

Appendix J: Cost Neutrality Demonstration

Appendix J-1: Composite Overview and Demonstration of Cost-Neutrality Formula

Composite Overview. Complete the following table for each year of the waiver. If there is more than one level of care specified in the waiver, complete a separate additional table for each, and include a table that reflects the weighted average of the combined levels of care offered in the program.

Level Of Care (1) (specify):			ICF-MR				
Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Year	Factor D	Factor D'	Total: D+D'	Factor G	Factor G'	Total: G+G'	Difference: (Column 7 less Column 4)
1	\$14,572	\$4,877	\$19,449	\$173,539	\$5,323	\$178,862	\$159,413
2	\$15,106	\$4,975	\$20,081	\$177,009	\$5,429	\$182,438	\$162,357
3	\$15,379	\$5,074	\$20,453	\$180,550	\$5,538	\$186,088	\$165,635
4	\$15,687	\$5,176	\$20,863	\$184,161	\$5,648	\$189,809	\$168,946
5	\$16,015	\$5,279	\$21,294	\$187,844	\$5,761	\$193,605	\$172,311

Level Of Care (2) (specify):			n/a				
Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Year	Factor D	Factor D'	Total: D+D'	Factor G	Factor G'	Total: G+G'	Difference: (Column 7 less Column 4)
1							
2							
3							
4							
5							

Weighted Average			n/a				
Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Year	Factor D	Factor D'	Total: D+D'	Factor G	Factor G'	Total: G+G'	Difference: (Column 7 less Column 4)
1							
2							
3							
4							
5							

Appendix J-2: Derivation of Estimates

- a. **Number of Unduplicated Persons Served.** Enter the total number of unduplicated participants from Item B-3-a who will be served each year that the waiver is in operation. When the waiver serves individuals under more than one level of care, specify the number of unduplicated participants for each level of care:

Table: J-2-a			
Waiver Year	Total Unduplicated Number of Participants (From Item B-3-a)	Distribution of Unduplicated Participants by Level of Care (if applicable)	
		Level of Care	Level of Care
		ICF- MR	
Year 1	1,055		
Year 2	1,055		
Year 3	1,055		
Year 4 (renewal only)	1,055		
Year 5 (renewal only)	1,055		

- b. **Average Length of Stay.** Describe the basis of the estimate of the average length of stay on the waiver by participants in item J-2-d.

Average length of stay on the waiver is based on calendar year 2015.

- c. **Derivation of Estimates for Each Factor.** Provide a narrative description for the derivation of estimates of the following factors.

- i. **Factor D Derivation.** The estimates of Factor D for each waiver year are included in Item J-2-d. The basis for these estimates is as follows

The distribution of users between each service type is based on service usage patterns during calendar year 2015 (for services designated as old) and State Fiscal Year 2015 (for services designated as same and new). For services that are new to this waiver, the distribution of users by service type is estimated based on the estimated proportions of users in current services that will elect new services (i.e. new services are "crosswalked" from current services). For example, it is assumed that 40% of participants currently utilizing the Adult Day Habilitation will elect Habilitative Community Inclusion and the remaining 60% would elect Habilitative Workshop. Consumption levels are assumed constant (i.e. the participants would consume, on average, the same number of hours of comparable services in a given week). This estimate is based on feedback received from stakeholders (e.g. Participants, Providers) on the services likely to be selected. The total number of slots is assumed to be constant and is set at 1,055 per year based on historical data from state fiscal year 2014 through state fiscal year 2016 and taking into consideration the reserved capacities for the waiver.

Estimates for number of units are based on utilization in calendar year 2015. For services that are new to this waiver, the utilization is estimated based on the estimated proportions of users in current services that will elect the new services (i.e. new services are "crosswalked" from current services).

Cost per unit estimates of services new to this waiver are based on the rate setting methodology described in appendix I. For legacy services, the cost per unit is based on calendar year 2015 actuals. A 2% increase is assumed for each year.

This waiver does not cover the cost of prescribed drugs and therefore Factor D' does not include any costs for prescription drugs. Prescription drugs are covered as a State Plan service.

- ii. **Factor D' Derivation.** The estimates of Factor D' for each waiver year are included in Item J-1. The basis for these estimates is as follows

Factor D' is based on actual acute care expenditures for individuals on the waiver in calendar year 2015. The average cost for acute care for this year was \$4,973. Price increases of 2.0% were included for each year.

This waiver does not cover the cost of prescribed drugs and therefore Factor D'' does not include any costs for prescription drugs. Prescription drugs are covered as a State Plan service.

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- iii. **Factor G Derivation.** The estimates of Factor G for each waiver year are included in Item J-1. The basis for these estimates is as follows:

The average cost of institutional care per ICF-DD recipient was based on actual expenditures in calendar year 2015. The average cost for this year was \$166,800. Price increases of 2% were included for each year.

- iv. **Factor G' Derivation.** The estimates of Factor G' for each waiver year are included in Item J-1. The basis for these estimates is as follows:

Factor G' is based on actual acute care expenditures for individuals in an ICF-DD in calendar year 2015. The average cost for acute care for this waiver year was \$5,116. Price increases of 2% were included for each year.

