

The background features a blurred image of a person's arm and hand, overlaid with a green semi-transparent layer. This layer contains various medical icons: a syringe, a pill, a virus, a stethoscope, a group of three people, and a large white cross. A dark grey diagonal shape on the right side of the page contains the text.

**UTAH
DEPARTMENT OF
HEALTH & HUMAN
SERVICES**

**Division of Integrated
Healthcare**

**Medicaid Reimbursement Rate
Comparative Analysis – Home Health
Agency**

June 2023



**MYERS AND
STAUFFER**_{LC}
CERTIFIED PUBLIC ACCOUNTANTS



Table of Contents

- Table of Contents..... 1
 - List of Tables..... 1
- Home Health Agency (HHA) Executive Summary and Background..... 3
 - Summary Findings..... 3
 - Background..... 3
- Data Sources..... 5
 - Utah Medicaid Rate Data..... 5
 - Cost Data..... 5
 - Data Outliers..... 6
- Reimbursement Rate Comparisons..... 7
 - Comparisons Based on Cost Coverage..... 7
 - Skilled Nursing Care – RN and LPN..... 7
 - Physical Therapy..... 8
 - Occupational Therapy..... 9
 - Speech Pathology..... 9
 - Home Health (HH) Aide..... 10
 - Other Procedure Codes..... 11

List of Tables

- Table 1. Cost Coverage Median Cost..... 3
- Table 2. Provider Counts and Rate Multipliers by County..... 6
- Table 3. Skilled Nursing Care – RN and LPN 2020 Cost Coverage..... 8
- Table 4. Skilled Nursing Care – RN and LPN 2021 Cost Coverage..... 8
- Table 5. Physical Therapy and Physical Therapy Assistant 2020 Cost Coverage..... 8
- Table 6. Physical Therapy and Physical Therapy Assistant 2021 Cost Coverage..... 9
- Table 7. Occupational and Certified Occupational Therapy 2020 Cost Coverage..... 9
- Table 8. Occupational and Certified Occupational Therapy 2021 Cost Coverage..... 9
- Table 9. Speech Pathology 2020 Cost Coverage..... 10
- Table 10. Speech Pathology 2021 Cost Coverage..... 10



TABLE OF CONTENTS

Table 11. HH Aide 2020 Cost Coverage.....	10
Table 12. HH Aide 2021 Cost Coverage.....	11
Table 13. Other Procedure Codes 2020 Cost Coverage at Various Levels of Staffing	12
Table 14. Other Procedure Codes 2021 Cost Coverage at the Various Levels of Staffing	13



Home Health Agency (HHA) Executive Summary and Background

Summary Findings

Table 1 provides a high-level summary of cost coverage by comparing cost report statewide median cost to Utah Medicaid fee schedules. We expand upon the details of these figures in the following sections of our report.

Table 1. Cost Coverage Median Cost

Cost Coverage		Cost Coverage Median Cost	
Procedure Code	Procedure Name	2020	2021
G0299	HHS/HOSPICE OF RN EA 15 MIN	99%	104%
S9123	NURSING CARE,IN HOME;BY RN,PER HOUR (VISIT)	78%	82%
T1030	NURSING CARE,IN HOME,BY REGISTERED NURSE,PER DIEM	81%	86%
S9131	PHYSICAL THERAPY; IN THE HOME, PER DIEM	71%	71%
S9129	OCCUPATIONAL THERAPY, IN THE HOME, PER DIEM	70%	71%
S9128	SPEECH THERAPY, IN THE HOME, PER DIEM	74%	75%
S9122	HH AIDE/CERT NURSE ASSIST,HOME; PER HOUR	*	*
T1021	HOME HEALTH AIDE OR CERTIF NURSE ASSIST, PER VISIT	93%	89%

*See Tables 11-12 explanation.

