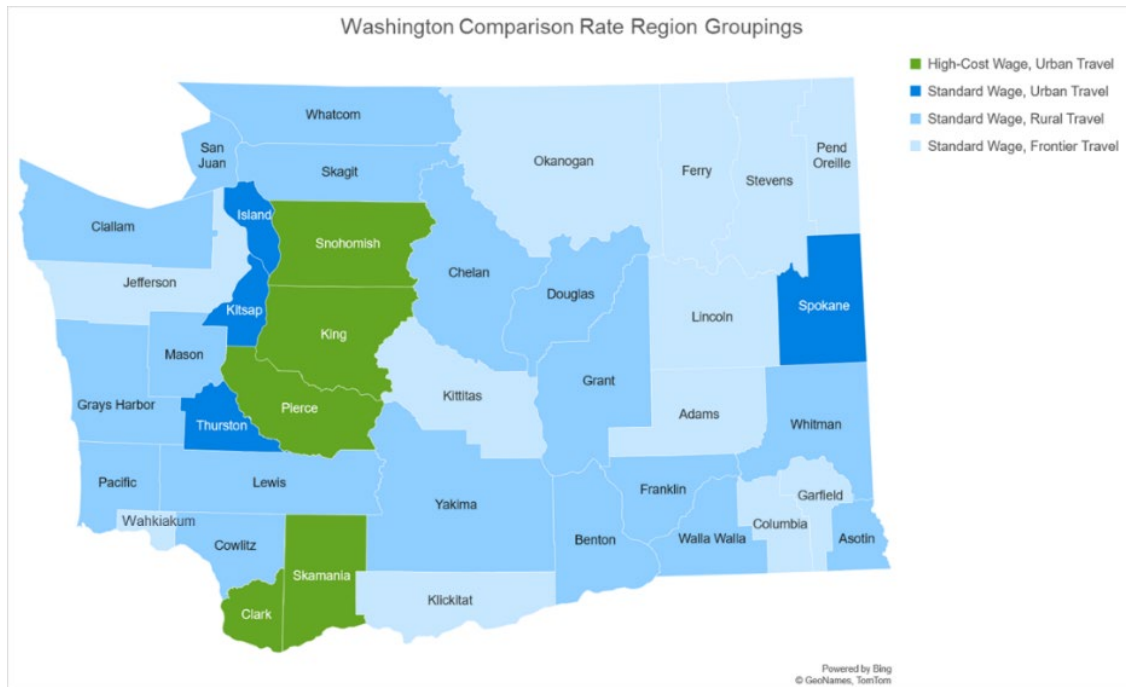
In aggregate, the projected wage for CY2024 in Phase 2 is consistent to the previously projected CY2023 wage in Phase 1 across all provider groups.

FIGURE 12: IDENTIFICATION OF TWO WAGE REGIONS

Wage Region #1: High-Cost Areas	Wage Region #2: Standard Areas
<p>Seattle-Tacoma-Bellevue MSA (includes Everett), with 44% Medicaid BH enrollment in 2020 and 2021</p> <p>Portland-Vancouver-Hillsboro MSA, with 7% Medicaid BH enrollment in 2020 and 2021</p> <p>Wage Region #1 has a weighted hourly BLS wage average of \$35.82 across 14 relevant BLS jobs (May 2020).</p>	<p>All other MSAs</p> <p>Medicaid BH enrollment in 2020 and 2021: 38%</p> <p>11 BLS regions with a regional enrollment weighted hourly BLS wage average of \$33.14 across 14 relevant BLS jobs (May 2020)</p> <p>Non-MSAs</p> <p>Medicaid BH enrollment in 2020 and 2021: 12%</p> <p>2 BLS regions with a regional enrollment weighted hourly BLS wage average of \$33.08 across 14 relevant BLS jobs (May 2020)</p>

Figure 13 provides a mapping of the wage and transportation region groupings across Washington State.

FIGURE 13: WASHINGTON COMPARISON RATE REGION GROUPINGS



Appendix H provides a listing of wages used for comparison rate development purposes for both direct care staff and supervisors.

2. Employee Related Expenses

This component captures the ERE expected to be incurred for clinical staff and supervisors for each service. ERE percentages are calculated based on the expected level of ERE as a percentage of clinical staff and supervisor salaries and wages for a given wage region. ERE expenses are calculated as the product of the calculated clinical staff and supervisor salary and wage (described above) and an ERE percentage, which varies by provider group.

Employee related expenses include:

- Employer entity's portion of payroll taxes, employee medical and other insurance benefits
- Employer portion of retirement expenses incurred on behalf of clinical staff and supervisors

A significant portion of the ERE is driven by the cost of health insurance and retirement benefits the employer provides to its employees. Phase 2 provider survey data informed the health insurance assumptions used in the comparison rates, indicating that employer health insurance costs specific to these types of employees were higher than the national average as indicated by the BLS data. To better align health insurance cost assumption with provider experience, we adjusted the trended CY 2024 employer paid health insurance cost per employee, which was calculated based on the most recent BLS insurance cost per hour worked data, up by 40% to account for the observed cost difference in the provider survey data.

Figure 14 provides a summary of the employee-related assumptions and their related sources. Insurance and retirement costs were sourced from BLS data for the health care and social assistance⁴ civilian worker classification.

FIGURE 14: EMPLOYEE RELATED EXPENSE ASSUMPTIONS

COMPONENTS	ASSUMPTIONS FOR CY2024	SOURCE
Employee Social Security Withholding	6.2% (no change from 2021) Wage Base Limit: \$162,900 projected for 2024 (as projected by SSA under intermediate scenario)	Internal Revenue Service. Topic No. 751 Social Security and Medicare Withholding Rates. Retrieved from https://www.ssa.gov/OACT/TR/2021/V_C_prog.html#1047210 Social Security Administration. 2021 Old-Age, Survivors, and Disability Insurance (OASDI) Trustee Report. Retrieved from https://www.ssa.gov/oact/cola/cbb.html
Employer Medicare Withholding	1.45% (no change from 2021)	Journal of Accountancy. Social Security wage base, COLA set for 2022. Retrieved from https://www.journalofaccountancy.com/news/2022/oct/social-security-wage-base-cola-set-2023.html
FUTA Tax	\$420, 6% of first \$7,000 (no change from 2021)	Internal Revenue Service. Topic No. 759 Form 940 – Employer's Annual Federal Unemployment (FUTA) Tax Return – Filing and Deposit Requirements. Retrieved from: Last+Reviewed+or+Updated:04-Jan-2023">https://www.irs.gov/taxtopics/tc759#:~:text=FUTA%20tax%20rate%3A%20The%20FUTA,federal%20or%20FUTA%20wage%20base.-Page>Last+Reviewed+or+Updated:04-Jan-2023
SUTA Tax	1.43% Wage Base Limit: \$67,600	Washington State Employment Security Department. Determining your tax rates. Retrieved from https://esd.wa.gov/employer-taxes/determining-rates Washington State Employment Security Department. Taxable wage base. Retrieved from https://esd.wa.gov/employer-taxes/taxable-wage-base
Workers Compensation	1.4% calculated as percentage of Wage and Salaries and Paid Leave components per December 2022 national data.	U.S. Bureau of Labor Statistics. (December 2022). Economic News Release, Table 1. Employer Costs for Employee Compensation by Ownership for Civilian Workers. Retrieved from https://www.bls.gov/news.release/pdf/ecec.pdf
Insurance Benefits	\$10,283 per year Increased based on Phase 2 provider survey results to reflect higher insurance costs than those reflected in BLS insurance cost per hours worked data (\$3.38 base hourly cost for the health care and social	2022 Provider Cost and Wage Survey U.S. Bureau of Labor Statistics. (December 2022). Economic News Release, Table 2. Employer Costs for Employee Compensation for Civilian Workers by Occupational and Industry Group. Retrieved from https://www.bls.gov/news.release/pdf/ecec.pdf

⁴ Bureau of Labor Statistics. (December 2022). *Employer Costs for Employee Compensation – December 2022*. Retrieved from <https://www.bls.gov/news.release/pdf/ecec.pdf>

COMPONENTS	ASSUMPTIONS FOR CY2024	SOURCE
	assistance industry group multiplied by 2,080 hours, trended from December 1, 2022 to July 1, 2024)	
Retirement Percent	4.7% calculated as a percentage of Wage and Salaries and Paid Leave components per "Health care and social assistance" for civilian workers industry group.	U.S. Bureau of Labor Statistics. (December 2022). Economic News Release, Table 2. Employer Costs for Employee Compensation for Civilian Workers by Occupational and Industry Group. Retrieved from https://www.bls.gov/news.release/pdf/ecec.pdf

The detailed calculations related to the ERE percentage are shown by provider group in Appendix I.

3. Transportation Expense

The transportation expense component of the IRM approach is intended to capture the provider entities' out-of-pocket transportation costs. Transportation expenses are based on the assumed average number of miles required to provide a service on a per unit basis. The expenses are calculated by applying the estimated number of miles by the 2023 federal mileage reimbursement allowance of \$0.655 per mile. This excludes the wages paid to clinical staff and supervisors for their transportation time – this wage expense is included in the clinical staff salaries and wages component described previously. The IRM approach also assumes that the federal mileage reimbursement would be sufficient to cover the cost of a provider owned vehicle if the provider opts to rely on the use of a provider vehicle instead of paying mileage reimbursement.

Transportation expense per unit for each outpatient service was calculated by multiplying the average transportation miles required per unit and the federal mileage reimbursement rate of \$0.655. The average transportation miles required per unit was calculated by multiplying the average transportation minutes per unit and the region-specific average transportation speed measured by miles per hour (MPH) assumption and then dividing by 60 (e.g., 6 transportation minutes per unit * 30 MPH / 60 = 3 miles per unit). Transportation expenses are spread across all billable units of a claim in the same way that the transportation time is incorporated into the rate models. Appendix G provides the average transportation minutes per unit and Figure 9 provides the region-specific MPH assumptions.

4. Administration / Program Support / Overhead

An adjustment to account for the cost of administration, program support, and overhead of the provider is built into each of the rate models. The assumption of 25% of the total expenses was used for all services except for WISE and PACT, which have an administrative cost assumption of 30% to reflect stakeholder feedback regarding additional administrative and program oversight requirements. The 25% assumption was based on industry research and a review of 2022 Provider Cost and Wage Survey data. This component is intended to account for the following types of costs:

- **Administrative-related expenses** - Generally, administrative-related expenses would include all expenses incurred by the provider entity necessary to support the provision of services but not directly related to providing services to individuals. These expenses exclude transportation, wages, and employee-related expenses for clinical care, and may include, but not be limited to:
 - Salaries and wages, and related employee benefits for employees or contractors that are not direct service workers or first- and second- line supervisors of direct service workers
 - Liability and other insurance
 - Licenses and taxes
 - Legal and audit fees
 - Accounting and payroll services
 - Billing and collection services
 - Bank service charges and fees
 - Information technology
 - Telephone and other communication expenses

- Office and other supplies including postage
 - Accreditation expenses, dues, memberships, and subscriptions
 - Meeting and administrative travel related expenses
 - Training and employee development expenses, including related travel
 - Human resources, including background checks and other recruiting expenses
 - Community education
 - Marketing/advertising
 - Interest expense and financing fees
 - Facility and equipment expense and related utilities
 - Vehicle and other transportation expenses not related to transporting individuals receiving services or transporting employees to provide services to individuals
 - Board of director-related expenses
 - Translation services
- **Program support costs** - include supplies, materials, and equipment necessary to support service delivery

5. Other Service-Specific Adjustments

The rate modeling process also incorporated several service-specific assumptions as described in Figure 15. This Figure includes additional changes in assumptions between Phase 1 and Phase 2 based on 2022 Provider Cost and Wage Survey data.

FIGURE 15: SERVICE-SPECIFIC ADJUSTMENTS

ADJUSTMENT	DESCRIPTION
Staff to client ratio for group services	Phase 1: <ul style="list-style-type: none"> • 90853 (mental health) – 4 individuals per staff person (based on workgroup feedback) • 96164 and 96165 (SUD) – 6 individuals per staff person (based on workgroup feedback) Phase 2: <ul style="list-style-type: none"> • 90853 (mental health) – 7 individuals per staff person (based on survey results). • 96164 and 96165 (SUD) – 8 individuals per staff person (based on survey results).
WISe and PACT individuals served per team	Phase 1: <ul style="list-style-type: none"> • WISe – 12 • PACT – 100 for full team and 50 for half team Phase 2: <ul style="list-style-type: none"> • WISe – 12, remained the same based on survey data • PACT – changes informed by survey data and workgroup feedback: full team reduced to 80, and half team reduced to 45.
Overall staffing levels for SUD residential care, WISe and PACT	<ul style="list-style-type: none"> • Staffing by provider group may vary by facility or team (within state requirements) as compared to what is included in the comparison rate buildup, but the overall level of effort and hours are intended to be accommodated within the total hour/FTE assumptions • A provider that has WISe and/or PACT teams may have other non-WISe/PACT staff. These staff may bill for Medicaid services that are not included in the WISe or PACT rates. Phase 2 staffing changes are outlined in <i>Section III. Phase 2 SUD Residential and WM Staffing Updates</i>
Shift-based staffing for SUD residential care	<ul style="list-style-type: none"> • Varies by ASAM level • Developed based on the number of FTEs by provider grouping for each shift • Reflects care needed for 16 individuals
Medication and on-call physician costs for SUD residential care	Includes \$20 in medication and \$7 in on-call physician costs per client per day (based on workgroup feedback)
Caseload efficiency factor for SUD residential services	Adjusts for turnover in residents <ul style="list-style-type: none"> • 95% factor that is applied to the total cost per week (based on other state experience)

C. RATE MODEL TYPES

The BH comparison rates reflect four main model types which reflect the rate model components described above and are intended to capture the average expenses that the provider is expected to experience delivering each service over a period of time.

Figure 16 provides an overview of the different model types and the rate model types chosen for each procedure code included in the Phase 1 comparison rates.

FIGURE 16: RATE MODEL TYPES

MODEL	OVERALL DESCRIPTION	ADDITIONAL CONSIDERATIONS	SERVICES INCLUDED IN PHASE 1 COMPARISON RATES
Type 1 Per Unit Rate Model	<ul style="list-style-type: none"> Used when the clinical service time assumptions related to providing the service can be reasonably determined on a per unit basis Assumes that all team members incur time when a unit of service is provided, with supervision as necessary. The final rate per unit reflects the adjusted total minutes multiplied by the hourly labor-related cost components, and then adding all other applicable rate components. One clinical staff person is expected to provide the service with the presence of a clinical staff supervisor. May vary based on how many clinical staff people are expected to provide the services. 	<ul style="list-style-type: none"> On-call stipends may apply Non-payroll transportation expenses may be included <p><i>Note:</i> The administration/program support/overhead component is included in the final rate per unit by taking the total cost of all prior components divided by one minus the administration/program support/overhead percentage amount</p>	<ul style="list-style-type: none"> 90791, 90792 90832, 90834, 90837, 90846, 90847 90853 99205, 99213, 99214, 99215 H0004 H0031 H0036 H0038 H2014, H2015 96164, 96165 H0001 – Note that the comparison rate for this service is determined on a per 15-minute unit basis. In the past, SERI has indicated this service will be billed on a per minute basis. T1016
Type 2 Case Load Rate Model	<ul style="list-style-type: none"> Used when the expected costs of services are more reasonably determined on a monthly basis, with resulting accumulated monthly expenses converted to a service unit value based on assumptions related to the average number of individuals served and/or units provided during the month. Reflects a team approach to services. While not all team members are expected to contribute to the delivery of every unit of service, the staffing resources assumed for this model are expected to represent the average per unit resources over the course of a month. 	<ul style="list-style-type: none"> Does not separately distinguish direct time from indirect or transportation time. Does not separately apply a PTO adjustment, assuming that the average monthly clinical staff time and expected number of units, which are based on caseload assumptions, already take into account the PTO-reduced capacity of the clinical staff. Adjusted monthly service time components <ul style="list-style-type: none"> Clinical staff time per month Supervisor time per month Caseload assumptions <ul style="list-style-type: none"> Average units per individual per month Add-on cost components per unit Transportation expenses Per unit conversion factor (if applicable) 	<ul style="list-style-type: none"> WISe PACT-Full PACT-Half

MODEL	OVERALL DESCRIPTION	ADDITIONAL CONSIDERATIONS	SERVICES INCLUDED IN PHASE 1 COMPARISON RATES
Type 3 24/7 Shift- Based Rate Model	<ul style="list-style-type: none"> • Used for services where more than one individual is served, typically in a residential setting, where clinical staff are expected to be on-site for scheduled periods or shifts, set up to provide service coverage over an extended period of time, or on a 24/7 basis. • Considers the number of clinical staff required for each shift for each day, including separate staffing patterns for weekday periods and weekends. 	<ul style="list-style-type: none"> • Since the clinical staff delivering these services commonly earn time and a half pay by working overtime or holiday hours, assumptions for a reasonable percentage of hours paid at a time and a half pay rate are incorporated (see earlier discussion in <i>Section III.B.1</i>). • Accounting for time and a half pay, separate weekly wages expenses and ERE expenses are calculated for each type of clinical staff (i.e., provider group) delivering the service. These values are then converted to an average daily expense amount per individual served. • Adjusted weekly service time components <ul style="list-style-type: none"> ○ Clinical staff time and supervisor staff time per week ○ Paid time off adjustment factor • Add-on cost components per unit <ul style="list-style-type: none"> ○ Transportation expenses ○ Caseload efficiency ○ Program support costs, administration, and overhead ○ Drug costs to support SUD treatment 	<ul style="list-style-type: none"> • H0010 • H0011 • H0018 • Rev Code 1002 or 0126 plus H0017 (Developed in Phase 2)

III. Staffing Updates Based on Survey Results

In Phase 2, providers were asked to report staffing patterns by service type for WISe, PACT, and SUD Residential and Withdrawal Management services via the 2022 Provider Cost and Wage Survey, stakeholder workgroups, and additional staffing data collection. Figure 17 provides a breakdown of responses by service type; in some cases, survey respondents provided staffing for more than one service setting.