State:	Nebraska - Adult DD Day
Effective Date	1/1/2016

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d. **Estimate of Factor D.** Complete the following table for each waiver year

<input checked="" type="radio"/>	The waiver does not operate concurrently with a §1915(b) waiver. Complete Item J-2-d-i
<input type="radio"/>	The waiver operates concurrently with a §1915(b) waiver. Complete Item J-2-d-ii

i. **Estimate of Factor D.** Complete the following table for each waiver year

Waiver Year: Year 1					
Waiver Service	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Unit	# Users	Avg. Units Per User	Avg. Cost/Unit	Total Cost
1. Adult Companion Service (new)	Hourly	193	192	12.33	\$456,900
2. Adult Day Services (new)	Hourly	0	0	-	
3. Consultative Assessment Service (new)	Hourly	88	18	109.60	\$173,606
4. Crisis Intervention Support (new)	Hourly	8	250	63.91	\$127,820
5. Habilitative Community Inclusion (new)	Hourly	373	671	14.10	\$3,528,990
6. Habilitative Workshop (new)	Hourly	346	848	14.87	\$4,362,977
7. Prevocational Services (new)	Hourly	176	179	32.44	\$1,021,990
8. Respite (same)	Quarter Hour	160	272	3.25	\$141,440
9. Respite (same)	Hourly	127	28	13.23	\$47,046
10. Respite (same)	Daily	160	4	132.17	\$84,589
11. Supported Employment - Individual (new)	Hourly	10	111	41.31	\$45,854
12. Supported Employment - Enclave (new)	Hourly	61	850	12.70	\$658,495
13. Supported Employment - Follow Along (new)	Quarter Hour	10	443	10.31	\$45,673
14. Transportation (new)	Mile	1,055	1,875	0.53	\$1,048,406
15. Transitional Services (new)	Occurrence	2	1	15,000.00	\$30,000
16. Environmental Modification Assessment (new)	Occurrence	2	1	1,000.00	\$2,000
17. Home Modification (same)	Occurrence	5	1	10,000.00	\$50,000
18. Vehicle Modification (new)	Occurrence	3	1	10,000.00	\$30,000
19. Personal Emergency Response System (new)	Month	2	12	40.00	\$960
20. Assistive Technology (new)	Occurrence	5	1	2,500.00	\$12,500
21. Day Habilitation (old)	Daily	559	41	106.04	\$2,430,331
22. Day Habilitation (old)	Hourly	203	11	17.59	\$39,278
23. Behavioral Risk Services (old)	Daily	0	0	-	
24. Behavioral Risk Services (old)	Hourly	0	0	-	
25. Workstation habilitation services (old)	Daily	59	40	77.59	\$183,112
26. Workstation habilitation services (old)	Hourly	17	46	9.86	\$7,711
27. Vocational Planning habilitation service (old)	Hourly	176	56	39.39	\$388,228
28. Vocational Planning habilitation service (old)	Daily	2	10	39.19	\$784
29. Community Living and Day Supports (CLDS) (old)	Hourly	209	151	12.08	\$381,233
30. Community Living and Day Supports (CLDS) (old)	Daily	4	10	13.09	\$524
31. Medical Risk Services (old)	Daily	0	0	-	
32. Integrated Community Employment (old)	Hourly	20	34	40.27	\$27,384
33. Team Behavioral Consultation Services (old)	Occurrence	2	1	23,025.59	\$46,051
34. Retirement Services (old)	Hourly	0	0	-	
GRAND TOTAL:					\$15,373,882
TOTAL ESTIMATED UNDUPLICATED PARTICIPANTS (from Table J-2-a)					1,055
FACTOR D (Divide total by number of participants)					\$14,572
AVERAGE LENGTH OF STAY ON THE WAIVER					310