Background

The Utah Department of Health and Human Services (DHHS), Division of Integrated Healthcare engaged Myers and Stauffer LC (Myers and Stauffer) to review and compare Utah Medicaid reimbursement rates to certain reimbursement benchmarks, including Medicare reimbursement rates, reimbursement rates from other state Medicaid programs, or cost coverage based on provider costs of services. As part of this project, we have issued a series of separate reports by service category. This report provides the results for HHAs. This report is accompanied by an Excel workbook titled HHA Rate Study Cost Summaries.xlsx containing rate comparisons for the service categories analyzed.

HHAs participating in the Medicare program are required to submit cost reports annually to the Centers for Medicare & Medicaid Services (CMS). CMS makes the cost reports available for public use on their Healthcare Cost Report Information System (HCRIS) database. These public use files were used to perform the following general cost analyses:



HHA EXECUTIVE SUMMARY AND BACKGROUND

- *Summarize the cost per visit for the following services:*
 - *Skilled nursing care (registered nurses [RNs] and licensed practical nurses [LPNs]).*
 - *Physical therapy.*
 - *Occupational therapy.*
 - *Speech pathology.*
 - *HHA.*
- *Array the cost per unit for each service from low to high and calculate various statewide averages and percentiles to use as a reasonable basis for a statewide average cost of each service.*
- *Compare the statewide average cost measurements to Utah Medicaid rates to calculate cost coverage for each service.*

Data Sources

Utah Medicaid Rate Data

The Utah Medicaid fee schedule rates in effect at July 1, 2020 and July 1, 2021 were obtained for each procedure code. These rate effective dates were selected to match the cost reporting years used to calculate cost. Utah fee schedules are posted at the following website:

<https://health.utah.gov/stplan/lookup/CoverageLookup.php>.

The fee schedule procedure codes pay using various unit bases such as 15-minute, per hour, per visit, and per diem. The Medicare cost report form 1728-20 collects total costs and total visits. The cost report instructions define a visit as “A visit initiated with the delivery of covered home health services and ends at the conclusion of delivery of covered home health services.” Therefore, matching the unit on the fee schedule does not necessarily precisely match the unit on the cost report. In some cases, we converted the 15-minute fee schedule unit to an hourly fee to more logically match the fee to the cost.

Cost Data

Myers and Stauffer has developed a Medicare cost report database tool allowing us to extract nearly any cost reporting field from the CMS HCRIS public use files and organize the data into convenient tables. We used this tool to collect Medicare cost reports submitted to CMS for provider fiscal years ending in calendar years 2020 and 2021. Most cost reports ending in calendar year 2022 were due to CMS by May 31, 2023, and CMS typically posts cost reports to their HCRIS website approximately one quarter later. Therefore, at the time of compiling this data, there were only six 2022 cost reports available for use in our analysis, so that year was excluded from our report.

We collected total costs, total visits, and cost per visit for each service. The cost per visit was used for the cost array and to determine statewide averages to use for this report.

In *Table 2* that follows, the cost report counts by year are summarized. They are organized by county designation to match county designations identified in 4.19-B, Section J of the State Plan. Not all providers provide all the services, so this represents total cost reports included in the data.

Additionally, the Utah state plan provides rate multipliers for HHA services provided in rural and hard to reach areas. *Table 2* that follows provides the rate multipliers for these counties and zones.

Table 2. Provider Counts and Rate Multipliers by County

Provider Counts and Rate Multipliers by County			
County Designation	2020	2021	Rate Multiplier*
Urban	27	25	
Rural	51	52	1.75
Grand County [^]	0	0	2.95
San Juan County [^]	0	0	4.08
Zone 1: Aneth & Hatch Trading Posts, Mexican Hat & Montezuma Creek Residents or Eligibles [^]	0	0	7.12
Zone 2: Monument Valley Residents or Eligibles [^]	0	0	15.02
Total	78	77	

*4.19-B states plan rate multipliers.

[^]No cost reports submitted for providers in these counties. Section 4.19-B, Section J of the state plan allows the multiplier for services provided to members living in this county or zone.