FIGURE 17: NUMBER OF SURVEY RESPONSE BY SERVICE TYPE

SERVICE TYPE	NUMBER OF SURVEY RESPONDENTS WITH REPORTED STAFFING (2022 AND 2023)
WISe	13
PACT	
Half	5
Full	10
SUD Residential and WM Services by ASAM Level	
ASAM 3.1 and 3.3 (not included in the comparison rates)	2
ASAM 3.5 – Adult	8
ASAM 3.5 – Youth	1
ASAM 3.5 – Pregnant and Parenting Women	2
ASAM 3.2 WM	1
ASAM 3.7 WM	5
SWMS	2

Staffing patterns from Phase 1 were reviewed and updated based on data submitted, stakeholder workgroup feedback, and HCA feedback. Figure 18 shows the staffing updates by service type, and Appendices C and D contain the individual comparison payment rate buildups and related staffing by provider grouping.

FIGURE 18: PHASE 2 STAFFING UPDATES

SERVICE TYPE	PHASE 1 FTE ASSUMPTIONS	PHASE 2 UPDATES
WISÉ	Staffing included of the following provider groupings, with a total of 4.22 FTEs per a 12-client caseload: <ul style="list-style-type: none"> Peer Support Master’s and Below (Non-MHP Agency-Affiliated Counselors) SUDP Master’s in a Social Services Field Master’s Level Degree Unlicensed (MHP) Master’s Level Degree Licensed (MHP) 	Survey data showed a lower total FTE per team (normalized to 12-client caseload), no use of SUDP Master’s in a Social Services Field, and an overall slight lower use of Master’s Level Degree Unlicensed (MHP) and higher use of Master’s Level Degree Licensed (MHP). Phase 2 updates based on provider survey response and workgroup feedback were: <ul style="list-style-type: none"> Reduced Master’s Level Degree Unlicensed (MHP) Increased Master’s Level Degree Licensed (MHP) Removed SUDP Master’s in a Social Services Field Reduced total FTE to 4.0 per a 12-client caseload
PACT (Half Team)	Staffing included the following provider groupings, with a total of 9 FTEs per 50 clients served: <ul style="list-style-type: none"> Peer Support Master’s and Below (Non-MHP Agency-Affiliated Counselors) SUDP Master’s in a Social Services Field Master’s Level Degree Unlicensed (MHP) Master’s Level Degree Licensed (MHP) Registered Nurse Physician Assistants, Nurse Practitioners, and Pharmacists Psychiatrist/Physician 	Survey data for teams that appear to be half teams had a caseload ranged from 34 to 50. The staffing mix was generally consistent with Phase 1 assumptions with lower use of SUDP Master’s in Social Services field and a slightly higher average total FTE for normalized half team with a caseload of 50. PACT workgroup feedback highlighted difficulty in maintaining a high caseload and maintaining an ideal staffing level. Phase 2 updates based on provider response and workgroup feedback were: <ul style="list-style-type: none"> Reduced caseload to 45 Maintained the total FTE as 9 Maintained Phase 1 distribution of provider groups

SERVICE TYPE	PHASE 1 FTE ASSUMPTIONS	PHASE 2 UPDATES
PACT (Full Team)	<p>Staffing included the following provider groupings, with a total of 13 FTEs per 100 clients served:</p> <ul style="list-style-type: none"> ○ Peer Support ○ Master's and Below (Non-MHP Agency-Affiliated Counselors) ○ SUDP Master's in a Social Services Field ○ Master's Level Degree Unlicensed (MHP) ○ Master's Level Degree Licensed (MHP) ○ Registered Nurse ○ Physician Assistants, Nurse Practitioners, and Pharmacists ○ Psychiatrist/Physician 	<ul style="list-style-type: none"> ○ Replaced SUDP Master's in a Social Services Field with Bachelor's SUDP Bachelor's and Below <p>Survey responses varied widely in terms of caseload, with the highest reporting 80 clients per team. The staffing mix was generally consistent with Phase 1 assumptions. Similar to half team, workgroup members' feedback indicated the difficulty in maintaining a high enough caseload based on staffing availability.</p> <p>Phase 2 updates based on provider response and workgroup feedback were:</p> <ul style="list-style-type: none"> ○ Reduced caseload to 80 ○ Kept the total FTE as 13 ○ Maintained the Phase 1 distribution of provider groups ○ Replaced SUDP Master's in a Social Services Field with Bachelor's SUDP Bachelor's and Below
SUD Residential and WM Services		
ASAM Level 3.5 Adult (Basic) and Co- Occurring	<p>Staffing assumptions consisted of a total of 672 hours per 16 clients across the following provider groupings:</p> <ul style="list-style-type: none"> ○ Resident Assistant in SUD Facility (non-clinical) ○ SUDPT ○ SUDP Bachelor's and Below ○ SUDP Master's in a Social Services Field ○ Licensed Practical Nurse ○ Specialty Physician 	<p>Staffing reported in survey data was variable, and comparing on a consistent basis is challenging as some providers only reported total beds and not average occupancy.</p> <p>Overall staffing appeared to be lower than what was included in the Phase 1 comparison rates – average of 480 total hours across 4 providers. During follow up SUD residential stakeholder discussion, providers indicated that funding levels and workforce constraints have made it difficult to staff at the levels/staffing mix that they think are most appropriate for service delivery.</p> <p>In Phase 2, staffing hours were reduced overall to 552, specifically for the following staff types: Resident Assistant, SUDP Master's in a Social Services Field, and Licensed Practical Nurse.</p> <p>For revised co-occurring staffing hours:</p> <ul style="list-style-type: none"> ○ Set Resident Assistant, SUDPT, and Specialty Physician hours to be the same as Adult Basic ○ Shifted SUDP Bachelor hours in Adult Basic to SUDP Master's ○ Added 28 hours for PAs, NPs, and Pharmacists (these hours do not exist in Adult Basic)
ASAM Level 3.5 Youth	<p>Staffing assumptions were developed with workgroups, for a total of 820 hours across the following provider groupings:</p> <ul style="list-style-type: none"> ○ Master's and Below (Non-MHP Agency-Affiliated Counselors) ○ SUDPT ○ SUDP Bachelor's and Below ○ SUDP Master's in a Social Services Field ○ Specialty Physician 	<p>Staffing observed in the survey data showed the following in comparison to the Phase 1 comparison rates:</p> <ul style="list-style-type: none"> ○ Higher overall weekly hours ○ Notable use of resident assistants ○ Use of certified medical assistants <p>Phase 2 staffing changes were as follows:</p> <ul style="list-style-type: none"> ○ Moved 392 hours from Master's and Below level positions to Resident Assistant and Certified Medical Assistant positions resulting in: <ul style="list-style-type: none"> ▪ Resident Assistants: 2 FTEs per shift ▪ Certified Medical Assistants: 1 FTE for 1st shift ○ Included RNs hours to support supervision of Certified Medical Assistants: 1 FTE for 1st shift <p>The above changes result in slightly higher total staffing hours (825.6) as compared to Phase 1.</p>

SERVICE TYPE	PHASE 1 FTE ASSUMPTIONS	PHASE 2 UPDATES
ASAM Level 3.7 WM	<p>Staffing assumptions developed with workgroups, for a total of 768 hours across the following provider groupings:</p> <ul style="list-style-type: none"> ○ Resident Assistant in SUD Facility (non-clinical) ○ SUDP Bachelor's and Below ○ SUDP Master's in a Social Services Field ○ Registered Nurse ○ Licensed Practical Nurse ○ Physician Assistants, Nurse Practitioners, and Pharmacists 	<p>Total staffing hours observed in 2022 and 2023 data, even when normalized, were extremely variable, ranging from total staffing hours similar to Phase 1 staffing to staffing hours that are notably higher.</p> <p>Workgroup provided feedback that detox levels of care are more likely to have SUDPTs and resident assistants as the nature of the service delivery is not as focused on counseling where SUDPs and Master's Level clinicians may be needed.</p> <p>Phase 2 updates reflect workgroup feedback, and resulted in 776 hours, specifically:</p> <ul style="list-style-type: none"> ○ Shifted hours from SUDP Bachelors and Below and SUDP Master's to the SUDPT provider grouping ○ Reduced RN time down to roughly 20% and divided remaining hours to Licensed Practice Nurses (LPNs) and Certified Medical Assistants (CMAs)
SWMS	Staffing was not developed in Phase 1	<p>We relied on both the staffing reported in the data collection, which was high overall, and workgroup feedback. SWMS workgroup members provided feedback on SWMS staffing mix which included:</p> <ul style="list-style-type: none"> ○ High use of behavioral technicians as part of milieu staff. ○ More use of milieu staff than 3.7 WM ○ Use of court evaluator and court coordinator ○ Nursing staff (RN and LPN) <p>SWMS staffing was built using ASAM 3.7 Phase 2 updated staffing as a reference point, and relied on SWMS workgroup members feedback on the need for higher staff by including a total of 1,204 weekly hours broken down as follows:</p> <ul style="list-style-type: none"> ○ Resident Assistant in SUD Facility (non-clinical) - 280 hours ○ Certified Medical Assistant – 392 hours. ○ SUDP Master's in a Social Services Field – 112 hours ○ Registered Nurse – 196 hours ○ Licensed Practical Nurse – 168 hours ○ Physician Assistants, Nurse Practitioners, and Pharmacists – 56 hours

IV. Stakeholder Feedback on Comparison Rate Assumptions

HCA requested feedback from stakeholders on the Phase 2 comparison rates and related assumptions. The Phase 2 comparison rates were presented during an April 2023 all stakeholder meeting, with the Phase 2 comparison rate report released on May 1, 2023 for more detailed review. Figure 19 below summarizes the questions and feedback received and HCA's responses.

FIGURE 19: SUMMARY OF STAKEHOLDER QUESTIONS AND COMMENTS RECEIVED REGARDING THE PHASE 2 COMPARISON RATES

QUESTION OR COMMENT	RESPONSE
Staffing and Wages	
Question: Do the comparison rates consider changes in the quantity of staff from prior years to current?	Yes, staffing included in the comparison rates was based on a review of provider survey responses and stakeholder feedback.
Question: Was overtime considered in the comparison rates? Due to the significant and ongoing salary thresholds for classifying employees in WA as exempt (not eligible for overtime pay), some of our direct service staff have had to be reclassified as non-exempt. We would have to provide significant increases to some staff to get them above the current threshold and the threshold is going to continue to increase each year for the next five plus years. It is difficult because the income threshold is the same across the state, not regional, and there are different costs of living in the different areas of the state.	Assumptions related to overtime and holiday pay were included as described in Figure 8 of the report. Regional wage factors were developed and applied, as described in Section II.B of the report.
Comment: Recruitment is difficult in all areas.	Thank you for this feedback, which is consistent with feedback received from other stakeholders during this project.
Question: Do the comparison rates factor in equity gaps, for example, small organizations that are paying lower rates but are working on increases?	The comparison rates were developed to reflect the resources needed for service delivery consistent with efficiency, economy, quality of care, and access to care.
Comment: We have needed to significantly increase WISE wages and stipends over our other services since January due to problematic retention.	Thank you for this feedback.
Comment: Multiple comments received regarding which counties are considered rural or frontier for purposes of wage identification. Comment that the use of population densities alone is misleading because it does not take into account specific geographic variables related to size and shape of the county and accessibility within the county. Comment that other factors beyond wage impact if a county is high cost, e.g., housing costs. Comment that it is a questionable assumption that staff costs are greater in one part of the state versus another, as providers are all recruiting from the same, limited pool.	The urban/rural/frontier designation was determined at county level based on the population density level within each county. It is possible that certain counties have a mix of rural area and frontier areas. HCA will consider if adjustments are needed to the current urban/rural/frontier designations in the event that comparison rates are adopted as a minimum fee schedule in the future.
Comment: High turnover rates are anticipated to continue in 2023, BH care staff remain highly competitive, and recruiting costs and sign on bonuses are skyrocketing.	Thank you for this feedback.
Question: With many positions remaining vacant, providers are having to use temporary staff to fill the gap and it is very expensive. Are there any additional costs built into this cost model?	The model accounts for turnover and the cost of training new staff. An adjustment specific to the use of temporary staff is not included and would require additional data from providers to identify.
Services Included in Comparison Rates	
Question: Were inpatient mental health services or applied behavioral analysis services included in the development of comparison rates?	No, they were not. The comparison rate project focuses on MH/SUD outpatient, SUD residential and withdrawal management and SWMS services.
Question: Can you say more about why MH residential was not addressed in this study?	MH residential services were excluded due to their unique considerations and the need to focus the resources dedicated to this project.
Comment: We remain curious about next steps for doing comparison rate development for evaluation & treatment facilities and other types of mental health residential.	HCA does not currently have legislative funding to further update the BH comparison rates.

Costs Includes in the Administration / Program Support / Overhead Assumption	
Comment: Quality assurance activities are included as part of our indirect time.	The costs related to quality assurance are included in the administration / program support / overhead assumption.
Comment: Liability insurance is a substantial issue due to increased acuity, in particular for youth referred.	The administrative cost component includes liability costs.
Service or Population-Specific Questions / Feedback	
Comment: It would be great if you separated out children/youth rates from adults. The services are really different as well as the complexity.	The comparison rates vary by youth versus adult for SUD residential care. Other services did not include this distinction based on the definition of the service.
Question: Regarding increasing the group size for the group service payment rates, have you taken into account the increased acuity of those seeking services? The higher acuity we are seeing is making it difficult to increase group size.	The increase to the assumed group size was based on provider survey data regarding average group sizes, which was not available in Phase 1
Question: Were travel and mileage time costs factored into the cost for WISE and other similar in-home services?	Yes, WISE comparison rates include time and mileage assumptions.
Other	
Question: What is the assumption for the percentage of direct time versus indirect time?	Indirect time assumptions vary depending on the service. These assumptions do not apply to SUD residential services, WISE and PACT as staffing is expressed as the number of FTEs (per team or per shift). Appendix G provides a listing of indirect time by procedure code, which are based on workgroup feedback.
Question: Is inflation taken into account? Providers are having to give double digit rate increases to either hire or maintain staff. Food cost has also increased by a double-digit rate.	All data inputs are trended for inflation as described in the report. The cost of food is not included in the comparison rates as room and board costs are allowable per federal Medicaid regulations.
Question asked about suggestions on how providers can use the information presented	Providers should review the comparison rates most applicable to the services they provide and assess how consistent the assumptions are in relationship to their staffing patterns and service delivery model. Providers and MCOs are able to use these comparison rates and the related assumptions as a reference point during payment rate negotiations and other discussions.
Question: Is there another way to look at the mix of services that are provided in community settings, other than encounter data? Encounter data might tell us what people are currently doing, but it might not tell us what providers would do to provide best practices.	The comparison rates were developed to reflect the resources needed for service delivery consistent with efficiency, economy, quality of care, and access to care. The mix of services provided in community settings can vary by providers, regions, and specific time periods. The comparison rates are intended to reflect the most recent average experience.
Comment: There are typically 12 holidays (11 federal holidays + Thanksgiving Friday) versus 10 holidays per year in the report.	The model assumes 10 holidays as employers do not necessarily recognize all federal holidays.
Comment: The insurance benefits assumption in the report is very low at \$10,283/year. According to Kaiser Foundation survey in 2021, "Annual premiums for employer-sponsored family health coverage reached \$22,221 this year, up 4% from last year, with workers on average paying \$5,969 toward the cost of their coverage". For non-profit organizations where salaries are typically on the lower end compared to commercial's salaries, employers typically cover 75% of costs for family and 85% of costs for employee's coverage. In addition, insurance premium costs have increase 5-10% per annum for 2022-2024.	The insurance costs included in this model reflect the average cost across all employees (accounting for employer offer of insurance and employee take-up) and were developed using the health and social service category in BLS, and further increased based on Washington BH provider survey results.
Comment: Comments on various changes in rates that did not include feedback on related payment rate assumptions.	Stakeholders should review the specific assumptions underlying the payment rates when evaluating any differences between the comparison rates and current experience.
Comment: We have concerns that Washington's state FMLA program was not included in the rate assumptions – both under Employee Related Expenses (payroll-related taxes and fees) as well as in Salaries and Wages (service-related time). Providers have found that navigating the volume of staff taking family leave, especially throughout the years of Covid, amid a workforce crisis has had a serious effect on productivity. There are also some questions about whether the incredibly high turnover rates, the costs of training, and the time it takes to onboard new clinicians have been accurately reflected in the productivity assumptions.	The productivity assumptions and ERE assumptions are consistent with those reported by providers in the survey data.

V. Evaluation of Comparison Rates and MCO Payment Rates

As part of the Phase 2 BH comparison rate development, this report also includes the legislatively required evaluation of the rate differences between comparison rates and MCO payment rates for BH services included in the Phase 2 comparison rate development. The information summarized in Figure 20 is intended to demonstrate the potential scale of additional funding that might be needed if the Phase 2 comparison rates are implemented as a minimum fee schedule. These figures represent an order of magnitude and should not be considered exact estimates. Actual costs will vary for the reasons noted in Figure 21.

We observe that there are a number of services where the trended provider BH FFS reimbursement amounts are above the Phase 2 comparison rates on average, and that there is a wide range of BH FFS payment rates being used across those providers receiving BH FFS reimbursement. Implementing a minimum fee schedule would increase payments for those providers receiving BH FFS payments below the comparison rates and would not require changes in payments for those providers receiving BH FFS payments above the comparison rates.

