

Rate Proposals

#1: DSP Career Ladder/Training Model¹

- Tier 1: \$1/hour increase for all DSPs with 90 days of experience and 30 hours of training
- Tier 2: Additional \$1/hour (\$2/hour total) with 1 year of experience & 60 hours of training
- Tier 3: Additional \$2/hour (\$3/hour total) with 2 years of experience & 90 hours of training
- Tier 4: Additional \$4/hour (\$5/hour total) with 2 years of experience & specialty training in medical or behavioral needs

Assumptions

- Includes HPC, ICF, and Adult Services (also applies to Base Rate Increase and Hybrid models)
- Assumes 70% of workforce is eligible for Tier 1, 15% for Tier 2, 10% for Tier 3, 5% for Tier 4
- Assumes workforce composition does not change from Year 1 to Year 2
- Assumes all DSPs would qualify for one of the increased tiers

	Year 1	Year 2	Total
Training Model	\$224,530,586	\$224,530,586	\$449,061,171
Match @ 37%	\$83,076,317	\$83,076,317	\$166,152,633

#2: Base Rate Increase

- Year 1: 10% rate increase (HPC, ICF, and Adult Day)
- Year 2: 10% rate increase from Year 1 plus inflationary adjustment equal to the Employment Cost Index (ECI)

Assumptions

- Inflation estimated at 2% and only applies to HPC and Adult Day Services (not ICFs)

	Year 1	Year 2	Total
Base Rate Increase	\$177,800,000	\$207,060,000	\$384,860,000
Match @ 37%	\$65,786,000	\$76,612,200	\$142,398,200

#3: Hybrid Model

- Year 1: 10% rate increase (same as Base Rate Increase – Year 1)
- Year 2: 10% rate increase from Year 1 (new base rate) plus
 - Tier 1: Inflationary adjustment equal to the Employment Cost Index (ECI)
 - Tier 2: Additional \$1/hour (\$2/hour total) with 1 year of exp. & 60 hours of training
 - Tier 3: Additional \$2/hour (\$3/hour total) with 2 years of exp. & 90 hours of training
 - Tier 4: Additional \$4/hour (\$5/hour total) with 2 years of exp. & specialty training in medical or behavioral needs

¹ The proposal discussed at the last stakeholder meeting only included Steps 1 and 2 and excluded Adult Day Services. The two-year cost was estimated at about \$336 million with just over \$124 million in match dollars.

Assumptions

- Assumptions for staff tenure, training requirements, and workforce composition are the same as the DSP Career Ladder/Training Model

	Year 1	Year 2	Total
Hybrid Model	\$177,800,000	\$303,605,866	\$481,405,866
Match @ 37%	\$65,786,000	\$112,334,171	\$178,120,171

Summary

	Year 1	Year 2	Total	Match
Training Model	\$224,530,586	\$224,530,586	\$449,061,171	\$166,152,633
Base Rate Increase	\$177,800,000	\$207,060,000	\$384,860,000	\$142,398,200
Hybrid Model	\$177,800,000	\$303,605,866	\$481,405,866	\$178,120,171