Data Outliers

The cost data was taken straight from the unaudited, as-filed Medicare cost reports. The accompanying Excel spreadsheet includes all of the detail behind the data arrays. The detail data is sorted from low to high per visit cost and identifies the following statewide summaries of cost per visit for each service array:

- *Minimum.*
- *Maximum.*
- *Median.*
- *Average.*
- *Weighted average (weighted by units).*
- *Seventy-fifth percentile.*

We found wide variations in the data between the low and high end of the cost arrays, which can be seen in the minimum and maximum rate fields on the accompanying Excel file. We removed outliers from the high end of the array by using the following statistical formula:

$$((\text{Standard deviation} * 2) + \text{Mean})$$

Any value above this amount was excluded from the statewide calculations used for cost coverage.

We also removed outliers from the low end of the arrays by looking for trends in the array and looking for amounts containing large changes to the next amount in the array. We found a common thread that any value that had a change of \$7 or more to the next value made a reasonable limit and those were removed from the low end of each array.



Reimbursement Rate Comparisons

An overview of the rate comparison results is summarized in this section. These rate comparisons serve as points of reference only, providing the opportunity to identify those service categories where Utah Medicaid rates appear high or low when compared to provider costs.

The comparison of Utah rates to cost reports is not intended to suggest a desired fee schedule amount or change in reimbursement rates. The comparisons are offered to identify cost coverage and other comparisons.

Comparisons Based on Cost Coverage

In this section, we provide comparisons of services that have cost reporting data available in order to compare statewide average cost to Utah Medicaid rates. As noted above, our supporting Excel file provides several statewide average highlights (minimum, maximum, median, average, weighted average, and per visit costs at the 75th percentile). For this summary, we offer comparisons of the Utah fee schedule to the statewide median and 75th percentile for each service. The 75th percentile was selected based on experience with states who retrospectively cost settle provider costs. It is not uncommon for states to set a ceiling based on the lower of costs or the ceiling. The ceiling is frequently set at 75 percent to approximate 25 percent of providers having costs over the ceiling.

Skilled Nursing Care – RN and LPN

Skilled nursing care was the most commonly provided HHA service identified on the cost reports. There are two types of HHA providers that file cost reports: free-standing HHAs and hospital-based HHAs. The cost reporting forms for each provider type collect slightly different information. Free-standing HHAs separate the skilled nursing care between RNs and LPNs. Hospital-based provider cost reports do not provide a separation between RNs and LPNs. Our supporting Excel file provides data separated between RNs and LPNs but for the purposes of this report we combined the services.

The Utah Medicaid fee schedule provides three procedure codes below for 15-minute, per hour (visit), and per diem visits. Section 8-3 of the Utah Medicaid provider manual defines service units as “usually provided for a few hours a day...” and does not provide a definition of what each service entails. Therefore, we have combined all three services in the cost coverage tables on the following page. *Table 3 and Table 4* that follow provide cost coverage at both the median and 75th percentile cost targets.



Table 3. Skilled Nursing Care – RN and LPN 2020 Cost Coverage

Skilled Nursing Care – RN and LPN		2020 Cost Coverage		
Procedure Code	Procedure Name	UT Fee Schedule (7/1/20)	\$144.64	\$200.99
			Median Cost	75th Percentile Cost
G0299	HHS/HOSPICE OF RN EA 15 MIN*	\$143.08	99%	71%
S9123	NURSING CARE, IN HOME; BY RN, PER HOUR (VISIT)	\$112.83	78%	56%
T1030	NURSING CARE, IN HOME, BY REGISTERED NURSE, PER DIEM	\$117.60	81%	59%

*Utah fee schedule was converted from 15-min to hour.