FIGURE 20: ESTIMATED CY 2024 MCO BH PAYMENT INCREASES IF ADOPTING PHASE 2 COMPARISON RATES AS A MINIMUM FEE SCHEDULE

MCO BH Payment Arrangements	CY 2021 MCO BH Payments	Estimated CY 2024 MCO BH Payments	Estimated CY 2024 MCO BH Payments if Adopting Phase 2 BH Comp Rates as a Minimum Fee Schedule		Estimated CY 2024 MCO BH Payment Increases if Adopting Phase 2 BH Comp Rates as a Minimum Fee Schedule	
	Baseline	Status Quo	Low Estimate	High Estimate	Low Estimate	High Estimate
	A	B=A*1.33	C	D	E=C-B	F=D-B
<i>FFS Arrangements (included)</i>	\$ 201	\$ 267	\$ 307	\$ 347	\$ 40	\$ 80
<i>FFS Arrangements (excluded)</i>	\$ 294	\$ 390	\$ 390	\$ 390		
<i>Non-FFS Arrangements (included)</i>	\$ 406	\$ 538	\$ 565	\$ 619	\$ 27	\$ 81
<i>Non-FFS Arrangements (excluded)</i>	\$ 227	\$ 301	\$ 301	\$ 301		
Total	\$ 1,128	\$ 1,496	\$ 1,563	\$ 1,657	\$ 67	\$ 161

Notes:

1. All figures above are rounded in millions and may not reconcile exactly based on the formulas illustrated above due to rounding.
2. For FFS Arrangements, the "included" refers to payments for services with applicable Phase 2 BH comparison rates and the "excluded" refers to payments for services without, primarily inpatient services.
3. For Non-FFS Arrangements, the "included" refers to payments to outpatient and SUD residential service providers and the "excluded" refers to payments for other providers including inpatient, crisis, and ESSB service providers. Note that payments to WISE service providers are part of the "excluded" as well.
4. Status Quo (column B) was developed by trending CY 2021 MCO BH payments to CY 2024 with an aggregate trend of 33% including the most recent legislated payment rate increase of 15% effective January 2024 but without adoption of Phase 2 comparison rates as any type of state directed payment.
5. Low and High estimates were developed to demonstrate the variability of potential MCO BH payment increases in CY 2024 if adopting Phase 2 comparison rates as minimum fee schedule.

The "Overview of Data and Methodology" section provides more detailed descriptions of how the low and high estimates were developed.

It is important to note that the aggregate MCO BH payment increase estimates (\$67M as low and \$161M as high) for CY 2024 is subject to data limitations existing in the current encounters as well as other caveats, which together result in estimates with lower precision. Figure 21 following outlines the three key data limitations of the current encounters comprising the base data used for this analysis along with best practices used in many other states to remove or reduce the impact of these data limitations.

FIGURE 21: DATA LIMITATIONS OF CURRENT ENCOUNTER DATA

LIMITATION	IMPACT ON ANALYSIS	STATE STRATEGIES TO RESOLVE LIMITATION
Shadow encounters reflecting services rendered under non-FFS arrangements are under-reported for some providers	Given non-FFS arrangements comprise 55% of BH expenditures, under-reporting of encounters may have a significant impact on this analysis. Less reported data results in lower service utilization in our analysis, which could underestimate the impact of adopting a minimum fee schedule.	States are required in CFR §438.242 to submit complete and accurate encounter data to CMS, including encounter data underlying non-FFS arrangements. Non-compliance could result in the states losing federal financial participation (FFP). ⁵ To comply with federal encounter reporting requirements, many states have used the following approaches to improve encounter data quality: <ul style="list-style-type: none"> ○ Limiting base data used for capitation rate development to encounter data submitted into the states data warehouse. ○ Establishing quarterly encounter monitoring initiatives that involve collecting MCO-reported service utilization. ○ Enhancing MCO contract requirements regarding encounter data submission ○ Establishing MCO penalties for non-compliant data
Servicing provider information on the encounter is incomplete and/or unreliable in many cases	The BH comparison rates were developed for each service, with varying rates depending on the servicing provider. Without known servicing provider information underlying current MCO payment rates, there could be misalignment in the servicing provider of the encounter data relative to the comparison rate, resulting in either over- or under-estimating the impact of adopting a minimum fee schedule. For example, some services could be realistically provided by a master's level licensed clinician or a psychiatrist, which have materially different wages. If the encounter data reflects master's level licensed clinicians and the comparison rate uses a psychiatrist, it would over-estimate the impact of a minimum fee schedule.	Many states have implemented mechanisms to capture servicing provider information for BH services. However, states often must overcome challenges because servicing provider groups are not always captured in national standards (e.g., peers). Common ways to capture provider groups include through service modifiers and taxonomy codes (which is what HCA uses). The following provides approaches states can use to improve servicing provider reporting: <ul style="list-style-type: none"> ○ Working with providers to ensure all provider groups have a clearly defined taxonomy code or modifier to use when reporting encounters. ○ Establishing encounter edits requiring certain fields to be populated or incorporating validation processes in the quarterly encounter monitoring initiative mentioned above. ○ Implementing processes for state or MCO personnel to validate the quality of the provider information reported
Comparison rates were developed at a more granular level than current service code set	The SUD residential BH comparison rates were developed for youth, adults, adults with co-occurring SUD and mental health diagnoses, and for Pregnant and Parenting Women (PPW). The current encounter data used for this analysis did not allow for identification of these variations. Therefore, the estimated impact of adopting a minimum fee schedule will vary to the extent that actual experience varies from our assumption.	States regularly review and refine the service code sets used to define the covered BH services. One aspect of this is ensuring that service code sets capture the different services (or variations of services) that have materially different unit costs. Establishing service code sets that allow the separate identification of youth, adults, adults with co-occurring SUD and mental health diagnoses, and PPW SUD residential services will allow for improved future monitoring and analysis.

The following provides additional caveats, clarifications, and/or impacts that were beyond the scope of this analysis:

- It is possible that MCOs might gradually lower their contracted rates to Phase 2 comparison rates for situations where they would pay higher than Phase 2 comparison rates after the adoption of Phase 2 comparison rates as the State directed minimum fee schedule. This analysis assumes that MCOs would not do so.
- The CY 2021 data used for the rate evaluation has not been adjusted to reflect the potential total enrollment decrease through CY 2024 due to the ongoing public health emergency (PHE) unwinding or to reflect the potential utilization increase on a PMPM basis due to the MCO payment rate increase.
- The unit cost trend applied to the CY 2021 base data assumes a 2% additional annual increase on top of the legislated annual directed payment increases from CY2021 to CY 2024 (i.e., 2% in April 2021, 7% in January 2023, and 15% in January 2024). This assumed trend may be higher or lower than actual unit cost trend.
- The Phase 2 comparison rates are assumed to be implemented as state directed payments using the minimum fee schedule option. The impact would be materially different if other options are used.

⁵ Cunningham, J., Houchens, P. and Tressel Lewis M. 2016. Encounter Data Standards: Implications for State Medicaid Agencies and Managed Care Entities from Final Medicaid Managed Care Rule. Accessed online: <https://www.milliman.com/en/insight/encounter-data-standards-implications-for-state-medicaid-agencies-and-managed-care-entiti>

- The estimated impact represents changes in payments from MCOs to providers and should not be interpreted as an estimate of the capitation rate change. The current estimate does not include administrative cost increase and other non-benefit cost increases related to the implementation of such a provider payment rate increase.
- The estimated impact is not a recommended amount for the legislature to authorize in a budget proviso. Additional information and analysis would be needed regarding the implementation before development of such an estimate.

A. OVERVIEW OF DATA AND METHODOLOGY

The following describes the detailed data and methodology used to develop the estimated impacts summarized above.

1. Data

CY 2021 IMC and BHSO managed care utilization and payment underlying the BH portion of the managed care capitation rates (including case rates) were used as the base for the evaluation. The data includes sufficient runout submitted through March 2023 and therefore, no additional completion adjustment for incurred but not reported (IBNR) claims is necessary for the purposes of this evaluation.

The data includes the following two major types of MCO BH payments across all BH services, including but not limited to the services included in the Phase 2 comparison rate development:

- MCO BH FFS payments, which account for 45% of total BH payments.
- MCO BH non-FFS payments, which account for 55% of total BH payments.

FFS payments are payments made by MCOs to providers on a fee-for-service (FFS) basis. Each claims payment is associated with a specific encounter submitted to ProviderOne (P1) with claim-level payment details such as provider ID, member ID, date of service, procedure code, paid units, and paid amount. As such, it is relatively straightforward to quantify the MCO payment rate specific to each procedure code underlying these payments.

Non-FFS payments are payments made by MCOs to providers through an alternative payment arrangement other than FFS, including sub-capitation payments and provider budget-based (lump sum) payments. These payments are not directly tied to individual encounters, but related utilization is contractually required to be submitted to P1 by MCOs as shadow encounters supporting the payments. However, these shadow encounters do not contain payment information, and are not fully reported for some providers and services. This data limitation makes it challenging to quantify the actual MCO payment rate specific to each procedure code underlying these payments.

2. Methodology

We have followed the steps below to estimate the MCO BH payment increases in CY 2024 if the Phase 2 comparison rates are adopted as state directed minimum fee schedule.

Step 1: Identify CY 2021 MCO BH payment data and determine which components are related to services included in the Phase 2 comparison rate development (as shown in Figure 1 of this report).

As described above, MCO BH payments are split between FFS payments (identified using paid encounters in P1) and non-FFS payments (reported by MCOs at a provider and service category level). Around 41% of FFS payments are attributed to service codes which were included in the Phase 2 comparison rate development (shown as “FFS Arrangements (included) in Figure 20”). BH inpatient services represent a majority of services (shown as “FFS Arrangements (excluded) in Figure 20”) that are not included in the Phase 2 comparison rate development.

For non-FFS payments, we are only considering payments reported for outpatient and SUD residential services (shown as “Non-FFS Arrangements (included) in Figure 20”). The components of non-claims that are included in this analysis constitute 64% of total non-FFS payments made to providers. We do not include the crisis, inpatient, or ESSB components (shown collectively as “Non-FFS Arrangements (excluded) in Figure 20”) because BH comparison rates have not been developed for these services. We are also not including WISE rates in this comparison because, although comparison rates are available, historically MCOs have paid cases rates similar to the case rates developed in the managed care capitation rates and we do not have provider-level case rate payments readily available.

Step 2: Trend CY 2021 MCO BH payments to CY 2024

There have been significant MCO payment rate increases to BH providers in recent years, driven by legislated directed payment increases effective in April 2021, January 2023, and January 2024. Because the Phase 2 comparison rates were developed for CY 2024, the CY 2021 BH payment rates need to be trended to CY 2024 for this comparison. The following annualized BH reimbursement trends, 33% in aggregate across the three years, have been applied to CY 2021 MCO BH payments to develop the projected CY 2024 MCO BH payment amount for this rate evaluation. These trends are based on the legislated annual payment increase percentages, with an explicit 2% additional unit cost trend each year:

- 4.0% from CY 2021 to CY 2022
- 9.0% from CY 2022 to CY 2023
- 17.0% from CY 2023 to CY 2024

Step 3: Re-price CY 2021 BH encounters with Phase 2 comparison rates.

For FFS payments, the CY 2021 encounters were repriced with their corresponding region and provider type-specific Phase 2 comparison rates as follows. Note that members' residences were used to determine the regional rates for the purpose of re-pricing.

For BH outpatient services, comparison rates vary greatly by provider type. For example, the Phase 2 comparison rates for procedure 90791 varies from the lowest \$221.51 (for Master's Level Degree Unlicensed (MHP)) to the highest \$878.34 (for Specialty Physician) for the urban region with standard wage. As the MCO encounter data lacks detailed servicing provider type information, we have used feedback from HCA's program managers to select the most common servicing provider type for each procedure code included in the Phase 2 comparison rate development. For SUD residential services, H0018 comparison rates were developed to vary by youth, adult, adult co-occurring, and pregnant and parenting women while others do not vary by population or provider group. Due to data limitations in differentiating the CY 2021 utilization of this code among the three types of adult populations, we have elected to use the adult co-occurring rates as a proxy of the average H0018 comparison rate for re-pricing claims incurred by adults.

For non-FFS payments, repricing is limited to the shadow encounters available in P1 to support the non-FFS payments. Encounters for procedure codes included in the Phase 2 comparison rate development were repriced using the same methodology used to reprice the paid claims described above. For submitted encounters associated with procedure codes not included in the Phase 2 comparison rate development, they were re-priced with the trended average historical MCO payment rates, consistent with the methodology used in proxy pricing these encounters for the CY 2023 managed care capitation rate-setting. Note that the shadow encounters submitted to P1 are known to be under-reported, though the extent to which they are incomplete is unknown. Due to this uncertainty, the repriced amount may underestimate what the full FFS equivalent amount would be if there were complete encounters.

Step 4: Calculate the MCO BH payment increases if adopting the Phase 2 comparison rates as a minimum fee schedule.

Based on the claim level re-pricing result of the BH FFS payment, more than half of the services included in the Phase 2 comparison rate development would be paid, on average, above the Phase 2 comparison rates associated with the most common provider types in CY 2024 under the current BH service reimbursement trend assumption. If the comparison rates are implemented as mandated fee schedule **replacing** the trended MCO payments rates in CY 2024, the program could experience an overall funding reduction for BH FFS payment. A mandated fee schedule would also be difficult to implement for the non-FFS payment arrangements. As a result, we have calculated the MCO BH payment increases if Phase 2 comparison rates were implemented as a minimum fee schedule.

The following narrative describes how the MCO BH payment increases were calculated.

For FFS payments, the MCO BH payment increases were calculated at a claim line level by comparing trended CY 2024 MCO payment to the repriced payment. If the repriced payment is lower than the trended MCO payment, we assume that the payment would not be reduced to the comparison rate level and the impact of the minimal fee schedule would be zero for this claim line. Example impact calculations follow:

Example 1: A claim line with one reported unit of HCPCS code 90791, with reported paid of \$109. Trended to CY 2024, the paid amount is \$145. The BH comparison rate for the region and most common provider type is \$250. Because the comparison rate is higher than the trended paid, the impact on this line would be $\$250 - \$145 = \$105$.

Example 2: A claim line with one reported unit of HCPCS code 90832, with reported paid of \$167. Trended to CY 2024, the paid amount is \$222. The BH comparison rate for the region and most common provider type is \$94.58. Because the trended paid is higher than the comparison rate, the impact on this line would be \$0.

For non-FFS payments, the MCO BH payment increases were calculated at a provider and MCO level by comparing the total trended CY 2024 MCO-reported payments to the total repriced shadow encounters. If the total repriced shadow encounters for that provider and MCO are lower than the trended MCO payment amount, we assume that the payment would not be reduced to the comparison rate level and the impact of the minimal fee schedule would be zero for this claim line. Example impact calculations follow:

Example 3: An MCO pays a provider \$1,830 in non-claims payments for OP and residential services in 2021. Trended to CY 2024, the paid amount is \$2,427. Total shadow encounters repriced to the comparison rates are \$3,000. Because the comparison rate total is higher than the trended paid, the impact for this provider and MCO would be $\$3,000 - \$2,427 = \$573$.

Example 4: An MCO pays a provider \$1,830 in non-claims payments for OP and residential services in 2021. Trended to CY 2024, the paid amount is \$2,427. Total shadow encounters repriced to the comparison rates are \$2,000. Because the trended paid is higher than the comparison rate total, the impact for this provider and MCO would be \$0.

Step 5: Develop low and high estimates for anticipated CY 2024 MCO BH payment increase if adopting the Phase 2 comparison rates as a minimum fee schedule.

The impacts as calculated in Step 4 are then aggregated statewide across Integrated Managed Care (IMC) and Behavioral Health Services Only (BHSO) programs to inform a potential point estimate for the impact on MCO BH payment increase to providers in CY 2024. Note that there are significant variabilities around several assumptions described above including but not limited to:

- The actual mix of the servicing provider types for each service.
- The specifics about the implementation of Phase 2 comparison rates as a minimum fees schedule.
- The extent that the shadow encounter for non-FFS payments was under-reported.

To inform the variability of potential MCO BH payment increases if adopting the Phase 2 comparison rates as a minimum fee schedule, we have performed scenario testing and developed a low and high estimate as summarized in Figure 20 to illustrate how the ultimate MCO BH payment increase can vary. No budget impact is assumed for components for which Phase 2 comparison rates are not available or not applicable.

3. Future considerations

While this rate evaluation was currently performed at statewide level across all BH services included in the Phase 2 comparison rate development, the State might consider regional and service level evaluation of the rate differences to inform and potentially prioritize future BH payment policies for targeted areas.

VI. Limitations and Data Reliance

The information contained in this report has been prepared for the State of Washington, Health Care Authority (HCA) and is subject to the terms of Milliman's contract with HCA signed on July 14, 2021.

The information contained in this letter, including the appendices, has been prepared for the HCA. To the extent that the information contained in this letter is provided to third parties, the letter should be distributed in its entirety. Any user of the data must possess a certain level of expertise in actuarial science and healthcare modeling so as not to misinterpret the data presented.

The contents of this report are not intended to represent a legal or professional opinion or interpretation on any matters. Milliman makes no representations or warranties regarding the contents of this report to third parties. Similarly, third parties are instructed that they are to place no reliance upon this information prepared for HCA by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties.

The assumptions used for the comparison rates refinement were developed in conjunction between HCA, Milliman, stakeholders, and builds upon the results of the previous comparison rates. Additionally, Milliman has developed certain models to estimate the values included in this report. The intent of the models was to develop comparison rates using an independent rate model approach. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purposes and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP). The information in this report has relied extensively on data provided by HCA and stakeholders, and national data sources. We have not audited or verified this data and other information. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete. We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

Comparison rates are developed using an independent rate model, which calculates rates based on the sum of independently determined rate inputs and components. Inputs are based on expected resources required to provide the service. It is certain that actual individual provider cost experience will not conform exactly to the assumptions used to develop these comparison rates. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. The responsible actuaries for this report, Jeremy Cunningham and Mac Xu, are members of the American Academy of Actuaries and meet the qualification standards for performing the analysis for this presentation.

