

Provider Rate Increase Frequently Asked Questions

Background Information:

Governor Haslam's final FY2017-2018 budget, which was approved by the Tennessee General Assembly in May, included \$23 million in recurring state and federal funds to be applied for provider rate increases for DIDD providers. The intent was to increase pay for direct support professionals (DSP). These funds are in addition to the \$6.7 million in recurring state and federal funds that continue the one percent provider rate increase for DSP pay funded on a non-recurring basis last fiscal year.

This represents a significant commitment by the governor and the General Assembly to recognize the important role DSP's play in supporting Tennesseans with disabilities, and addressing shortages and turnover in this role. In addition, DIDD continues to participate in a task force on provider rates, convened by the Department of Finance and Administration. This task force includes DIDD, Department of Mental Health and Substance Abuses Services, Department of Children's Services, TennCare and the provider community.

What are the new rates?

DIDD has published [the latest rate table at this link on the DIDD website](#). The table indicates available services for FY2018 as well as the rate associated with each service.

This rate increase impacts primarily community-based day and most residential services, and increases the DSP pay rate to an average of \$9.15/hr. This reflects a 42-cent increase per hour. In addition, the Personal Assistance (PA) rate is increasing by 12 cents a quarter hour (a total of 48 cents per hour), bringing the total quarter-hour compensation rate to \$3.91.

Please note, the rate increase does not apply to Facility-Based Day Services or Residential Rates for Large Group Homes.

Why is the rate increase targeted?

Before determining how to apply the rate increase, DIDD sought the advice and recommendations of several stakeholder groups, including providers. Overwhelmingly, the feedback indicated a preference for a targeted rate increase.

Tennessee has submitted the first approved State Transition Plan to comply with the Home and Community Based Services Settings Rule. Tennessee's transition plan currently anticipates all settings will comply with the rule by 2019. With a large number of people in DIDD services currently transitioning into community-based day options and smaller supported living arrangements, the decision was made to exclude Facility-Based Day and Large Group Homes from the increase. In addition, DIDD has budgeted for the downsizing of group homes where 5 or more people live.

Provider Rate Increase Frequently Asked Questions

I gave my employees a pay raise last year at a deficit to my agency, can I use this raise to make my agency whole?

It is up to individual providers to determine how much to pay their employees and when to provide pay raises. However, it is important to note that the rate methodology assumes an average hourly DSP rate of \$9.15/hr.

How will DIDD know how the provider increase is used?

The Quality Assurance survey process will include a sample of how providers have utilized the rate increase.

If providers have a question about the provider rate increase, who do they contact?

Below are the regional contacts for any additional questions.

East:

Kelly Lane

Kelly.Lane@tn.gov

865-594-9303

Middle:

John Knox

John.Knox@tn.gov

615-231-5093

West:

Denise Kirk

Denise.Kirk@tn.gov

901-745-7701