Table 4. Skilled Nursing Care – RN and LPN 2021 Cost Coverage

Skilled Nursing Care – RN and LPN		2021 Cost Coverage		
Procedure Code	Procedure Name	UT Fee Schedule (7/1/21)	\$137.27	\$201.57
			Median Cost	75th Percentile Cost
G0299	HHS/HOSPICE OF RN EA 15 MIN*	\$143.08	104%	71%
S9123	NURSING CARE, IN HOME; BY RN, PER HOUR (VISIT)	\$112.83	82%	56%
T1030	NURSING CARE, IN HOME, BY REGISTERED NURSE, PER DIEM	\$117.60	86%	58%

*Utah fee schedule was converted from 15-min to hour.

Physical Therapy

As with skilled nursing care, free-standing HHAs and hospital-based HHAs report physical therapy costs differently. Free-standing HHAs separate physical therapy reporting between physical therapy and physical therapy assistant. Hospital-based provider cost reports do not provide a separation between these two services. Our supporting Excel file provides data separated between both categories, but for the purposes of our statewide averages, we combined the services. *Table 5* and *Table 6* that follow provide cost coverage at both the median and 75th percentile cost targets.

Table 5. Physical Therapy and Physical Therapy Assistant 2020 Cost Coverage

Physical Therapy and Physical Therapy Assistant		2020 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/20)	\$146.11	\$171.75
			Median Cost	75th Percentile Cost
S9131	PHYSICAL THERAPY; IN THE HOME, PER DIEM	\$103.83	71%	60%



Table 6. Physical Therapy and Physical Therapy Assistant 2021 Cost Coverage

Physical Therapy and Physical Therapy Assistant		2021 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/20)	\$146.70	\$172.18
			Median Cost	75th Percentile Cost
S9131	PHYSICAL THERAPY; IN THE HOME, PER DIEM	\$103.83	71%	60%

Occupational Therapy

As with skilled nursing care and physical therapy, free-standing HHAs and hospital-based HHAs report occupational therapy costs differently. Free-standing HHAs separate occupational therapy reporting between occupational therapy and certified occupational therapy services. Hospital-based provider cost reports do not provide a separation between these two services. Our supporting Excel file provides data separated between both categories, but for the purposes of our statewide averages, we combined the services. *Table 7* and *Table 8* that follow provide cost coverage at both the median and 75th percentile cost targets.

Table 7. Occupational and Certified Occupational Therapy 2020 Cost Coverage

Occupational Therapy and Certified Occupational Therapy		2020 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/20)	\$143.64	\$175.27
			Median Cost	75th Percentile Cost
S9129	OCCUPATIONAL THERAPY, IN THE HOME, PER DIEM	\$100.12	70%	57%

Table 8. Occupational and Certified Occupational Therapy 2021 Cost Coverage

Occupational Therapy and Certified Occupational Therapy		2021 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/21)	\$140.74	\$175.18
			Median Cost	75th Percentile Cost
S9129	OCCUPATIONAL THERAPY, IN THE HOME, PER DIEM	\$100.12	71%	57%

Speech Pathology

The cost report format for speech pathology is no different between free-standing and hospital-based HHAs. *Table 9* and *Table 10* that follow provide cost coverage at both the median and 75th percentile cost targets.



Table 9. Speech Pathology 2020 Cost Coverage

Speech Pathology		2020 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/20)	\$133.60	\$170.57
			Median Cost	75th Percentile Cost
S9128	SPEECH THERAPY, IN THE HOME, PER DIEM	\$98.64	74%	58%

Table 10. Speech Pathology 2021 Cost Coverage

Speech Pathology		2021 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/21)	\$130.79	\$183.98
			Median Cost	75th Percentile Cost
S9128	SPEECH THERAPY, IN THE HOME, PER DIEM	\$98.64	75%	54%

Home Health (HH) Aide

The cost reporting for HH aide is no different between free-standing and hospital-based HHAs. The fee schedule provides two procedure codes for this service for hourly and per visit units. Based on review of the Utah Medicaid Provider Manual, the per visit amount for procedure code T1021 most closely matches the visits in the cost report. Therefore, we do not provide a cost coverage percentage for the hourly service S9122 in the fee schedule. *Table 11 and Table 12* that follow provide cost coverage at both the median and 75th percentile cost targets.