Appendix A.1, A.2, & A.3

State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix A.1 - Rate Summary for MH Outpatient Services, CY2024

HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
90791	Encounter	Psych Diag. Eval - Specialty Physician	\$ 905.31	\$ 880.80	\$ 878.34	\$ 878.34	\$ 880.12
90791	Encounter	Psych Diag. Eval - Clinical Psychologist	386.66	373.99	371.54	399.11	386.78
90791	Encounter	Psych Diag. Eval - Master's Level Degree Unlicensed (MHP)	233.13	223.97	221.51	236.89	230.45
90791	Encounter	Psych Diag. Eval - Master's Level Degree Licensed (MHP)	259.77	250.00	247.55	265.04	257.58
90791	Encounter	Psych Diag. Eval - PAs, NPs, and Pharmacists	480.80	465.98	463.52	496.87	481.89
90792	Encounter	Psych Diag. Eval w/ med srvc - Specialty Physician	1,007.70	980.85	978.39	982.09	982.14
90792	Encounter	Psych Diag. Eval w/ med srvc - PAs, NPs, and Pharmacists	531.62	515.64	513.19	550.23	533.47
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins - Specialty Physician	372.93	348.42	345.97	345.97	347.74
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins - Clinical Psychologist	163.19	150.53	148.07	158.84	154.82
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins - Master's Level Degree Unlicensed (MHP)	101.10	91.95	89.49	95.50	93.69
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins - Master's Level Degree Licensed (MHP)	111.88	102.11	99.66	106.49	104.30
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins - PAs, NPs, and Pharmacists	201.26	186.45	183.99	197.01	192.01
90834	45 minutes	Psychother. w/ PT and/or fam. mem., approx. 45 mins - Specialty Physician	506.03	481.52	479.06	479.06	480.84
90834	45 minutes	Psychother. w/ PT and/or fam. mem., approx. 45 mins - Clinical Psychologist	219.06	206.39	203.94	218.90	212.81
90834	45 minutes	Psychother. w/ PT and/or fam. mem., approx. 45 mins - Master's Level Degree Unlicensed (MHP)	134.11	124.95	122.50	130.85	127.88
90834	45 minutes	Psychother. w/ PT and/or fam. mem., approx. 45 mins - Master's Level Degree Licensed (MHP)	148.85	139.08	136.63	146.13	142.62
90834	45 minutes	Psychother. w/ PT and/or fam. mem., approx. 45 mins - PAs, NPs, and Pharmacists	271.14	256.33	253.87	271.98	264.48

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HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Specialty Physician	639.12	614.61	612.15	612.15	613.93
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Clinical Psychologist	274.93	262.26	259.80	278.97	270.80
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Master's Level Degree Unlicensed (MHP)	167.11	157.96	155.50	166.19	162.07
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Master's Level Degree Licensed (MHP)	185.82	176.06	173.60	185.77	180.94
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - PAs, NPs, and Pharmacists	341.03	326.21	323.76	346.94	336.95
90846	15 minutes	Fam. psychother. w/o PT - Specialty Physician	186.47	174.21	172.98	172.98	173.87
90846	15 minutes	Fam. psychother. w/o PT - Clinical Psychologist	81.60	75.26	74.04	79.42	77.41
90846	15 minutes	Fam. psychother. w/o PT - Master's Level Degree Unlicensed (MHP)	50.55	45.97	44.74	47.75	46.84
90846	15 minutes	Fam. psychother. w/o PT - Master's Level Degree Licensed (MHP)	55.94	51.06	49.83	53.24	52.15
90846	15 minutes	Fam. psychother. w/o PT - Master's and Below (Non-MHP Agency-Affiliated Counselors)	46.96	42.59	41.36	44.11	43.33
90846	15 minutes	Fam. psychother. w/o PT - PAs, NPs, and Pharmacists	100.63	93.22	91.99	98.51	96.01
90846	15 minutes	Fam. psychother. w/o PT - Registered Nurse	73.73	67.84	66.61	71.39	69.67
90846	15 minutes	Fam. psychother. w/o PT - Licensed Practical Nurse	53.36	48.62	47.40	50.61	49.61

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HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
90847	15 minutes	Fam. psychother. w/ PT present - Specialty Physician	186.47	174.21	172.98	172.98	173.87
90847	15 minutes	Fam. psychother. w/ PT present - Clinical Psychologist	81.60	75.26	74.04	79.42	77.41
90847	15 minutes	Fam. psychother. w/ PT present - Master's Level Degree Unlicensed (MHP)	50.55	45.97	44.74	47.75	46.84
90847	15 minutes	Fam. psychother. w/ PT present - Master's Level Degree Licensed (MHP)	55.94	51.06	49.83	53.24	52.15
90847	15 minutes	Fam. psychother. w/ PT present - Master's and Below (Non-MHP Agency-Affiliated Counselors)	46.96	42.59	41.36	44.11	43.33
90847	15 minutes	Fam. psychother. w/ PT present - PAs, NPs, and Pharmacists	100.63	93.22	91.99	98.51	96.01
90847	15 minutes	Fam. psychother. w/ PT present - Registered Nurse	73.73	67.84	66.61	71.39	69.67
90847	15 minutes	Fam. psychother. w/ PT present - Licensed Practical Nurse	53.36	48.62	47.40	50.61	49.61
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Specialty Physician	18.98	18.55	18.39	18.39	18.46
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Clinical Psychologist	8.41	8.07	7.91	8.48	8.26
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Master's Level Degree Unlicensed (MHP)	5.28	4.97	4.81	5.12	5.03
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Master's Level Degree Licensed (MHP)	5.83	5.51	5.35	5.71	5.59
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Master's and Below (Non-MHP Agency-Affiliated Counselors)	4.92	4.61	4.45	4.74	4.66
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - PAs, NPs, and Pharmacists	10.33	9.98	9.81	10.50	10.23
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Registered Nurse	7.62	7.29	7.12	7.63	7.44
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Licensed Practical Nurse	5.57	5.25	5.09	5.43	5.32

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Appendix A.1 - Rate Summary for MH Outpatient Services, CY2024

HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
99205	Encounter	Office/OP visit, new patient, high MDM or 60-74 total time of encounter - Specialty Physician	585.75	573.49	572.27	572.27	573.15
99205	Encounter	Office/OP visit, new patient, high MDM or 60-74 total time of encounter - PAs, NPs, and Pharmacists	310.28	302.87	301.65	323.40	313.41
99213	Encounter	Office/OP visit, established patient, low MDM or 20-29 minutes total time of encounter. - Specialty Physician	239.84	215.33	212.87	212.87	214.65
99213	Encounter	Office/OP visit, established patient, low MDM or 20-29 minutes total time of encounter. - PAs, NPs, and Pharmacists	131.38	116.56	114.11	122.05	119.54
99214	Encounter	Office/OP visit, established patient, moderate MDM or 30-39 minutes total time of encounter. - Specialty Physician	339.66	315.15	312.69	312.69	314.47
99214	Encounter	Office/OP visit, established patient, moderate MDM or 30-39 minutes total time of encounter. - PAs, NPs, and Pharmacists	183.79	168.97	166.52	178.27	173.90
99215	Encounter	Office/OP visit, established patient, high MDM or 40-54 minutes total time of encounter. - Specialty Physician	466.10	441.59	439.13	439.13	440.91
99215	Encounter	Office/OP visit, established patient, high MDM or 40-54 minutes total time of encounter. - PAs, NPs, and Pharmacists	250.18	235.36	232.91	249.49	242.74
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Specialty Physician	165.12	157.76	157.03	157.03	157.56
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Clinical Psychologist	71.30	67.51	66.77	71.68	69.64
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Master's Level Degree Unlicensed (MHP)	43.53	40.79	40.05	42.79	41.78
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Master's Level Degree Licensed (MHP)	48.35	45.42	44.69	47.80	46.62
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Master's and Below (Non-MHP Agency-Affiliated Counselors)	40.32	37.70	36.96	39.47	38.58
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - PAs, NPs, and Pharmacists	88.33	83.89	83.15	89.09	86.59
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Registered Nurse	64.27	60.74	60.00	64.36	62.58
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Licensed Practical Nurse	46.05	43.20	42.47	45.40	44.30

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HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
H0031	15 minutes	MH health assess by non-MD - Clinical Psychologist	62.73	61.04	60.71	65.23	63.17
H0031	15 minutes	MH health assess by non-MD - Master's Level Degree Unlicensed (MHP)	37.68	36.46	36.14	38.66	37.56
H0031	15 minutes	MH health assess by non-MD - Master's Level Degree Licensed (MHP)	42.03	40.73	40.40	43.27	42.01
H0031	15 minutes	MH health assess by non-MD - Registered Nurse	56.38	54.81	54.49	58.50	56.68
H0031	15 minutes	MH health assess by non-MD - Licensed Practical Nurse	39.95	38.69	38.36	41.06	39.88
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Specialty Physician	294.65	288.12	287.46	287.46	287.94
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Clinical Psychologist	125.46	122.08	121.42	130.46	126.34
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Master's Level Degree Unlicensed (MHP)	75.37	72.93	72.27	77.31	75.13
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Master's Level Degree Licensed (MHP)	84.06	81.46	80.80	86.53	84.02
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Master's and Below (Non-MHP Agency-Affiliated Counselors)	69.58	67.25	66.59	71.21	69.24
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - PAs, NPs, and Pharmacists	156.17	152.22	151.56	162.49	157.49
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Registered Nurse	112.77	109.63	108.97	116.99	113.36
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Licensed Practical Nurse	79.90	77.37	76.72	82.12	79.76
H0038	15 minutes	Self-help/peer srvc, per 15 mins - Peer Support	35.33	32.17	31.18	33.19	32.64

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HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
H2014	15 minutes	Skills train and dev, per 15 mins - Specialty Physician	154.90	148.37	147.71	147.71	148.19
H2014	15 minutes	Skills train and dev, per 15 mins - Clinical Psychologist	66.80	63.42	62.76	67.38	65.45
H2014	15 minutes	Skills train and dev, per 15 mins - Master's Level Degree Unlicensed (MHP)	40.71	38.27	37.62	40.19	39.23
H2014	15 minutes	Skills train and dev, per 15 mins - Master's Level Degree Licensed (MHP)	45.24	42.64	41.98	44.91	43.78
H2014	15 minutes	Skills train and dev, per 15 mins - Master's and Below (Non-MHP Agency-Affiliated Counselors)	37.70	35.36	34.71	37.07	36.21
H2014	15 minutes	Skills train and dev, per 15 mins - PAs, NPs, and Pharmacists	82.79	78.84	78.18	83.77	81.40
H2014	15 minutes	Skills train and dev, per 15 mins - Registered Nurse	60.19	57.05	56.39	60.50	58.81
H2014	15 minutes	Skills train and dev, per 15 mins - Licensed Practical Nurse	43.07	40.55	39.89	42.65	41.60
H2014	15 minutes	Skills train and dev, per 15 mins - Peer Support	31.43	29.32	28.66	30.54	29.91
H2015	15 minutes	Comprehensive community support services, per 15 mins - Specialty Physician	197.60	181.26	179.62	179.62	180.81
H2015	15 minutes	Comprehensive community support services, per 15 mins - Clinical Psychologist	87.38	78.94	77.30	82.86	80.99
H2015	15 minutes	Comprehensive community support services, per 15 mins - Master's Level Degree Unlicensed (MHP)	54.75	48.65	47.01	50.11	49.35
H2015	15 minutes	Comprehensive community support services, per 15 mins - Master's Level Degree Licensed (MHP)	60.41	53.90	52.26	55.80	54.84
H2015	15 minutes	Comprehensive community support services, per 15 mins - Master's and Below (Non-MHP Agency-Affiliated Counselors)	50.98	45.14	43.51	46.35	45.71
H2015	15 minutes	Comprehensive community support services, per 15 mins - PAs, NPs, and Pharmacists	107.38	97.51	95.87	102.60	100.23
H2015	15 minutes	Comprehensive community support services, per 15 mins - Registered Nurse	79.11	71.26	69.62	74.57	72.97
H2015	15 minutes	Comprehensive community support services, per 15 mins - Licensed Practical Nurse	57.70	51.39	49.75	53.08	52.21
H2015	15 minutes	Comprehensive community support services, per 15 mins - Peer Support	43.13	37.86	36.22	38.49	38.11

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
90791	Encounter	Psych Diag. Eval - Specialty Physician	\$ 394.54	\$ 131.51	\$ 49.32	\$ 79.70	\$ 3.68	\$ 219.59	\$ 878.34
90791	Encounter	Psych Diag. Eval - Clinical Psychologist	165.85	55.28	20.73	53.78	3.68	99.78	399.11
90791	Encounter	Psych Diag. Eval - Master's Level Degree Unlicensed (MHP)	92.54	30.85	11.57	39.03	3.68	59.22	236.89
90791	Encounter	Psych Diag. Eval - Master's Level Degree Licensed (MHP)	105.26	35.09	13.16	41.59	3.68	66.26	265.04
90791	Encounter	Psych Diag. Eval - PAs, NPs, and Pharmacists	210.88	70.29	26.36	61.44	3.68	124.22	496.87
90792	Encounter	Psych Diag. Eval w/ med srvc - Specialty Physician	439.55	146.52	54.94	91.87	3.68	245.52	982.09
90792	Encounter	Psych Diag. Eval w/ med srvc - PAs, NPs, and Pharmacists	233.13	77.71	29.14	69.01	3.68	137.56	550.23
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins. - Specialty Physician	131.51	43.84	49.32	31.12	3.68	86.49	345.97
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins. - Clinical Psychologist	55.28	18.43	20.73	21.00	3.68	39.71	158.84
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins. - Master's Level Degree Unlicensed (MHP)	30.85	10.28	11.57	15.24	3.68	23.87	95.50
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins. - Master's Level Degree Licensed (MHP)	35.09	11.70	13.16	16.24	3.68	26.62	106.49
90832	30 minutes	Psychother. w/ PT. and/or fam. mem., approx. 30 mins. - PAs, NPs, and Pharmacists	70.29	23.43	26.36	23.99	3.68	49.25	197.01

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCP	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
90834	45 minutes	Psychother, w/ PT and/or fam. mem., approx. 45 mins - Specialty Physician	197.27	65.76	49.32	43.27	3.68	119.77	479.06
90834	45 minutes	Psychother, w/ PT and/or fam. mem., approx. 45 mins - Clinical Psychologist	82.93	27.64	20.73	29.19	3.68	54.73	218.90
90834	45 minutes	Psychother, w/ PT and/or fam. mem., approx. 45 mins - Master's Level Degree Unlicensed (MHP)	46.27	15.42	11.57	21.19	3.68	32.71	130.85
90834	45 minutes	Psychother, w/ PT and/or fam. mem., approx. 45 mins - Master's Level Degree Licensed (MHP)	52.63	17.54	13.16	22.58	3.68	36.53	146.13
90834	45 minutes	Psychother, w/ PT and/or fam. mem., approx. 45 mins - PAs, NPs, and Pharmacists	105.44	35.15	26.36	33.35	3.68	67.99	271.98
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Specialty Physician	263.03	87.68	49.32	55.41	3.68	153.04	612.15
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Clinical Psychologist	110.57	36.86	20.73	37.39	3.68	69.74	278.97
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Master's Level Degree Unlicensed (MHP)	61.69	20.56	11.57	27.14	3.68	41.55	166.19
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - Master's Level Degree Licensed (MHP)	70.18	23.39	13.16	28.92	3.68	46.44	185.77
90837	60 minutes	Psychother. approx. 60 mins w/ PT and/or fam. mem. - PAs, NPs, and Pharmacists	140.59	46.86	26.36	42.71	3.68	86.74	346.94

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
90846	15 minutes	Fam. psychother. w/o PT - Specialty Physician	65.76	21.92	24.66	15.56	1.84	43.25	172.98
90846	15 minutes	Fam. psychother. w/o PT - Clinical Psychologist	27.64	9.21	10.37	10.50	1.84	19.85	79.42
90846	15 minutes	Fam. psychother. w/o PT - Master's Level Degree Unlicensed (MHP)	15.42	5.14	5.78	7.62	1.84	11.94	47.75
90846	15 minutes	Fam. psychother. w/o PT - Master's Level Degree Licensed (MHP)	17.54	5.85	6.58	8.12	1.84	13.31	53.24
90846	15 minutes	Fam. psychother. w/o PT - Master's and Below (Non-MHP Agency-Affiliated Counselors)	14.02	4.67	5.26	7.29	1.84	11.03	44.11
90846	15 minutes	Fam. psychother. w/o PT - PAs, NPs, and Pharmacists	35.15	11.72	13.18	12.00	1.84	24.63	98.51
90846	15 minutes	Fam. psychother. w/o PT - Registered Nurse	24.55	8.18	9.20	9.77	1.84	17.85	71.39
90846	15 minutes	Fam. psychother. w/o PT - Licensed Practical Nurse	16.53	5.51	6.20	7.88	1.84	12.65	50.61

