The Campaign to STRENGTHEN HUMAN SERVICES

IMPROVE CARE • RETAIN QUALITY STAFF
ENHANCE ECONOMIC IMPACT

DDS Residential Rates Progress, While Other Rates Lag Long Behind Schedule

How Will Chapter 257 Funds be used?

While Chapter 257 rates will go a long way towards improving inappropriately low staff salaries, it is important to remember Chapter 257 funds are expected and required to be tied directly to the specific program that generates each rate reimbursement. In other

DDS Residential Rate to take effect April 1, 2014

After more than a quarter century of rate freezes and minimal rate adjustment, some providers are close to receiving a significant increase to their words, residential funding increases cannot be used to offset or fund day programs; or day programs for a DD program cannot fund the operations of an agency's DCF activity.

In addition to salary considerations, the new monies are expected to address other long under funded systemic program needs such as:

- agency infrastructure needs,
- clinical supports and nursing oversights,
- equipment and technology needs,
- staff ratios to address community integration and individualized activities,
- health benefits, and
- staff training.

Some Chapter 257 Rates Under Ongoing Appeals

While the Patrick Administration and providers work on fully implementing Chapter 257, an often overlooked aspect of the law is the right of appeal granted to providers who believe rates set under Chapter 257 do not adequately cover the costs of providing services.

DMH-funded clubhouse providers are

rates. Specifically, DDS & MRC Residential providers will soon be recipients of a long overdue rate adjustment, initially scheduled by state law to take effect on July 1, 2013.

DDS & MRC Residential Rates, know officially as Adult Long Term Residential (ALTR) programs were underfunded in last year's FY 14 Budget, resulting in the Administration being unable to deliver on its legal obligation until the fourth quarter of the current budget year.

Providers have been waiting for confirmation from the Administration that the Governor's House Two Budget Recommendation for FY 2015 would contain an annualized amount to carry the rate forward, thus providers were pleased by Governor Deval Patrick's budget recommendation, released last week, that honored this obligation.

Many Rates Remain to Be Adjusted

While pleased with movement on DDS & MRC ALTR rates, members of The Collaborative remain concerned that a number of other services are overdue for the establishment and payment of rates. 100% of all rates were to have been adjusted under a fair and adequate manner consistent with Chapter 257 by July 1, 2014, however it appears the state may be out of compliance with this statutory requirement. A number of providers have expressed concern that a protracted implementation process keeps some agencies and their staff members in precarious financial position.

Overdue rates include:

- DCF & DMH Caring Together services
- DPH Early Intervention services
- DCF & DPH Family Transitional Support Services
- DCF, DYS, DDS, MRC, MCR Placement and Support Services

in the midst of pursuing such appeals of rates set for clubhouse services.

A number of clubhouses are now experiencing operating losses due to inadequate reimbursement rates. These organizations are committed to exercising their rights under Chapter 257 in an effort to receive rates that truly cover the costs of providing clubhouse services.

The Collaborative is supporting these providers in the firm belief that the right of appeal is fundamental to a fair and transparent rate-setting system.

- DMH, DDS, MRC Community Based Flexible Supports
- MCB, DDS, DMH Family Stabilization
- DPH Addiction treatment services

In addition to the above rates that are not in sync with the statutory deadlines of Chapter 257, The Collaborative is also closely monitoring the obligation of the Commonwealth to review the adequacy and fairness of rates every two years, after they have been initially set. Some rates set two or more years ago are already behind schedule for their two year review.

How to measure Chapter 257 Progress

The members of The Collaborative are committed to working with state officials to measure the effectiveness of Chapter 257. In addition to monitoring salary increases for low paid direct support professionals, providers will be monitoring other important factors that impact their ability to provide high quality services.

Those concerns cited in the 2007 EOHHS publication on "Financial Health of Providers in the Massachusetts Human Service System", cited serious concerns about the fragile nature of the private provider system that can lead to: high staff turnover rates, increased training costs, skyrocketing uncompensated health insurance rates, low cash reserves and the operating losses arising from inadequately funded state contracts.

The Collaborative will be working on assembling an array of measurement instruments to share with EOHHS leaders on how to measure Chapter 257 effectiveness in the next few months.

For additional information regarding The Collaborative, feel free to contact Mike Ripple at mripple@providers.org.