Table 11. HH Aide 2020 Cost Coverage

HH Aide		2020 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/20)	\$52.98	\$72.76
			Median Cost	75th Percentile Cost
S9122	HH AIDE/CERT NURSE ASSIST, HOME; PER HOUR	\$28.00	*	*
T1021	HOME HEALTH AIDE OR CERTIF NURSE ASSIST, PER VISIT	\$49.43	93%	68%



Table 12. HH Aide 2021 Cost Coverage

HH Aide		2021 Cost Coverage		
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/21)	\$55.23	\$70.58
			Median Cost	75th Percentile Cost
S9122	HH AIDE/CERT NURSE ASSIST,HOME; PER HOUR	\$28.00	*	*
T1021	HOME HEALTH AIDE OR CERTIF NURSE ASSIST, PER VISIT	\$49.43	89%	70%

*Section 8-9.1 of the Utah Medicaid Provider Manual defines a "visit" for T1021 services for up to 2 hours per day. The Medicare cost report uses units also; therefore, we provided cost coverage for T1021 in this table. Because S9122 lists the unit as "per hour" we did not compare cost coverage for this hourly service to the fee schedule.

Other Procedure Codes

The DHHS also requested we include a comparison of the procedure codes to the cost report, and we included this in *Table 13* that follows. These services did not appear to have a clean connection to the services costed out on the Medicare cost report, so we included them in this separate section. Because we were unsure of the level of staffing that each service would use, we have provided cost coverage under all staffing levels provided for in the Medicare cost report (RN, LPN, combined RN/LPN, and HHA). The cost coverage results in most cases may not be reliable as we are unsure if these services are a good match with the cost report data. We also tried to compare these procedure codes to other states, but we found that CMS does not mandate the use of consistent procedure codes for HHA services. We also found challenges in what the service definitions were from state-to-state comparisons. Therefore, we opted not to include that research in our report. We encountered the following difficulties with these procedure codes:

- *The unit measure for the payments is sometimes listed as 15-minute, visit, hour, or per diem but the fee schedule amount for that unit in some cases does not seem logical.*
- *While the procedure codes are identified on the state's fee schedule listing under the HHA provider allowable code (PAC) category, they appear to be more typically associated with home and community-based services (HCBS) waiver programs. DHHS may prefer to compare these fee schedule items to the results of the HCBS cost survey report included in this series of reports.*
- *In attempting to compare the services to other states, we found inconsistent service definitions between the states which made comparisons difficult.*

Table 13 and *Table 14* that follow provide cost coverage at the median cost target.



REIMBURSEMENT RATE COMPARISONS

Table 13. Other Procedure Codes 2020 Cost Coverage at Various Levels of Staffing

Other Procedure Codes		2020 Cost Coverage at the Various Levels of Staffing				
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/20)	\$146.14	\$91.61	\$144.64	\$52.98
			RN Median Cost	LPN Median Cost	RN/LPN Combined Median	HH Aide Median Cost
H0034	MEDICATION TRAINING AND SUPPORT,PER 15 MINUTES*^	\$82.24	56%	90%	57%	155%
H0038	SELF-HELP/PEER SERVICES,PER 15 MINUTES*^	\$54.56	37%	60%	38%	103%
S5125	ATTENDANT CARE SERVICES; PER 15 MINUTES*^	\$21.28	15%	23%	15%	40%
S5130	HOMEMAKER SERVICE, NOS; PER 15 MIN (AW HOUR)^	(a)	(a)	(a)	(a)	(a)
S5135	COMPANION CARE, ADULT; PER 15 MINUTES*^	\$29.08	20%	32%	20%	55%
S5150	UNSKILLED RESPITE,NOT HOSPICE;PER 15 MIN(AW HOUR)^	\$0.00	0%	0%	0%	0%
T1000	PRVT DTY/INDEP NURSING SRVC,LICNSD, UP TO 15 MIN*^	\$59.64	41%	65%	41%	113%
T1001	NURSING ASSESSMENT/EVALUATION^	\$100.66	69%	110%	70%	190%
T1002	RN SERVICES, UP TO 15 MINUTES (HH VISIT)	\$90.90	62%	99%	63%	172%
T1003	LPN/LVN SERVICES, UP TO 15 MINUTES (HH VISIT)	\$86.37	59%	94%	60%	163%
T1005	RESPITE CARE SERVICES, UP TO 15 MINUTES (HOUR)	\$0.00	(b)	(b)	(b)	(b)
T1019	PERSONAL CARE SERVICES, PER 15 MIN, OUTPAT,(HOUR)^	\$22.56	15%	25%	16%	43%
T2017	HABILITATION, RESIDENTIAL, WAIVER; PER HOUR^	\$7.02	5%	8%	5%	13%