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
90847	15 minutes	Fam. psychother. w/ PT present - Specialty Physician	65.76	21.92	24.66	15.56	1.84	43.25	172.98
90847	15 minutes	Fam. psychother. w/ PT present - Clinical Psychologist	27.64	9.21	10.37	10.50	1.84	19.85	79.42
90847	15 minutes	Fam. psychother. w/ PT present - Master's Level Degree Unlicensed (MHP)	15.42	5.14	5.78	7.62	1.84	11.94	47.75
90847	15 minutes	Fam. psychother. w/ PT present - Master's Level Degree Licensed (MHP)	17.54	5.85	6.58	8.12	1.84	13.31	53.24
90847	15 minutes	Fam. psychother. w/ PT present - Master's and Below (Non-MHP Agency-Affiliated Counselors)	14.02	4.67	5.26	7.29	1.84	11.03	44.11
90847	15 minutes	Fam. psychother. w/ PT present - PAs, NPs, and Pharmacists	35.15	11.72	13.18	12.00	1.84	24.63	98.51
90847	15 minutes	Fam. psychother. w/ PT present - Registered Nurse	24.55	8.18	9.20	9.77	1.84	17.85	71.39
90847	15 minutes	Fam. psychother. w/ PT present - Licensed Practical Nurse	16.53	5.51	6.20	7.88	1.84	12.65	50.61

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Specialty Physician	7.52	4.01	0.38	1.65	0.25	4.60	18.39
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Clinical Psychologist	3.16	1.68	0.16	1.11	0.25	2.12	8.48
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Master's Level Degree Unlicensed (MHP)	1.76	0.94	0.09	0.81	0.25	1.28	5.12
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Master's Level Degree Licensed (MHP)	2.01	1.07	0.10	0.86	0.25	1.43	5.71
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Master's and Below (Non-MHP Agency-Affiliated Counselors)	1.60	0.85	0.08	0.77	0.25	1.19	4.74
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - PAs, NPs, and Pharmacists	4.02	2.14	0.20	1.27	0.25	2.63	10.50
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Registered Nurse	2.81	1.50	0.14	1.03	0.25	1.91	7.63
90853	15 minutes	Grp psychother. (other than of a multiple-fam. grp) - Licensed Practical Nurse	1.89	1.01	0.09	0.83	0.25	1.36	5.43

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
99205	Encounter	Office/OP visit, new patient, high MDM or 60-74 total time of encounter - Specialty Physician	263.03	87.68	24.66	52.00	1.84	143.07	572.27
99205	Encounter	Office/OP visit, new patient, high MDM or 60-74 total time of encounter - PAs, NPs, and Pharmacists	140.59	46.86	13.18	40.08	1.84	80.85	323.40
99213	Encounter	Office/OP visit, established patient, low MDM or 20-29 minutes total time of encounter. - Specialty Physician	65.76	21.92	49.32	18.98	3.68	53.22	212.87
99213	Encounter	Office/OP visit, established patient, low MDM or 20-29 minutes total time of encounter. - PAs, NPs, and Pharmacists	35.15	11.72	26.36	14.63	3.68	30.51	122.05
99214	Encounter	Office/OP visit, established patient, moderate MDM or 30-39 minutes total time of encounter. - Specialty Physician	109.59	43.84	49.32	28.09	3.68	78.17	312.69
99214	Encounter	Office/OP visit, established patient, moderate MDM or 30-39 minutes total time of encounter. - PAs, NPs, and Pharmacists	58.58	23.43	26.36	21.65	3.68	44.57	178.27
99215	Encounter	Office/OP visit, established patient, high MDM or 40-54 minutes total time of encounter. - Specialty Physician	175.35	61.37	49.32	39.62	3.68	109.78	439.13
99215	Encounter	Office/OP visit, established patient, high MDM or 40-54 minutes total time of encounter. - PAs, NPs, and Pharmacists	93.72	32.80	26.36	30.54	3.68	62.37	249.49

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Specialty Physician	65.76	21.92	14.80	14.19	1.11	39.26	157.03
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Clinical Psychologist	27.64	9.21	6.22	9.58	1.11	17.92	71.68
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Master's Level Degree Unlicensed (MHP)	15.42	5.14	3.47	6.95	1.11	10.70	42.79
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Master's Level Degree Licensed (MHP)	17.54	5.85	3.95	7.41	1.11	11.95	47.80
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Master's and Below (Non-MHP Agency-Affiliated Counselors)	14.02	4.67	3.15	6.65	1.11	9.87	39.47
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - PAs, NPs, and Pharmacists	35.15	11.72	7.91	10.94	1.11	22.27	89.09
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Registered Nurse	24.55	8.18	5.52	8.91	1.11	16.09	64.36
H0004MH	15 minutes	BH cnsling and ther., per 15 minutes - Licensed Practical Nurse	16.53	5.51	3.72	7.19	1.11	11.35	45.40

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)**

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
H0031	15 minutes	MH health assess by non-MD - Clinical Psychologist	27.64	9.21	2.76	8.81	0.49	16.31	65.23
H0031	15 minutes	MH health assess by non-MD - Master's Level Degree Unlicensed (MHP)	15.42	5.14	1.54	6.39	0.49	9.66	38.66
H0031	15 minutes	MH health assess by non-MD - Master's Level Degree Licensed (MHP)	17.54	5.85	1.75	6.81	0.49	10.82	43.27
H0031	15 minutes	MH health assess by non-MD - Registered Nurse	24.55	8.18	2.45	8.20	0.49	14.62	58.50
H0031	15 minutes	MH health assess by non-MD - Licensed Practical Nurse	16.53	5.51	1.65	6.61	0.49	10.27	41.06
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Specialty Physician	65.76	109.59	13.15	26.11	0.98	71.87	287.46
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Clinical Psychologist	27.64	46.07	5.53	17.62	0.98	32.61	130.46
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Master's Level Degree Unlicensed (MHP)	15.42	25.71	3.08	12.79	0.98	19.33	77.31
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Master's Level Degree Licensed (MHP)	17.54	29.24	3.51	13.63	0.98	21.63	86.53
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Master's and Below (Non-MHP Agency-Affiliated Counselors)	14.02	23.37	2.80	12.23	0.98	17.80	71.21
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - PAs, NPs, and Pharmacists	35.15	58.58	7.03	20.13	0.98	40.62	162.49
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Registered Nurse	24.55	40.91	4.91	16.39	0.98	29.25	116.99
H0036	15 minutes	Comm. psych. supp. tx., face-face, per 15 mins - Licensed Practical Nurse	16.53	27.55	3.31	13.22	0.98	20.53	82.12

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
H0038	15 minutes	Self-help/peer svcs, per 15 mins - Peer Support	11.12	2.97	3.34	6.00	1.47	8.30	33.19
H2014	15 minutes	Skills train and dev, per 15 mins - Specialty Physician	65.76	17.54	13.15	13.36	0.98	36.93	147.71
H2014	15 minutes	Skills train and dev, per 15 mins - Clinical Psychologist	27.64	7.37	5.53	9.01	0.98	16.85	67.38
H2014	15 minutes	Skills train and dev, per 15 mins - Master's Level Degree Unlicensed (MHP)	15.42	4.11	3.08	6.54	0.98	10.05	40.19
H2014	15 minutes	Skills train and dev, per 15 mins - Master's Level Degree Licensed (MHP)	17.54	4.68	3.51	6.97	0.98	11.23	44.91
H2014	15 minutes	Skills train and dev, per 15 mins - Master's and Below (Non-MHP Agency-Affiliated Counselors)	14.02	3.74	2.80	6.26	0.98	9.27	37.07
H2014	15 minutes	Skills train and dev, per 15 mins - PAs, NPs, and Pharmacists	35.15	9.37	7.03	10.30	0.98	20.94	83.77
H2014	15 minutes	Skills train and dev, per 15 mins - Registered Nurse	24.55	6.55	4.91	8.39	0.98	15.12	60.50
H2014	15 minutes	Skills train and dev, per 15 mins - Licensed Practical Nurse	16.53	4.41	3.31	6.77	0.98	10.66	42.65
H2014	15 minutes	Skills train and dev, per 15 mins - Peer Support	11.12	2.97	2.22	5.61	0.98	7.64	30.54

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Appendix A.2 - Service Rate Components for MH Outpatient Services, CY2024 (using high-cost wage and urban transportation assumptions)

HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate
H2015	15 minutes	Comprehensive community support services, per 15 mins - Specialty Physician	65.76	17.54	32.88	16.09	2.46	44.91	179.62
H2015	15 minutes	Comprehensive community support services, per 15 mins - Clinical Psychologist	27.64	7.37	13.82	10.86	2.46	20.72	82.86
H2015	15 minutes	Comprehensive community support services, per 15 mins - Master's Level Degree Unlicensed (MHP)	15.42	4.11	7.71	7.88	2.46	12.53	50.11
H2015	15 minutes	Comprehensive community support services, per 15 mins - Master's Level Degree Licensed (MHP)	17.54	4.68	8.77	8.40	2.46	13.95	55.80
H2015	15 minutes	Comprehensive community support services, per 15 mins - Master's and Below (Non-MHP Agency-Affiliated Counselors)	14.02	3.74	7.01	7.54	2.46	11.59	46.35
H2015	15 minutes	Comprehensive community support services, per 15 mins - PAs, NPs, and Pharmacists	35.15	9.37	17.57	12.40	2.46	25.65	102.60
H2015	15 minutes	Comprehensive community support services, per 15 mins - Registered Nurse	24.55	6.55	12.27	10.10	2.46	18.64	74.57
H2015	15 minutes	Comprehensive community support services, per 15 mins - Licensed Practical Nurse	16.53	4.41	8.26	8.15	2.46	13.27	53.08
H2015	15 minutes	Comprehensive community support services, per 15 mins - Peer Support	11.12	2.97	5.56	6.76	2.46	9.62	38.49

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Appendix A.3 - MH Outpatient Comparison Rate Build Up Example – Group Psychotherapy (90853), CY2024 (using high cost wage assumptions and urban transportation assumptions)

Service Information

Service Code: 90853 - Master's Level Degree Licensed (MHP)
 Region: High-Cost Wage, Urban Travel
 Service Category: Mental Health Outpatient
 Service Description: Grp psychother. (other than of a multiple-fam. grp)
 Reporting Units: 15 Minutes

Ref.	Description	Clinician: Master's Level Degree Licensed (MHP)	Supervisor: Master's Level Degree Licensed (MHP)	Total	Notes
A	Average minutes of direct time per unit	15.00			
B	Average minutes of indirect time per unit	8.00			
C	Average minutes of transportation time per unit	0.75			Based on separate travel build
D	Total minutes per unit	23.75			D = A + B + C
E	Staffing Ratio	7.00			
F	Supervisor span of control		10.00		10 employees assumed to be managed by 1 supervisor
G	Supervisor time per unit		0.34		G = D / E / F
H	PTO/training/conference time adjustment factor	21.0%	21.0%		Based on separate PTO build
I	Adjusted total minutes per unit	4.10	0.41		I = D / E * (1 + H) I = G * (1 + H)
J	Hourly wage	\$ 41.92	\$ 44.94		Based on separate wage build
K	Total wages expense per unit	\$ 2.87	\$ 0.31	\$ 3.17	K = J * I / 60
L	Employee related expense (ERE) percentage	27.2%	26.3%		Based on separate ERE build
M	Total ERE expense per unit	\$ 0.78	\$ 0.08	\$ 0.86	M = K * L
N	Estimated average MPH			30.00	Based on estimated % of in-home services, and the following MPH: Statewide 35.4, Urban 30, Rural 45 MPH, Frontier 55
O	Estimated miles driven per unit			0.38	O = C * N / 60
P	Federal reimbursement rate			\$ 0.655	
Q	Transportation costs per unit			\$ 0.25	Q = O * P
R	Administration / program support / overhead			25.0%	Portion of total rate
S	Administration expenses			\$ 1.43	S = R * (K + M + Q) / (1 - R)
T	Rate Per 15 Minutes			\$5.71	T = K + M + Q + S

Appendix B.1, B.2, & B.3

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Appendix B.1 - Rate Summary for SUD Outpatient Services, CY2024

HCPCS	Unit Type	Description and Provider Grouping	Standard Wage, Frontier Travel	Standard Wage, Rural Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Statewide Wage, Statewide Travel
96164	30 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes - SUDPT	\$ 11.58	\$ 10.08	\$ 9.26	\$ 9.79	\$ 9.85
96164	30 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes - SUDP Bachelor's and Below	12.66	11.14	10.32	10.94	10.96
96164	30 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes - SUDP Master's in a Social Services Field	14.37	12.82	12.01	12.75	12.71
96165	15 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service) - SUDPT	2.77	2.77	2.77	2.97	2.87
96165	15 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service) - SUDP Bachelor's and Below	3.16	3.16	3.16	3.38	3.27
96165	15 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service) - SUDP Master's in a Social Services Field	3.77	3.77	3.77	4.04	3.91
H0001	15 minutes	Alcohol/drug assessmt - SUDPT	28.43	27.89	27.72	29.63	28.76
H0001	15 minutes	Alcohol/drug assessmt - SUDP Bachelor's and Below	32.29	31.70	31.54	33.75	32.74
H0001	15 minutes	Alcohol/drug assessmt - SUDP Master's in a Social Services Field	38.39	37.75	37.58	40.26	39.01
H0004SUD	15 minutes	Behav. Hlth Cnslng and thrpy, per 15 mins - SUDPT	34.20	31.75	31.02	33.07	32.39
H0004SUD	15 minutes	Behav. Hlth Cnslng and thrpy, per 15 mins - SUDP Bachelor's and Below	38.48	35.87	35.13	37.51	36.68
H0004SUD	15 minutes	Behav. Hlth Cnslng and thrpy, per 15 mins - SUDP Master's in a Social Services Field	45.26	42.38	41.65	44.53	43.46
T1016	15 minutes	Case management, each 15 mins - SUDPT	31.94	28.67	27.57	29.33	28.95
T1016	15 minutes	Case management, each 15 mins - SUDP Bachelor's and Below	35.68	32.20	31.11	33.15	32.63
T1016	15 minutes	Case management, each 15 mins - SUDP Master's in a Social Services Field	41.60	37.80	36.70	39.18	38.46

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State of Washington Health Care Authority Behavioral Health Comparison Rate Development – Phase II Appendix B.2 - Service Rate Components for SUD Outpatient Services, CY2024 (using high cost wage and urban transportation assumptions)										
HCPCS	Unit Type	Description and Provider Grouping	Direct Service Employee Salaries & Wages	Indirect Service Employee Salaries & Wages	Transportation Service Employee Salaries & Wages	Employee Related Expenses	Transportation & Fleet Vehicle Expenses	Administration, Program Support & Overhead	Total Rate	
96164	30 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes - SUDPT	\$ 2.39	\$ 1.91	\$ 0.30	\$ 1.52	\$ 1.23	\$ 2.45	\$ 9.79	
96164	30 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes - SUDP Bachelor's and Below	2.77	2.22	0.35	1.64	1.23	2.73	10.94	
96164	30 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes - SUDP Master's in a Social Services Field	3.39	2.72	0.42	1.80	1.23	3.19	12.75	
96165	15 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service) - SUDPT	1.19	0.48	-	0.55	-	0.74	2.97	
96165	15 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service) - SUDP Bachelor's and Below	1.39	0.55	-	0.59	-	0.85	3.38	
96165	15 minutes	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service) - SUDP Master's in a Social Services Field	1.70	0.68	-	0.65	-	1.01	4.04	
H0001	15 minutes	Alcohol/drug assessmt - SUDPT	11.93	3.98	0.60	5.47	0.25	7.41	29.63	
H0001	15 minutes	Alcohol/drug assessmt - SUDP Bachelor's and Below	13.87	4.62	0.69	5.87	0.25	8.44	33.75	
H0001	15 minutes	Alcohol/drug assessmt - SUDP Master's in a Social Services Field	16.97	5.66	0.85	6.47	0.25	10.06	40.26	
H0004SUD	15 minutes	Behav. Hlth Cnslng and thrpy, per 15 mins - SUDPT	11.93	3.18	2.68	5.90	1.11	8.27	33.07	
H0004SUD	15 minutes	Behav. Hlth Cnslng and thrpy, per 15 mins - SUDP Bachelor's and Below	13.87	3.70	3.12	6.33	1.11	9.38	37.51	
H0004SUD	15 minutes	Behav. Hlth Cnslng and thrpy, per 15 mins - SUDP Master's in a Social Services Field	16.97	4.53	3.82	6.97	1.11	11.13	44.53	
T1016	15 minutes	Case management, each 15 mins - SUDPT	9.54	2.55	3.20	5.07	1.65	7.33	29.33	
T1016	15 minutes	Case management, each 15 mins - SUDP Bachelor's and Below	11.10	2.96	3.72	5.44	1.65	8.29	33.15	
T1016	15 minutes	Case management, each 15 mins - SUDP Master's in a Social Services Field	13.58	3.62	4.55	5.99	1.65	9.80	39.18	

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Behavioral Health Comparison Rate Development – Phase II

Appendix B.3 - SUD Outpatient Comparison Rate Build Up Example – SUD Assessment (H0001), CY2024 (using high cost wage and urban transportation assumptions)

Service Information

Service Code: H0001 - SUDP Bachelor's and Below
 Region: High-Cost Wage, Urban Travel
 Service Category: SUD Outpatient
 Service Description: Alcohol/drug assessmt
 Reporting Units: 15 minutes

