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## DEVELOPMENTAL DISABILITIES SERVICES PAYMENT REFORM

The Department of Disabilities, Aging and Independent Living (DAIL) and DVHA are collaborating on a complex and comprehensive payment and delivery system reform project to improve data on services provided, ensure consistent assessment of individuals' needs, and transition from the current Developmental Disabilities Services (DDS) home and community-based services (HCBS) daily rates to a new form of payment for individuals with intellectual and developmental disabilities. The goal is to create a transparent, effective, and operationally feasible payment model for DDS services that aligns with AHS's broader health care reform goals.

This project has several objectives:

- Comply with the All Payer Model ACO Agreement, which obligates AHS to develop a plan to coordinate payment and delivery of Medicaid Home and Community-based Services with the State's delivery reform efforts for health care;
- Increase the transparency and accountability of DDS services, consistent with recommendations in the 2014 State Auditor's Report;
- Improve the validity and reliability of needs assessments through use of a standardized assessment tool, which will be used to inform an individual's funding;
- Ensure submission of encounter data to support continued tracking of approved services;
- Provide equity and predictability, including similar budgets and services for individuals with similar needs, and consistent funding streams for providers;
- Provide flexibility in response to changes in individual needs and choices; and
- Support a sustainable provider network.

Representatives from the State, provider network, individuals, family members, and other stakeholders have been working together on this project since 2018. In the Fall of 2018, three workgroups were created:

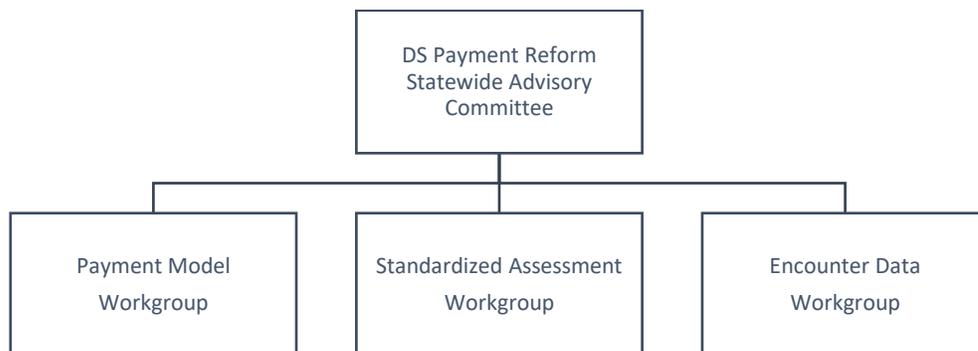
- *Standardized Assessment*: Focused on the selection of a uniform, valid, and reliable standardized assessment tool for determining what services and supports an individual needs. This workgroup has reviewed assessment tool options, and DAIL is developing a Request for Proposals for a vendor to acquire and administer the assessment tool. The workgroup has recommended several supplemental areas for questions to add to the assessment.
- *Payment Model*: Focused on designing a payment mechanism by which providers would be paid to provide services. This workgroup has considered several payment model options in detail and is in the process of refining those options and identifying

implications for providers and people receiving services. Payment model options will be presented for broader public engagement.

- **Encounter Data:** Focused on developing a process by which providers will report all service delivery encounters to the Medicaid Management Information System (MMIS). This group has designed encounter claim submission requirements for the various DS services, worked with DXC Technologies to implement these requirements, and contributed to the development of detailed encounter data submission guidance for providers. Work in 2020 will include further refining encounter data submission guidelines, as well as developing and implementing provider educational materials and training with the goal that encounter data volume and quality will continue to increase and develop a strong baseline to inform future planning.

All three workgroups provide updates to the DS Statewide Advisory Committee, which was created in late 2017 to obtain ongoing input from a broad group of stakeholders. Figure E shows the workgroup structure.

Figure E: DDS Payment Reform Workgroup Structure



**Provider Rate Study:** The State also engaged Burns & Associates, a consulting firm, to conduct a provider rate study to evaluate the actual cost to providers of delivering services. The study results will inform the new payment model and assist in the development of provider reimbursement rates. Initial rate study results were presented for public comment, and revisions were considering the feedback. Revised rates have been published.

More detailed information on this project can be found on the DAIL/DDSD website:

<https://ddsd.vermont.gov/project-initiatives/dds-payment-reform>

In addition, Act 72 Section E.333 from the last legislative session required a report to the legislature on the status on the DDS Payment Reform initiative. This report is available at:

[https://dail.vermont.gov/sites/dail/files//documents/Act72\\_DDS\\_Payment\\_Reform\\_Update.pdf](https://dail.vermont.gov/sites/dail/files//documents/Act72_DDS_Payment_Reform_Update.pdf)