*Utah fee schedule was converted from 15-min to hour.

^These procedure codes are being evaluated under our separate HCBS report.

(a) The Utah fee schedule, PAC (35 for HHA) does not have a rate on file.

(b) The Utah fee schedule shows a rate of \$0. We have included them in this table should Utah decide to add a rate.



REIMBURSEMENT RATE COMPARISONS

Table 14. Other Procedure Codes 2021 Cost Coverage at the Various Levels of Staffing

Other Procedure Codes		2021 Cost Coverage at the Various Levels of Staffing				
Procedure Code	Procedure Name	Utah Fee Schedule (7/1/21)	\$144.15	\$96.56	\$137.27	\$55.23
			RN Median Cost	LPN Median Cost	RN/LPN Combined Median	HH Aide Median Cost
H0034	MEDICATION TRAINING AND SUPPORT,PER 15 MINUTES**^	\$82.24	57%	85%	60%	149%
H0038	SELF-HELP/PEER SERVICES,PER 15 MINUTES**^	\$59.56	41%	62%	43%	108%
S5125	ATTENDANT CARE SERVICES; PER 15 MINUTES**^	\$21.28	15%	22%	16%	39%
S5130	HOMEMAKER SERVICE, NOS; PER 15 MIN (AW HOUR)^	(a)	(a)	(a)	(a)	(a)
S5135	COMPANION CARE, ADULT; PER 15 MINUTES**^	\$29.08	20%	30%	21%	53%
S5150	UNSKILLED RESPITE,NOT HOSPICE;PER 15 MIN(AW HOUR)^	\$0.00	0%	0%	0%	0%
T1000	PRVT DTY/INDEP NURSING SRVC,LICNSD, UP TO 15 MIN**^	\$59.64	41%	62%	43%	108%
T1001	NURSING ASSESSMENT/EVALUATION	\$100.66	70%	104%	73%	182%
T1002	RN SERVICES, UP TO 15 MINUTES (HH VISIT)	\$90.90	63%	94%	66%	165%
T1003	LPN/LVN SERVICES, UP TO 15 MINUTES (HH VISIT)	\$86.37	60%	89%	63%	156%
T1005	RESPITE CARE SERVICES, UP TO 15 MINUTES (HOUR)	\$0.00	(b)	(b)	(b)	(b)
T1019	PERSONAL CARE SERVICES, PER 15 MIN, OUTPAT,(HOUR)^	\$22.56	16%	23%	16%	41%
T2017	HABILITATION, RESIDENTIAL, WAIVER; PER HOUR^	\$7.02	5%	7%	5%	13%

*Utah fee schedule was converted from 15-min to hour.

^These procedure codes are being evaluated under our separate HCBS report.

(a) The Utah fee schedule, PAC (35 for HHA) does not have a rate on file.

(b) The Utah fee schedule shows a rate of \$0. We have included them in this table should Utah decide to add a rate.