Ref.	Description	Clinician: SUDP Bachelor's and Below	Supervisor: SUDP Bachelor's and Below	Total	Notes
A	Average minutes of direct time per unit	15.00			
B	Average minutes of indirect time per unit	5.00			
C	Average minutes of transportation time per unit	0.75			Based on separate travel build
D	Total minutes per unit	20.75			D = A + B + C
E	Staffing ratio	1.00			
F	Supervisor span of control		10.00		10 employees assumed to be managed by 1 supervisor
G	Supervisor time per unit		2.08		G = D / E / F
H	PTO/training/conference time adjustment factor	51.2%	51.2%		Based on separate PTO build (includes 20.0% unproductive time adjustment)
I	Adjusted total minutes per unit	31.38	3.14		I = D / E * (1 + H) I = G * (1 + H)
J	Hourly wage	\$ 33.00	\$ 36.98		Based on separate wage build
K	Total wages expense per unit	\$ 17.26	\$ 1.93	\$ 19.19	K = J * I / 60
L	Employee related expense (ERE) percentage	30.8%	29.0%		Based on separate ERE build
M	Total ERE expense per unit	\$ 5.31	\$ 0.56	\$ 5.87	M = K * L
N	Estimated average MPH			30.00	Based on estimated % of in-home services, and the following MPH: Statewide 35.4, Urban 30, Rural 45 MPH, Frontier 55
O	Estimated miles driven per unit			0.38	O = C * N / 60
P	Federal reimbursement rate			\$ 0.655	
Q	Transportation fleet costs per unit			\$ 0.25	Q = O * P
R	Administration / program support / overhead			25.0%	Portion of total rate
S	Administration expenses			\$ 8.44	S = R * (K + M + Q) / (1 - R)
T	Rate Per 15 minutes			\$33.75	T = K + M + Q + S

Appendix C.1 & C.2

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Behavioral Health Comparison Rate Development – Phase II
Appendix C.1 - Rate Summary for SUD Residential and WM Services, CY2024

HCPCS	ASAM	Unit Type	Population	Description	Standard Wage	High-Cost Wage	Statewide Wage
H0010	ASAM Level 3.2	Per Diem	Not applicable	Alcohol/drug services; subacute detox in Free Standing E&T facility, per diem (inpatient residential addition program); Use this code for Clinically Managed Withdrawal Management.	\$ 476.51	\$ 507.78	\$ 492.35
H0011	ASAM Level 3.7	Per Diem	Not applicable	Alcohol/drug services; acute detox in Free Standing E&T facility, per diem (inpatient residential addition program); Use this code for Medically Monitored Withdrawal Management.	\$ 607.54	\$ 648.08	\$ 628.06
H0017	SWMS	Per Diem	SWMS facility	Secure Withdrawal Management and Stabilization Facility service in a Free Standing RTF, Per Diem.	\$ 880.67	\$ 939.76	\$ 910.56
H0018	ASAM Level 3.5	Per Diem	Adult	Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, per diem; ASAM Level 3.5.	\$ 322.21	\$ 342.75	\$ 332.60
H0018	ASAM Level 3.5	Per Diem	Co-occurring MH & SUD	Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, per diem; ASAM Level 3.5; Co-occurring MH & SUD.	\$ 375.96	\$ 400.47	\$ 388.36
H0018	ASAM Level 3.5	Per Diem	Youth facility	Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, per diem; ASAM Level 3.5; Youth facility.	\$ 486.11	\$ 517.87	\$ 502.18
H0018	ASAM Level 3.5	Per Diem	PPW facility	Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, per diem; ASAM Level 3.5; PPW facility.	\$ 473.75	\$ 504.80	\$ 489.46

State of Washington
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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Buildups for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information

Service Code: H0010
 Region: High-Cost Wage
 Service Category: SUD Residential
 Service Description: Alcohol/drug services; subacute detox in Free Standing E&T facility, Per Diem (inpatient residential addition program); Use this code for Clinically Managed Withdrawal Management.
 Reporting Units: Per Diem

		Resident Assistant in SUD Facility (non-clinical)	SUDP Bachelor's and Below	SUDP Master's in a Social Services Field	Registered Nurse	Licensed Practical Nurse	PAs, NPs, and Pharmacists	Total	Notes
A	First shift workers	1.00	1.50	1.00	0.80	0.20	1.00		
B	Second shift workers	1.00	1.00	-	0.80	0.20	-		
C	Third shift workers	1.00	-	-	0.80	0.20	-		
D	Weekend first shift workers	1.00	1.50	-	0.80	0.20	1.00		
E	Weekend second shift workers	1.00	1.00	-	0.80	0.20	-		
F	Weekend third shift workers	1.00	-	-	0.80	0.20	-		
G	Total weekly hours	168	140	40	134	34	56	572	$G = \{[(A + B + C) * 5] + [(D + E + F) * 2]\} * 8$
H	Number of individuals served							16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	198.77	169.35	48.39	162.58	40.64	67.74		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 33.00	\$ 40.42	\$ 58.86	\$ 39.43	\$ 83.86		Based on separate wage build
L	Percent of hours that are third shift	33%	0%	0%	33%	33%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 4,793	\$ 5,589	\$ 1,956	\$ 9,678	\$ 1,630	\$ 5,681		$M = J * (K + L * \$2)$ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 4,848.15	\$ 5,652.00	\$ 1,977.87	\$ 9,787.98	\$ 1,648.34	\$ 5,744.87	\$ 29,659.20	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	30.8%	27.7%	23.3%	28.0%	20.1%		Based on separate ERE build
S	Total ERE expense per week	\$ 1,802.22	\$ 1,740.61	\$ 547.39	\$ 2,283.19	\$ 461.91	\$ 1,153.35	\$ 7,988.67	$S = Q * R$
T	Medication and on-call prescriber costs							\$ 2,872.80	$T = (\$20 \text{ Medication} + \$7 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support							\$ 40,520.67	$U = (Q + S + T)$
V	Administration / program support / overhead percentage							25.0%	
W	Administration / overhead / program support cost per week							\$13,506.89	$W = (U * V) / (1 - V)$
X	Total cost per week							\$54,027.56	$X = U + W$
Y	Caseload efficiency							95.0%	
Z	Units per week							7.00	
AA	Per Diem Rate							\$507.78	$AA = X / Y / Z / H$

Ref.	Cost Component	Total	Notes
AB	Direct care employee salaries & wages	\$ 278.75	$AB = Q / H / Y / Z$
AC	Employee related expenses	\$ 75.08	$AC = S / H / Y / Z$
AD	Administration, program support & overhead	\$ 153.94	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate	\$507.78	

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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Buildups for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information

Service Code: H0011
 Region: High-Cost Wage
 Service Category: SUD Residential
 Service Description: Alcohol/drug services; acute detox in Free Standing E&T facility, Per Diem (inpatient residential addition program); Use this code for Medically Monitored Withdrawal Management.
 Reporting Units: Per Diem

		Resident Assistant in SUD Facility (non-clinical)	Certified Medical Assistant	SUDPT	SUDP Bachelor's and Below	SUDP Master's in a Social Services Field	Registered Nurse	Licensed Practical Nurse	PAs, NPs, and Pharmacists	Total	Notes
A	First shift workers	2.00	1.00	1.00	0.50	0.50	1.50	1.00	1.00		
B	Second shift workers	1.00	0.50	-	-	-	1.00	1.00	-		
C	Third shift workers	1.00	-	-	-	-	0.50	0.50	-		
D	Weekend first shift workers	2.00	1.00	0.50	0.50	0.50	1.50	1.00	1.00		
E	Weekend second shift workers	1.00	0.50	-	-	-	1.00	1.00	-		
F	Weekend third shift workers	1.00	-	-	-	-	0.50	0.50	-		
G	Total weekly hours	224	84	48	28	28	168	140	56	776	$G = \{[(A + B + C) * 5] + [(D + E + F) * 2]\} * 8$
H	Number of individuals served									16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	265.03	101.61	58.06	33.87	33.87	203.22	169.35	67.74		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 29.04	\$ 27.86	\$ 33.00	\$ 40.42	\$ 58.86	\$ 39.43	\$ 83.86		Based on separate wage build
L	Percent of hours that are third shift	25%	0%	0%	0%	0%	17%	20%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 6,346	\$ 2,951	\$ 1,618	\$ 1,118	\$ 1,369	\$ 12,030	\$ 6,746	\$ 5,681		$M = J * (K + L * \$2)$ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 6,419.51	\$ 2,984.58	\$ 1,636.16	\$ 1,130.40	\$ 1,384.51	\$ 12,166.46	\$ 6,822.41	\$ 5,744.87	\$ 38,288.92	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	32.9%	33.7%	30.8%	27.7%	23.3%	28.0%	20.1%		Based on separate ERE build
S	Total ERE expense per week	\$ 2,386.36	\$ 983.19	\$ 551.27	\$ 348.12	\$ 383.18	\$ 2,838.00	\$ 1,911.82	\$ 1,153.35	\$ 10,555.28	$S = Q * R$
T	Medication and on-call prescriber costs									\$ 2,872.80	$T = (\$20 \text{ Medication} + \$7 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support									\$ 51,717.00	$U = (Q + S + T)$
V	Administration / program support / overhead percentage									25.0%	
W	Administration / overhead / program support cost per week									\$ 17,239.00	$W = (U * V) / (1 - V)$
X	Total cost per week									\$ 68,956.00	$X = U + W$
Y	Caseload efficiency									95.0%	
Z	Units per week									7.00	
AA	Per Diem Rate									\$ 648.08	$AA = X / Y / Z / H$

Ref.	Cost Component	Total	Notes
AB	Direct care employee salaries & wages	\$ 359.86	$AB = Q / H / Y / Z$
AC	Employee related expenses	\$ 99.20	$AC = S / H / Y / Z$
AD	Administration, program support & overhead	\$ 189.02	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate	\$ 648.08	

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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Buildups for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information

Service Code: H0017
Region: High-Cost Wage
Service Category: SUD Residential
Service Description: Secure Withdrawal Management and Stabilization Facility service in a Free Standing RTF, Per Diem; use this code for Secure Withdrawal Management and
Reporting Units: Stabilization services Per Diem

		Resident Assistant in SUD Facility (non-clinical)	Certified Medical Assistant	SUDP Master's in a Social Services Field	Registered Nurse	Licensed Practical Nurse	PAs, NPs, and Pharmacists	Total	Notes
A	First shift workers	2.00	2.00	2.00	1.50	1.00	1.00		
B	Second shift workers	2.00	2.00	-	1.00	1.00	-		
C	Third shift workers	1.00	3.00	-	1.00	1.00	-		
D	Weekend first shift workers	2.00	2.00	2.00	1.50	1.00	1.00		
E	Weekend second shift workers	2.00	2.00	-	1.00	1.00	-		
F	Weekend third shift workers	1.00	3.00	-	1.00	1.00	-		
G	Total weekly hours	280	392	112	196	168	56	1,204	$G = (((A + B + C) * 5) + [(D + E + F) * 2]) * 8$
H	Number of individuals served							16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	331.29	474.18	135.48	237.09	203.22	67.74		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 29.04	\$ 40.42	\$ 58.86	\$ 39.43	\$ 83.86		Based on separate wage build
L	Percent of hours that are third shift	20%	43%	0%	29%	33%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 7,899	\$ 14,179	\$ 5,476	\$ 14,092	\$ 8,149	\$ 5,681		$M = J * (K + L * \$2) $ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 7,990.88	\$ 14,339.09	\$ 5,538.04	\$ 14,251.30	\$ 8,241.70	\$ 5,744.87	\$ 56,105.88	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	32.9%	27.7%	23.3%	28.0%	20.1%		Based on separate ERE build
S	Total ERE expense per week	\$ 2,970.49	\$ 4,723.63	\$ 1,532.71	\$ 3,324.32	\$ 2,309.54	\$ 1,153.35	\$ 16,014.03	$S = Q * R$
T	Medication and on-call prescriber costs							\$ 2,872.80	$T = (\$20 \text{ Medication} + \$7 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support							\$ 74,992.71	$U = (Q + S + T)$
V	Administration / program support / overhead percentage							25.0%	
W	Administration / overhead / program support cost per week							\$ 24,997.57	$W = (U * V) / (1 - V)$
X	Total cost per week							\$ 99,990.28	$X = U + W$
Y	Caseload efficiency							95.0%	
Z	Units per week							7.00	
AA	Per Diem Rate							\$ 939.76	$AA = X / Y / Z / H$

Ref.	Cost Component	Total	Notes
AB	Direct care employee salaries & wages	\$ 527.31	$AB = Q / H / Y / Z$
AC	Employee related expenses	\$ 150.51	$AC = S / H / Y / Z$
AD	Administration, program support & overhead	\$ 261.94	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate	\$ 939.76	

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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Builds for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information
 Service Code: H0018
 Region: High-Cost Wage
 Service Category: SUD Residential
 Service Description: Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, Per Diem; ASAM Level 3.5.
 Reporting Units: Per Diem

		Resident Assistant in SUD Facility (non-clinical)	SUDPT	SUDP Bachelor's and Below	SUDP Master's in a Social Services Field	Specialty Physician	Total	Notes
A	First shift workers	2.00	1.00	1.00	1.00	0.20		
B	Second shift workers	2.00	-	1.00	1.00	-		
C	Third shift workers	1.00	-	-	-	-		
D	Weekend first shift workers	2.00	1.00	1.00	1.00	-		
E	Weekend second shift workers	2.00	-	1.00	-	-		
F	Weekend third shift workers	1.00	-	-	-	-		
G	Total weekly hours	280	56	112	96	8	552	$G = \{[(A + B + C) * 5] + [(D + E + F) * 2]\} * 8$
H	Number of individuals served						16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	331.29	67.74	135.48	116.13	9.68		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 27.86	\$ 33.00	\$ 40.42	\$ 167.26		Based on separate wage build
L	Percent of hours that are third shift	20%	0%	0%	0%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 7,899	\$ 1,887	\$ 4,471	\$ 4,694	\$ 1,619		$M = J * (K + L * \$2)$ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 7,990.88	\$ 1,908.86	\$ 4,521.60	\$ 4,746.89	\$ 1,636.94	\$ 20,805.16	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	33.7%	30.8%	27.7%	13.9%		Based on separate ERE build
S	Total ERE expense per week	\$ 2,970.49	\$ 643.15	\$ 1,392.49	\$ 1,313.75	\$ 226.76	\$ 6,546.63	$S = Q * R$
T	Medication and on-call prescriber costs						\$ 0.00	$T = (\$0 \text{ Medication} + \$0 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support						\$ 27,351.79	$U = (Q + S + T)$
V	Administration / program support / overhead percentage						25.0%	
W	Administration / overhead / program support cost per week						\$9,117.26	$W = (U * V) / (1 - V)$
X	Total cost per week						\$36,469.06	$X = U + W$
Y	Caseload efficiency						95.0%	
Z	Units per week						7.00	
AA	Per Diem Rate						\$342.75	$AA = X / Y / Z / H$

Ref.	Cost Component						Total	Notes
AB	Direct care employee salaries & wages						\$ 195.54	$AB = Q / H / Y / Z$
AC	Employee related expenses						\$ 61.53	$AC = S / H / Y / Z$
AD	Administration, program support & overhead						\$ 85.69	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate						\$342.75	

State of Washington
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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Buildups for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information

Service Code: H0018 - Co-occurring
 Region: High-Cost Wage
 Service Category: SUD Residential
 Service Description: Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, Per Diem; ASAM Level 3.5; Co-occurring MH & SUD.
 Reporting Units: Per Diem

		Resident Assistant in SUD Facility (non-clinical)	SUDPT	SUDP Master's in a Social Services Field	PAs, NPs, and Pharmacists	Specialty Physician	Total	Notes
A	First shift workers	2.00	1.00	2.00	0.50	0.20		
B	Second shift workers	2.00	-	2.00	-	-		
C	Third shift workers	1.00	-	-	-	-		
D	Weekend first shift workers	2.00	1.00	2.00	0.50	-		
E	Weekend second shift workers	2.00	-	1.00	-	-		
F	Weekend third shift workers	1.00	-	-	-	-		
G	Total weekly hours	280	56	208	28	8	580	$G = [(A + B + C) * 5] + [(D + E + F) * 2] * 8$
H	Number of individuals served						16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	331.29	67.74	251.61	33.87	9.68		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 27.86	\$ 40.42	\$ 83.86	\$ 167.26		Based on separate wage build
L	Percent of hours that are third shift	20%	0%	0%	0%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 7,899	\$ 1,887	\$ 10,170	\$ 2,840	\$ 1,619		$M = J * (K + L * \$2)$ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 7,990.88	\$ 1,908.86	\$ 10,284.92	\$ 2,872.44	\$ 1,636.94	\$ 24,694.04	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	33.7%	27.7%	20.1%	13.9%		Based on separate ERE build
S	Total ERE expense per week	\$ 2,970.49	\$ 643.15	\$ 2,846.45	\$ 576.67	\$ 226.76	\$ 7,263.52	$S = Q * R$
T	Medication and on-call prescriber costs						\$ 0.00	$T = (\$0 \text{ Medication} + \$0 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support						\$ 31,957.56	$U = (Q + S + T)$
V	Administration / program support / overhead percentage						25.0%	
W	Administration / overhead / program support cost per week						\$10,652.52	$W = (U * V) / (1 - V)$
X	Total cost per week						\$42,610.08	$X = U + W$
Y	Caseload efficiency						95.0%	
Z	Units per week						7.00	
AA	Per Diem Rate						\$400.47	$AA = X / Y / Z / H$
Ref.	Cost Component						Total	Notes
AB	Direct care employee salaries & wages						\$ 232.09	$AB = Q / H / Y / Z$
AC	Employee related expenses						\$ 68.27	$AC = S / H / Y / Z$
AD	Administration, program support & overhead						\$ 100.12	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate						\$400.47	

State of Washington
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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Buildups for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information

Service Code: H0018 - Youth
 Region: High-Cost Wage
 Service Category: SUD Residential
 Service Description: Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, Per Diem; ASAM Level 3.5; Youth facility.
 Reporting Units: Per Diem

