



Frequently Asked Questions: FY2021 DSP & Supervisor Rate Increases

Will everyone's DDD budget increase?

Effective January 1, 2021, certain fee-for-service Medicaid rates will receive an upward adjustment to increase Direct Support Professional (DSP) and Supervisor wages. All individuals enrolled in a fee-for-service program (Supports Program and Community Care Program under Fee-for-Service) will see an increase in their budget to accommodate this.

Will the rates and budgets be updated in the policy manuals?

An updated *Quick Guide* for the [increased fee-for-service rates](#) is available. The Supports Program and Community Care Program policy manuals will be updated and issued at a later date.

When will Medicaid provider payments reflect the rate increase?

Medicaid claims for services delivered on or after January 1, 2021 will be paid at the [increased fee-for-service rates](#). Provider agencies are required to utilize the higher payments to increase base wages for DSPs and supervisors effective January 1, 2021. Provider agencies must be prepared to demonstrate this occurs.

Will providers need to re-submit claims to receive the increase?

DDD expects to have all systems updated with the new rates in time for the January 1, 2021 effective date. Provider agencies will bill at the new rate for services rendered on and after the effective date. Therefore, providers should not have to re-submit claims to receive the increase. Should this change, DDD will alert agencies.

What portion of the rate increase supports DSP wages?

Increased rates provide an additional \$1.25 in DSP reimbursement for each billable hour. Depending on staffing ratios and payroll tax deductions, the actual amount realized by a DSP may be more or less than \$1.25 per hour.

What portion of the rate increase supports DSP supervisor wages?

Provider agencies should analyze the portion of the increased rates for billable hours identified for supervisor compression when determining the wage increase for supervisors. The enhanced funding is intended to provide an additional \$1.25 per hour based on supervisors who manage staff in a 3:1 ratio. Depending on staffing ratios and payroll tax deductions, the actual amount realized by a supervisor may be more or less than \$1.25 per hour.

If a provider of any service already is paying its DSPs and supervisors above minimum wage do they have to use this additional funding to further increase wages?

Yes. The additional funding received for this increase was only allocated because it was to be targeted to DSP and supervisor wages. Therefore, it cannot be used for any other purpose. This increase must be passed through as an hourly wage increase and not a bonus.

Will there be an increase in self-directed employee wages?

All individuals enrolled in a fee-for-service program (Supports Program and Community Care Program under Fee-for-Service) will receive an increase in their individual budget. However, self-directed employees (SDE) will not receive an automatic increase because SDE wages are privately negotiated. An individual/family wishing to increase an SDE's hourly wage should reach out to their support coordinator to discuss.

Impact of FY2021 Rate Increase on Temporary State Supplemental Payments for Day Providers

Will the State Supplemental payments for congregate day service providers receive an increase?

Yes. Effective January 1, 2021 State Supplemental payments will be increased.

How much will the increase to the State Supplemental payments be?

Because the State Supplemental payments reflect the state's share (50%) of the reimbursement rates for day services, the increase to the State Supplemental payments will be equal to 50% of the \$1.25-per-hour rate increase, or \$0.62 per hour. (State Supplemental payments are not eligible for the federal funding match.)

Will providers receive the full reimbursement rate for services that are delivered and claimed for?

Yes. Claims reimbursement rates for billable hours consist of the state's share (50%) plus the federal funding match (50%). Therefore, Medicaid claims submitted to Gainwell (formerly DXC Technologies) for impacted services delivered on or after January 1, 2021 will be paid at the [increased fee-for-service rates](#).

For providers receiving the State Supplemental payments, what wage increase is expected to be passed through to employees?

Providers receiving State Supplemental payments are expected to pass through the **maximum amount available** and, at minimum, \$0.62 per hour to employees. Depending on staffing ratios and payroll tax deductions, the actual amount realized by a DSP and supervisor may be more or less than this amount.

Provider agencies should analyze projected day service claims and, to the best of their ability, pass that amount through as well.

When the public health emergency ends and provider revenues revert back to Medicaid claims submitted to Gainwell (formerly DXC Technologies) and paid at the [increased fee-for-service rates](#), the full increase of \$1.25 will need be passed through to DSPs and their supervisors.