		Resident Assistant in SUD Facility (non-clinical)	Certified Medical Assistant	Master's and Below (Non-MHP Agency-Affiliated Counselors)	SUDPT	SUDP Bachelor's and Below	SUDP Master's in a Social Services Field	Registered Nurse	Specialty Physician	Total	Notes
A	First shift workers	2.00	1.00	1.00	1.00	1.00	1.00	0.10	0.20		
B	Second shift workers	2.00	-	1.00	-	1.00	1.00	-	-		
C	Third shift workers	2.00	-	0.50	-	-	-	-	-		
D	Weekend first shift workers	2.00	1.00	1.00	1.00	1.00	1.00	0.10	-		
E	Weekend second shift workers	2.00	-	1.00	-	1.00	1.00	-	-		
F	Weekend third shift workers	2.00	-	0.50	-	-	-	-	-		
G	Total weekly hours	336	56	140	56	112	112	6	8	826	$G = \{[(A + B + C) * 5] + [(D + E + F) * 2]\} * 8$
H	Number of individuals served									16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	397.54	67.74	169.35	67.74	135.48	135.48	6.77	9.68		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 29.04	\$ 33.00	\$ 27.86	\$ 33.00	\$ 40.42	\$ 58.86	\$ 167.26		Based on separate wage build
L	Percent of hours that are third shift	33%	0%	20%	0%	0%	0%	0%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 9,585	\$ 1,967	\$ 5,656	\$ 1,887	\$ 4,471	\$ 5,476	\$ 399	\$ 1,619		$M = J * (K + L * \$2) $ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 9,696.30	\$ 1,989.72	\$ 5,720.50	\$ 1,908.86	\$ 4,521.60	\$ 5,538.04	\$ 403.27	\$ 1,636.94	\$ 31,415.22	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	32.9%	30.8%	33.7%	30.8%	27.7%	23.3%	13.9%		Based on separate ERE build
S	Total ERE expense per week	\$ 3,604.45	\$ 655.46	\$ 1,761.70	\$ 643.15	\$ 1,392.49	\$ 1,532.71	\$ 94.07	\$ 226.76	\$ 9,910.78	$S = Q * R$
T	Medication and on-call prescriber costs									\$ 0.00	$T = (\$0 \text{ Medication} + \$0 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support									\$ 41,326.00	$U = (Q + S + T)$
V	Administration / program support / overhead percentage									25.0%	
W	Administration / overhead / program support cost per week									\$ 13,775.33	$W = (U * V) / (1 - V)$
X	Total cost per week									\$ 55,101.33	$X = U + W$
Y	Caseload efficiency									95.0%	
Z	Units per week									7.00	
AA	Per Diem Rate									\$ 517.87	$AA = X / Y / Z / H$
Ref.	Cost Component									Total	Notes
AB	Direct care employee salaries & wages									\$ 295.26	$AB = Q / H / Y / Z$
AC	Employee related expenses									\$ 93.15	$AC = S / H / Y / Z$
AD	Administration, program support & overhead									\$ 129.47	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate									\$ 517.87	

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Behavioral Health Comparison Rate Development – Phase II
Appendix C.2 - Rate Buildups for SUD Residential and WM Services, CY2024 (using high-cost wage assumptions)

Service Information

Service Code: H0018 - PPW
 Region: High-Cost Wage
 Service Category: SUD Residential
 Service Description: Behavioral health; short-term resid. (nonhospital residential trx program), w/o room and board, Per Diem; ASAM Level 3.5; PPW facility.
 Reporting Units: Per Diem

		Resident Assistant in SUD Facility (non-clinical)	SUDP Master's in a Social Services Field	Registered Nurse	Licensed Practical Nurse	PAs, NPs, and Pharmacists	Specialty Physician	Total	Notes
A	First shift workers	2.50	2.50	0.16	0.04	0.50	0.20		
B	Second shift workers	2.50	2.50	-	-	-	-		
C	Third shift workers	2.50	-	-	-	-	-		
D	Weekend first shift workers	2.50	2.50	-	-	0.50	-		
E	Weekend second shift workers	2.50	2.50	-	-	-	-		
F	Weekend third shift workers	2.50	-	-	-	-	-		
G	Total weekly hours	420	280	6	2	28	8	744	$G = (((A + B + C) * 5) + ((D + E + F) * 2)) * 8$
H	Number of individuals served							16	The assumed number of clients in the facility
I	PTO/training/conference time adjustment factor	18.3%	21.0%	21.0%	21.0%	21.0%	21.0%		Based on separate PTO build
J	Adjusted total hours of time per week	496.93	338.70	7.74	1.94	33.87	9.68		$J = G * (1 + I)$
K	Hourly wage	\$ 23.44	\$ 40.42	\$ 58.86	\$ 39.43	\$ 83.86	\$ 167.26		Based on separate wage build
L	Percent of hours that are third shift	33%	0%	0%	0%	0%	0%		$L = ((C * 5 + F * 2) * 8) / G$
M	Total wages expense per week	\$ 11,982	\$ 13,690	\$ 456	\$ 76	\$ 2,840	\$ 1,619		$M = J * (K + L * \$2) $ Third shift workers get paid an extra \$2/hour
N	Holidays worked per year	10.00	10.00	10.00	10.00	10.00	10.00		
O	Percent of non-holiday hours paid at time and a half	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
P	Percent of total hours paid at time and a half	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%		$P = ((365.25 - N) * O + N) / 365.25$
Q	Total direct care wage adjusted for overtime and holidays per week	\$ 12,120.37	\$ 13,845.09	\$ 460.87	\$ 77.19	\$ 2,872.44	\$ 1,636.94	\$ 31,012.89	$Q = M + G * P * (K + L * \$2) * 0.5$
R	Employee related expense (ERE) percentage	37.2%	27.7%	23.3%	28.0%	20.1%	13.9%		Based on separate ERE build
S	Total ERE expense per week	\$ 4,505.56	\$ 3,831.76	\$ 107.51	\$ 21.63	\$ 576.67	\$ 226.76	\$ 9,269.89	$S = Q * R$
T	Medication and on-call prescriber costs							\$ 0.00	$T = (\$ \text{ Medication} + \$0 \text{ On-Call Prescriber}) \text{ per client per day} * 16 \text{ clients} * 7 \text{ days} * Y$
U	Subtotal before administration / overhead / program support							\$ 40,282.79	$U = (Q + S + T)$
V	Administration / program support / overhead percentage							25.0%	
W	Administration / overhead / program support cost per week							\$13,427.60	$W = (U * V) / (1 - V)$
X	Total cost per week							\$53,710.38	$X = U + W$
Y	Caseload efficiency							95.0%	
Z	Units per week							7.00	
AA	Per Diem Rate							\$504.80	$AA = X / Y / Z / H$
Ref.	Cost Component							Total	Notes
AB	Direct care employee salaries & wages							\$ 291.47	$AB = Q / H / Y / Z$
AC	Employee related expenses							\$ 87.12	$AC = S / H / Y / Z$
AD	Administration, program support & overhead							\$ 126.20	$AD = (T + W) / H / Y / Z$
AE	Per Diem Rate							\$504.80	

Appendix D.1, D.2, D.3, & D.4

State of Washington
 Health Care Authority
 Behavioral Health Comparison Rate Development – Phase II
 Appendix D.1 - Rate Summary for WISe and PACT Services, CY2024

HCPCS	Unit Type	Description	Total FTEs per Team Used for Rate Development	Total FTEs per Team Required by State	Caseload per Team	Standard Wage, Frontier Travel	Standard Wage, Urban Travel	High-Cost Wage, Urban Travel	Standard Wage, Rural Travel	Statewide Wage, Statewide Travel
WISe	Monthly	Wraparound with Intensive Services	4	4 Roles ^[1]	12	\$ 3,916.13	\$ 3,605.17	\$ 3,842.92	\$ 3,721.78	\$ 3,772.13
PACT-Full	Monthly	Washington Program for Assertive Community Treatment	13	11.00-15.50	80	2,333.31	2,267.74	2,406.43	2,292.33	2,347.79
PACT-Half	Monthly	Washington Program for Assertive Community Treatment	9	8.00-9.50	45	2,708.93	2,643.37	2,811.26	2,667.95	2,738.20

[1] Each WISe team requires 4 specific roles with no explicit number of FTE requirement.

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Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix D.2 - Rate Buildups for WISe, CY2024 (using high-cost wage and urban transportation assumptions)

Service Information

Service Code: WISe
 Region: High-Cost Wage, Urban Travel
 Service Category: Mental Health Program
 Service Description: Wraparound with Intensive Services
 Reporting Units: Monthly

Ref.	Description	Peer Support	Master's and Below (Non-MHP Agency-Affiliated Counselors)	Master's Level Degree Unlicensed (MHP)	Master's Level Degree Licensed (MHP)	Total	Notes
A	Hourly wage	\$ 25.33	\$ 33.00	\$ 36.71	\$ 41.92		
B	Number of employees	1.13	1.13	1.00	0.75		
C	Total wages expense per month	\$ 4,960	\$ 6,464	\$ 6,363	\$ 5,449	\$ 23,236	C = A * B * 2,080 / 12
D	Employee related expense (ERE) percentage	35.5%	30.8%	29.1%	27.2%		Based on separate ERE build
E	Total ERE expense per month	\$ 1,763	\$ 1,991	\$ 1,850	\$ 1,481	\$ 7,085	E = C * D
F	Estimated miles driven per month					2,991	Based on separate travel build
G	Federal reimbursement rate					\$ 0.655	
H	Transportation fleet costs per month					\$ 1,959.11	H = F * G
I	Administration / program support / overhead					30.0%	Portion of monthly costs
J	Monthly administrative expenses					\$ 13,834.51	J = I * (C + E + H) / (1 - I)
K	Monthly costs					\$ 46,115.04	K = C + E + H + J
L	Number of clients per team					12.00	
M	Monthly Rate					\$ 3,842.92	M = K / L

Ref.	Summary of Rate Model Components					Total	Notes
N	Service employee salaries & wages					1,936.36	
O	Employee related expenses					\$ 590.42	
P	Transportation & fleet vehicle expenses					\$ 163.26	
Q	Administration, program support & overhead					\$ 1,152.88	
R	Total Rate					\$ 3,842.92	

State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix D.3 - Rate Buildups for PACT – Half, CY2024 (using high-cost wage and urban transportation assumptions)

Service Information

Service Code: PACT-Half
 Region: High-Cost Wage, Urban Travel
 Service Category: Mental Health Program
 Service Description: Washington Program for Assertive Community Treatment
 Reporting Units: Monthly

Ref.	Description	Peer Support	Master's and Below (Non-MHP Agency-Affiliated Counselors)	SUDP Bachelor's and Below	Master's Level Degree Unlicensed (MHP)	Master's Level Degree Licensed (MHP)	Registered Nurse	PAs, NPs, and Pharmacists	Specialty Physician	Total	Notes
A	Hourly wage	\$ 25.33	\$ 33.00	\$ 33.00	\$ 36.71	\$ 41.92	\$ 58.86	\$ 83.86	\$ 167.26		
B	Number of employees	1.00	3.50	0.50	0.50	1.00	2.00	0.25	0.25		
C	Total wages expense per month	\$ 4,390	\$ 20,021	\$ 2,860	\$ 3,182	\$ 7,265	\$ 20,406	\$ 3,634	\$ 7,248	\$ 69,006	C = A * B * 2,080 / 12
D	Employee related expense (ERE) percentage	35.5%	30.8%	30.8%	29.1%	27.2%	23.3%	20.1%	13.9%		Based on separate ERE build
E	Total ERE expense per month	\$ 1,560	\$ 6,166	\$ 881	\$ 925	\$ 1,975	\$ 4,760	\$ 730	\$ 1,004	\$ 18,000	E = C * D
F	Estimated miles driven per month									2,365	Based on separate travel build
G	Federal reimbursement rate									\$ 0.655	
H	Transportation fleet costs per month									\$ 1,548.92	H = F * G
I	Administration / program support / overhead									30.0%	Portion of monthly costs
J	Monthly administrative expenses									\$ 37,952.00	J = I * (C + E + H) / (1 - I)
K	Monthly costs									\$ 126,506.67	K = C + E + H + J
L	Number of clients per team									45.00	
M	Monthly Rate									\$ 2,811.26	M = K / L

Ref.	Summary of Rate Model Components	Total	Notes
N	Service employee salaries & wages	1,533.46	
O	Employee related expenses	\$ 400.01	
P	Transportation & fleet vehicle expenses	\$ 34.42	
Q	Administration, program support & overhead	\$ 843.38	
R	Total Rate	\$ 2,811.26	

State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix D.4 - Rate Buildups for PACT – Full, CY2024 (using high-cost wage and urban transportation assumptions)

Service Information

Service Code: PACT-Full
 Region: High-Cost Wage, Urban Travel
 Service Category: Mental Health Program
 Service Description: Washington Program for Assertive Community Treatment
 Reporting Units: Monthly

Ref.	Description	Peer Support	Master's and Below (Non-MHP Agency-Affiliated Counselors)	SUDP Bachelor's and Below	Master's Level Degree Unlicensed (MHP)	Master's Level Degree Licensed (MHP)	Registered Nurse	PAs, NPs, and Pharmacists	Specialty Physician	Total	Notes
A	Hourly wage	\$ 25.33	\$ 33.00	\$ 33.00	\$ 36.71	\$ 41.92	\$ 58.86	\$ 83.86	\$ 167.26		
B	Number of employees	1.00	4.00	1.00	2.00	1.00	3.00	0.50	0.50		
C	Total wages expense per month	\$ 4,390	\$ 22,881	\$ 5,720	\$ 12,726	\$ 7,265	\$ 30,610	\$ 7,268	\$ 14,496	\$ 105,355	C = A * B * 2,080 / 12
D	Employee related expense (ERE) percentage	35.5%	30.8%	30.8%	29.1%	27.2%	23.3%	20.1%	13.9%		Based on separate ERE build
E	Total ERE expense per month	\$ 1,560	\$ 7,046	\$ 1,762	\$ 3,701	\$ 1,975	\$ 7,140	\$ 1,459	\$ 2,008	\$ 26,651	E = C * D
F	Estimated miles driven per month									4,204	Based on separate travel build
G	Federal reimbursement rate									\$ 0.655	
H	Transportation fleet costs per month									\$ 2,753.63	H = F * G
I	Administration / program support / overhead									30.0%	Portion of monthly costs
J	Monthly administrative expenses									\$ 57,754.21	J = I * (C + E + H) / (1 - I)
K	Monthly costs									\$ 192,514.02	K = C + E + H + J
L	Number of clients per team									80.00	
M	Monthly Rate									\$ 2,406.43	M = K / L

Ref.	Summary of Rate Model Components	Total	Notes
N	Service employee salaries & wages	1,316.94	
O	Employee related expenses	\$ 333.14	
P	Transportation & fleet vehicle expenses	\$ 34.42	
Q	Administration, program support & overhead	\$ 721.93	
R	Total Rate	\$ 2,406.43	

Appendix E

**State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix E - Crosswalk of Provider Types from SERI to Provider Group**

Provider Types	SERI Taxonomy Code	Provider Grouping
Resident Assistant in SUD Facility (non-clinical)	Not Listed in SERI	Resident Assistant in SUD Facility (non-clinical)
Substance Use Disorder Professional Trainee (SUDPT)	101Y99995L	SUDPT
Substance Use Disorder Professional (SUDP)	101YA0400X	SUDP Bachelor's and Below
Substance Use Disorder Professional (SUDP)	101YA0400X	SUDP Master's in a Social Services Field
Medical Assistant - Certified	101Y99993L	Certified Medical Assistant
Licensed Psychologist	103T00000X	Clinical Psychologist
Licensed Practical Nurse	164W00000X	Licensed Practical Nurse
Other (Clinical Staff)	101Y99995L	Master's and Below (Non-MHP Agency-Affiliated Counselors)
Below Master's Degree	101Y99995L	Master's and Below (Non-MHP Agency-Affiliated Counselors)
Licensed Social Worker (Advanced or Independent Clinical License)	104100000X	Master's Level Degree Licensed (MHP)
Licensed/Certified Mental Health Counselor	101YM0800X	Master's Level Degree Licensed (MHP)
Licensed Marriage and Family Therapist	106H00000X	Master's Level Degree Licensed (MHP)
Bachelor Level W Exception/Waiver	101Y99995L	Master's Level Degree Unlicensed (MHP)
Non Licensed MA/PHD	101Y99996L	Master's Level Degree Unlicensed (MHP)
Master Level with Exception/Waiver	101Y99995L	Master's Level Degree Unlicensed (MHP)
Physician Assistant (PA)	363A00000X	PAs, NPs, and Pharmacists
Pharmacist- D	183500000X	PAs, NPs, and Pharmacists
Psych, Mental Health ARNP	363LP0808X	PAs, NPs, and Pharmacists
DBHR Credentialed Certified Peer Counselor	175T00000X	Peer Support
Registered Nurse	163W00000X	Registered Nurse
Psychiatry & Neurology	2084P0800X	Specialty Physician

Appendix F

State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix F - PTO, Training Time, and Non-Productive Time Factor by Provider Group

	A	B	C	D	E	F	G	H	I	J	K	L
Provider group	Total hours	Paid holidays and PTO per year	On-going training / conference time hours per year	Total	Training hours / inefficient time for each new hire	Turnover percentage	New hire training hours per year	Hours of replacement for non-productive time	Annual productive time	PTO / training / conference time adjustment factor	Additional non-productive time	Adjustment factor using additional non-productive time
				B + C			E * F	D + G	A - H	A / I - 1		$A / (I * (1 - K)) - 1$
Specialty Physician	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Clinical Psychologist	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Resident Assistant in SUD Facility (non-clinical)	2,080	268	40	308	40	35%	14	322	1,758	18.3%	20.0%	47.9%
Certified Medical Assistant	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
SUDPT	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
SUDP Bachelor's and Below	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
SUDP Master's in a Social Services Field	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Master's and Below (Non-MHP Agency-Affiliated Counselors)	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Master's Level Degree Unlicensed (MHP)	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Master's Level Degree Licensed (MHP)	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
PAs, NPs, and Pharmacists	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Registered Nurse	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Licensed Practical Nurse	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%
Peer Support	2,080	268	40	308	150	35%	53	361	1,720	21.0%	20.0%	51.2%

Appendix G

State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix G - Indirect Time and Transportation Time by Procedure Code

Service Code	Service Type	Description	Assumed % of Units with Transportation	Average Number of Units Billed Per Visit with Travel Required	Average Travel Minutes Per Unit Assumptions			Indirect Time
					Urban	Rural	Frontier	
90791	MH OP	Psych Diag. Eval	30.0%	1.00	11.25	11.25	14.32	30.00
90792	MH OP	Psych Diag. Eval w/ med srvc	30.0%	1.00	11.25	11.25	14.32	30.00
90832	MH OP	Psychother. w/ PT. and/or fam. mem., approx. 30 mins.	30.0%	1.00	11.25	11.25	14.32	10.00
90834	MH OP	Psychother. w/ PT and/or fam. mem., approx. 45 mins	30.0%	1.00	11.25	11.25	14.32	15.00
90837	MH OP	Psychother. approx. 60 mins w/ PT and/or fam. mem.	30.0%	1.00	11.25	11.25	14.32	20.00
90846	MH OP	Fam. psychother. w/o PT	30.0%	2.00	5.63	5.63	7.16	5.00
90847	MH OP	Fam. psychother. w/ PT present	30.0%	2.00	5.63	5.63	7.16	5.00
90853	MH OP	Grp psychother. (other than of a multiple-fam. grp)	10.0%	5.00	0.75	0.75	0.95	8.00
99205	MH OP	Office/OP visit, new patient, high MDM or 60-74 total time of encounter	15.0%	1.00	5.63	5.63	7.16	20.00
99213	MH OP	Office/OP visit, established patient, low MDM or 20-29 minutes total time of encounter.	30.0%	1.00	11.25	11.25	14.32	5.00
99214	MH OP	Office/OP visit, established patient, moderate MDM or 30-39 minutes total time of encounter.	30.0%	1.00	11.25	11.25	14.32	10.00
99215	MH OP	Office/OP visit, established patient, high MDM or 40-54 minutes total time of encounter.	30.0%	1.00	11.25	11.25	14.32	14.00
H0004	MH OP	BH cnsling and ther., per 15 minutes	30.0%	3.33	3.38	3.38	4.30	5.00
H0031	MH OP	MH health assess by non-MD	20.0%	5.00	1.50	1.50	1.91	5.00
H0036	MH OP	Comm. psych. supp. tx., face-face, per 15 mins	20.0%	2.50	3.00	3.00	3.82	25.00
H0038	MH OP	Self-help/peer srvc, per 15 mins	40.0%	3.33	4.50	4.50	5.73	4.00
H2014	MH OP	Skills train and dev, per 15 mins	40.0%	5.00	3.00	3.00	3.82	4.00
H2015	MH OP	Comprehensive community support services, per 15 mins	40.0%	2.00	7.50	7.50	9.55	4.00
96164	SUD OP	Behav. Hlth Intrvtn. w/ grp (2 or more) face to face, first 30 minutes	10.0%	1.00	3.75	3.75	4.77	24.00
96165	SUD OP	Behav. Hlth Intrvtn. w/ grp (2 or more), face-to-face; each additional 15 minutes (List separately in addition to code for primary service)	10.0%	Travel time is accounted for via 96164				6.00
H0004SUD	SUD OP	Behav. Hlth Cnslng and thrpy, per 15 mins	30.0%	3.33	3.38	3.38	4.30	4.00
T1016	SUD OP	Case management, each 15 mins	20.0%	1.49	5.03	5.03	6.40	4.00
H0001	SUD OP	Alcohol/drug assessmt	10.0%	5.00	0.75	0.75	0.95	5.00

Percentage of units with transportation was determined using the home place of service.

Appendix H.1 & H.2

State of Washington Health Care Authority Behavioral Health Comparison Rate Development - Phase II Appendix H.1 - Projected CY2024 Statewide and Regional Wages by Provider Grouping - Non-Supervisor Clinicians						
Provider Grouping	Statewide BLS May 2021 Hourly Wage ^[1]	Statewide Proposed CY24 Hourly Wage ^[2]	Assumed Aggregate Wage Trend	High-Cost Region Proposed CY24 Hourly Wage ^[3]	Standard Region Proposed CY24 Hourly Wage ^[3]	Regional Wage Differential
Bureau of Labor Statistics Positions						
Specialty Physician	\$142.02	\$167.26	17.8%	\$167.26	\$167.26	1.000
Psychiatrists	\$142.02 ^[4]	\$167.26	17.8%	\$167.26	\$167.26	1.000
Clinical Psychologist	\$53.71	\$63.26	17.8%	\$65.70	\$60.76	1.081
Clinical and Counseling Psychologists	\$53.71	\$63.26	17.8%	\$65.70	\$60.76	1.081
Resident Assistant in SUD Facility (non-clinical)	\$19.17	\$22.57	17.8%	\$23.44	\$21.68	1.081
Social and Human Service Assistants	\$20.71	\$24.38	17.8%	\$25.33	\$23.42	1.081
Home Health and Personal Care Aides	\$17.63	\$20.76	17.8%	\$21.56	\$19.94	1.081
Certified Medical Assistant	\$23.75	\$27.97	17.8%	\$29.04	\$26.86	1.081
Medical Assistants	\$23.75	\$27.97	17.8%	\$29.04	\$26.86	1.081
SUDPT	\$22.78	\$26.83	17.8%	\$27.86	\$25.77	1.081
Rehabilitation Counselors	\$22.78	\$26.83	17.8%	\$27.86	\$25.77	1.081
SUDP Bachelor's and Below	\$26.98	\$31.78	17.8%	\$33.00	\$30.52	1.081
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	\$26.98	\$31.78	17.8%	\$33.00	\$30.52	1.081
SUDP Master's in a Social Services Field	\$33.05	\$38.92	17.8%	\$40.42	\$37.38	1.081
Mental Health and Substance Abuse Social Workers	\$33.05	\$38.92	17.8%	\$40.42	\$37.38	1.081
Master's and Below (Non-MHP Agency-Affiliated Counselors)	\$26.98	\$31.78	17.8%	\$33.00	\$30.52	1.081
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	\$26.98	\$31.78	17.8%	\$33.00	\$30.52	1.081
Master's Level Degree Unlicensed (MHP)	\$30.01	\$35.35	17.8%	\$36.71	\$33.95	1.081
Mental Health and Substance Abuse Social Workers	\$33.05	\$38.92	17.8%	\$40.42	\$37.38	1.081
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	\$26.98	\$31.78	17.8%	\$33.00	\$30.52	1.081
Master's Level Degree Licensed (MHP)	\$34.27	\$40.36	17.8%	\$41.92	\$38.77	1.081
Healthcare Social Workers	\$38.05	\$44.81	17.8%	\$46.54	\$43.04	1.081
Mental Health and Substance Abuse Social Workers	\$33.05	\$38.92	17.8%	\$40.42	\$37.38	1.081
Child, Family, and School Social Workers	\$31.72	\$37.35	17.8%	\$38.79	\$35.88	1.081
PAs, NPs, and Pharmacists	\$68.56	\$80.74	17.8%	\$83.86	\$77.56	1.081
Physician Assistants	\$69.45	\$81.79	17.8%	\$84.94	\$78.56	1.081
Pharmacists	\$68.47	\$80.63	17.8%	\$83.74	\$77.45	1.081
Nurse Practitioners	\$67.77	\$79.81	17.8%	\$82.89	\$76.66	1.081
Registered Nurse	\$48.13	\$56.68	17.8%	\$58.86	\$54.44	1.081
Registered Nurses	\$48.13	\$56.68	17.8%	\$58.86	\$54.44	1.081
Licensed Practical Nurse	\$32.24	\$37.97	17.8%	\$39.43	\$36.47	1.081
Licensed Practical and Licensed Vocational Nurses	\$32.24	\$37.97	17.8%	\$39.43	\$36.47	1.081
Peer Support	\$20.71	\$24.38	17.8%	\$25.33	\$23.42	1.081
Social and Human Service Assistants	\$20.71	\$24.38	17.8%	\$25.33	\$23.42	1.081

[1] Statewide BLS May 2021 wages were calculated using the average of the Washington specific BLS wages at the median and 75th percentile levels with an exception of SUDPT which uses the median wage to align with wage differences between SUDPs and SUDPTs observed in the 2022 provider cost and wage survey data. Additionally, the Provider Grouping wage is the straight average of the BLS position wages listed

[2] Wages trended from 5/1/21 to 7/1/24 at an annualized trend of 5.3% (as informed by Federal Reserve Economic Data and stakeholder feedback on wage dynamics)

[3] May 2020 WA specific BLS wage regional variation analysis performed during Phase 1 of the behavioral health comparison rates indicated that wages were 3.9% higher in the High-Cost region and 3.9% lower in the Standard region as compared to the Statewide level.

[4] Using the mean BLS hourly rate as the BLS did not provide median or 75th percentile hourly wages for this occupational code. Using the same wage for all regions.

Wage Data Source

Bureau of Labor Statistics. (March 2022). May 2021 State Occupational Employment and Wage Estimates: Washington. Retrieved from: https://www.bls.gov/oes/current/oes_wa.htm

Trend Data Source

Federal Reserve Economic Data. (January 2023). Average Hourly Earnings of All Employees, Education and Health Services. Retrieved from: <https://fred.stlouisfed.org/series/CESE500000003>

State of Washington Health Care Authority Behavioral Health Comparison Rate Development - Phase II Appendix H.2 - Projected CY2024 Statewide and Regional Wages by Provider Grouping - Supervisor Clinicians						
Provider Grouping	Statewide BLS May 2021 Hourly Wage ^[1]	Statewide Proposed CY24 Hourly Wage ^[2]	Assumed Aggregate Wage Trend	High-Cost Region Proposed CY24 Hourly Wage ^[3]	Standard Region Proposed CY24 Hourly Wage ^[3]	Regional Wage Differential
Bureau of Labor Statistics Positions						
Specialty Physician	\$142.02	\$167.26	17.8%	\$167.26	\$167.26	1.000
Psychiatrists	\$142.02 ^[4]	\$167.26	17.8%	\$167.26	\$167.26	1.000
Clinical Psychologist	\$60.72	\$71.51	17.8%	\$74.27	\$68.69	1.081
Clinical and Counseling Psychologists	\$60.72	\$71.51	17.8%	\$74.27	\$68.69	1.081
Resident Assistant in SUD Facility (non-clinical)	\$20.31	\$23.91	17.8%	\$24.84	\$22.97	1.081
Social and Human Service Assistants	\$22.80	\$26.85	17.8%	\$27.89	\$25.79	1.081
Home Health and Personal Care Aides	\$17.81	\$20.98	17.8%	\$21.78	\$20.15	1.081
Certified Medical Assistant	\$24.67	\$29.05	17.8%	\$30.18	\$27.91	1.081
Medical Assistants	\$24.67	\$29.05	17.8%	\$30.18	\$27.91	1.081
SUDPT	\$28.52	\$33.59	17.8%	\$34.88	\$32.26	1.081
Rehabilitation Counselors	\$28.52	\$33.59	17.8%	\$34.88	\$32.26	1.081
SUDP Bachelor's and Below	\$30.23	\$35.60	17.8%	\$36.98	\$34.20	1.081
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	\$30.23	\$35.60	17.8%	\$36.98	\$34.20	1.081
SUDP Master's in a Social Services Field	\$36.66	\$43.18	17.8%	\$44.84	\$41.47	1.081
Mental Health and Substance Abuse Social Workers	\$36.66	\$43.18	17.8%	\$44.84	\$41.47	1.081
Master's and Below (Non-MHP Agency-Affiliated Counselors)	\$30.23	\$35.60	17.8%	\$36.98	\$34.20	1.081
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	\$30.23	\$35.60	17.8%	\$36.98	\$34.20	1.081
Master's Level Degree Unlicensed (MHP)	\$33.45	\$39.39	17.8%	\$40.91	\$37.84	1.081
Mental Health and Substance Abuse Social Workers	\$36.66	\$43.18	17.8%	\$44.84	\$41.47	1.081
Substance Abuse, Behavioral Disorder, and Mental Health Counselors	\$30.23	\$35.60	17.8%	\$36.98	\$34.20	1.081
Master's Level Degree Licensed (MHP)	\$36.74	\$43.27	17.8%	\$44.94	\$41.57	1.081
Healthcare Social Workers	\$38.96	\$45.88	17.8%	\$47.65	\$44.07	1.081
Mental Health and Substance Abuse Social Workers	\$36.66	\$43.18	17.8%	\$44.84	\$41.47	1.081
Child, Family, and School Social Workers	\$34.61	\$40.76	17.8%	\$42.33	\$39.15	1.081
PAs, NPs, and Pharmacists	\$74.55	\$87.80	17.8%	\$91.18	\$84.33	1.081
Physician Assistants	\$76.21	\$89.75	17.8%	\$93.22	\$86.21	1.081
Pharmacists	\$73.91	\$87.05	17.8%	\$90.40	\$83.61	1.081
Nurse Practitioners	\$73.52	\$86.59	17.8%	\$89.93	\$83.17	1.081
Registered Nurse	\$49.62	\$58.44	17.8%	\$60.69	\$56.13	1.081
Registered Nurses	\$49.62	\$58.44	17.8%	\$60.69	\$56.13	1.081
Licensed Practical Nurse	\$35.08	\$41.31	17.8%	\$42.91	\$39.69	1.081
Licensed Practical and Licensed Vocational Nurses	\$35.08	\$41.31	17.8%	\$42.91	\$39.69	1.081
Peer Support	\$22.80	\$26.85	17.8%	\$27.89	\$25.79	1.081
Social and Human Service Assistants	\$22.80	\$26.85	17.8%	\$27.89	\$25.79	1.081

[1] Statewide BLS May 2021 wages were calculated using the 75th percentile levels. Additionally, the Provider Grouping wage is the straight average of the BLS position wages listed below.

[2] Wages trended from 5/1/21 to 7/1/24 at an annualized trend of 5.3% (as informed by Federal Reserve Economic Data and stakeholder feedback on wage dynamics)

[3] May 2020 WA specific BLS wage regional variation analysis performed during Phase 1 of the behavioral health comparison rates indicated that wages were 3.9% higher in the High-Cost region and 3.9% lower in the Standard region as compared to the Statewide level.

[4] Using the mean BLS hourly rate as the BLS did not provide median or 75th percentile hourly wages for this occupational code. Using the same wage for all regions.

Wage Data Source

Bureau of Labor Statistics. (March 2022). *May 2021 State Occupational Employment and Wage Estimates: Washington*. Retrieved from: https://www.bls.gov/oes/current/oes_wa.htm

Trend Data Source

Federal Reserve Economic Data. (January 2023). *Average Hourly Earnings of All Employees, Education and Health Services*. Retrieved from: <https://fred.stlouisfed.org/series/CES6500000003>

Appendix I

State of Washington
Health Care Authority
Behavioral Health Comparison Rate Development – Phase II
Appendix I - Employee Related Expense Buildup (using high-cost wage assumptions)

	A	B	C	D	E	F	G	H	I	J	K	L
Provider Group	Trended Wage (High-Cost)	Annual Employee Salary	Medicare	Social Security	FUTA	SUI	Workers Comp	Insurance	Retirement	ERE per Employee	ERE Percentage	Annual Salary and ERE
Notes	Trended from 5/1/2021 to 7/1/2024 at a rate of 5.3%	A * 2,080	B * 1.45%	B * 6.2% up to \$162,900 estimated taxable limit	6% of First \$7,000 Earned	B * 1.43% up to \$67,600 estimated taxable limit	B * 1.4%		B * 4.7%	SUM (C through I)	J / B	B * (1 + K)
Specialty Physician	\$167.26	\$347,902	\$5,045	\$10,100	\$420	\$967	\$5,003	\$10,283	\$16,377	\$48,194	13.9%	\$396,096
Clinical Psychologist	65.70	136,648	1,981	8,472	420	967	1,965	10,283	6,433	30,521	22.3%	167,168
Resident Assistant in SUD Facility (non-clinical)	23.44	48,765	707	3,023	420	697	701	10,283	2,296	18,128	37.2%	66,893
Certified Medical Assistant	29.04	60,411	876	3,746	420	864	869	10,283	2,844	19,901	32.9%	80,312
SUDPT	27.86	57,956	840	3,593	420	829	833	10,283	2,728	19,527	33.7%	77,483
SUDP Bachelor's and Below	33.00	68,642	995	4,256	420	967	987	10,283	3,231	21,139	30.8%	89,781
SUDP Master's in a Social Services Field	40.42	84,072	1,219	5,212	420	967	1,209	10,283	3,958	23,268	27.7%	107,340
Master's and Below (Non-MHP Agency-Affiliated Counselors)	33.00	68,642	995	4,256	420	967	987	10,283	3,231	21,139	30.8%	89,781
Master's Level Degree Unlicensed (MHP)	36.71	76,357	1,107	4,734	420	967	1,098	10,283	3,594	22,203	29.1%	98,561
Master's Level Degree Licensed (MHP)	41.92	87,185	1,264	5,405	420	967	1,254	10,283	4,104	23,697	27.2%	110,882
PAs, NPs, and Pharmacists	83.86	174,424	2,529	10,100	420	967	2,508	10,283	8,211	35,018	20.1%	209,442
Registered Nurse	58.86	122,438	1,775	7,591	420	967	1,761	10,283	5,764	28,561	23.3%	150,999
Licensed Practical Nurse	39.43	82,024	1,189	5,086	420	967	1,179	10,283	3,861	22,985	28.0%	105,009
Peer Support	25.33	52,677	764	3,266	420	753	757	10,283	2,480	18,723	35.5%	71,401