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Waiver Year: Year 2					
Waiver Service	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Unit	# Users	Avg. Units Per User	Avg. Cost/Unit	Total Cost
1. Adult Companion Service (new)	Hourly	193	257	\$12.58	\$623,981
2. Adult Day Services (new)	Hourly	173	565	\$13.06	\$1,276,550
3. Consultative Assessment Service (new)	Hourly	88	24	\$111.79	\$236,100
4. Crisis Intervention Support (new)	Hourly	8	250	\$65.19	\$130,380
5. Habilitative Community Inclusion (new)	Hourly	511	806	\$14.39	\$5,926,752
6. Habilitative Workshop (new)	Hourly	346	565	\$15.16	\$2,963,628
7. Prevocational Services (new)	Hourly	176	239	\$33.09	\$1,391,898
8. Respite (same)	Quarter Hour	160	362	\$3.31	\$191,715
9. Respite (same)	Hourly	0	0	\$0.00	
10. Respite (same)	Daily	160	4	\$134.82	\$86,285
11. Supported Employment - Individual (new)	Hourly	19	335	\$42.14	\$268,221
12. Supported Employment - Enclave (new)	Hourly	78	1,011	\$12.95	\$1,021,211
13. Supported Employment - Follow Along (new)	Quarter Hour	19	1,340	\$10.51	\$267,585
14. Transportation (new)	Mile	1,055	2,500	\$0.54	\$1,424,250
15. Transitional Services (new)	Occurrence	2	1	\$15,300.00	\$30,600
16. Environmental Modification Assessment (new)	Occurrence	2	1	\$1,020.00	\$2,040
17. Home Modification (same)	Occurrence	5	1	\$10,200.00	\$51,000
18. Vehicle Modification (new)	Occurrence	3	1	\$10,200.00	\$30,600
19. Personal Emergency Response System (new)	Month	2	12	\$40.80	\$979
20. Assistive Technology (new)	Occurrence	5	1	\$2,550.00	\$12,750
21. Day Habilitation (old)	Daily	0	0	\$0.00	
22. Day Habilitation (old)	Hourly	0	0	\$0.00	
23. Behavioral Risk Services (old)	Daily	0	0	\$0.00	
24. Behavioral Risk Services (old)	Hourly	0	0	\$0.00	
25. Workstation habilitation services (old)	Daily	0	0	\$0.00	
26. Workstation habilitation services (old)	Hourly	0	0	\$0.00	
27. Vocational Planning habilitation service (old)	Hourly	0	0	\$0.00	
28. Vocational Planning habilitation service (old)	Daily	0	0	\$0.00	
29. Community Living and Day Supports (CLDS) (old)	Hourly	0	0	\$0.00	
30. Community Living and Day Supports (CLDS) (old)	Daily	0	0	\$0.00	
31. Medical Risk Services (old)	Daily	0	0	\$0.00	
32. Integrated Community Employment (old)	Hourly	0	0	\$0.00	
33. Team Behavioral Consultation Services (old)	Occurrence	0	0	\$0.00	
34. Retirement Services (old)	Hourly	0	0	\$0.00	
GRAND TOTAL:					\$15,936,525
TOTAL ESTIMATED UNDUPLICATED PARTICIPANTS (from Table J-2-a)					1,055
FACTOR D (Divide total by number of participants)					\$15,106
AVERAGE LENGTH OF STAY ON THE WAIVER					310

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Waiver Year: Year 3					
Waiver Service	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Unit	# Users	Avg. Units Per User	Avg. Cost/Unit	Total Cost
1. Adult Companion Service (new)	Hourly	193	257	\$12.83	\$636,381
2. Adult Day Services (new)	Hourly	173	1,130	\$13.32	\$2,603,927
3. Consultative Assessment Service (new)	Hourly	88	24	\$114.03	\$240,831
4. Crisis Intervention Support (new)	Hourly	8	250	\$66.49	\$132,980
5. Habilitative Community Inclusion (new)	Hourly	511	959	\$14.67	\$7,189,019
6. Habilitative Workshop (new)	Hourly	0	0	\$0.00	
7. Prevocational Services (new)	Hourly	176	239	\$33.75	\$1,419,660
8. Respite (same)	Quarter Hour	160	362	\$3.38	\$195,770
9. Respite (same)	Hourly	0	0	\$0.00	
10. Respite (same)	Daily	160	4	\$137.51	\$88,006
11. Supported Employment - Individual (new)	Hourly	19	592	\$42.98	\$483,439
12. Supported Employment - Enclave (new)	Hourly	78	1,137	\$13.21	\$1,171,542
13. Supported Employment - Follow Along (new)	Quarter Hour	19	2,369	\$10.72	\$482,518
14. Transportation (new)	Mile	1,055	2,500	\$0.55	\$1,450,625
15. Transitional Services (new)	Occurrence	2	1	\$15,606.00	\$31,212
16. Environmental Modification Assessment (new)	Occurrence	2	1	\$1,040.40	\$2,081
17. Home Modification (same)	Occurrence	5	1	\$10,404.00	\$52,020
18. Vehicle Modification (new)	Occurrence	3	1	\$10,404.00	\$31,212
19. Personal Emergency Response System (new)	Month	2	12	\$41.62	\$999
20. Assistive Technology (new)	Occurrence	5	1	\$2,601.00	\$13,005
21. Day Habilitation (old)	Daily	0	0	\$0.00	
22. Day Habilitation (old)	Hourly	0	0	\$0.00	
23. Behavioral Risk Services (old)	Daily	0	0	\$0.00	
24. Behavioral Risk Services (old)	Hourly	0	0	\$0.00	
25. Workstation habilitation services (old)	Daily	0	0	\$0.00	
26. Workstation habilitation services (old)	Hourly	0	0	\$0.00	
27. Vocational Planning habilitation service (old)	Hourly	0	0	\$0.00	
28. Vocational Planning habilitation service (old)	Daily	0	0	\$0.00	
29. Community Living and Day Supports (CLDS) (old)	Hourly	0	0	\$0.00	
30. Community Living and Day Supports (CLDS) (old)	Daily	0	0	\$0.00	
31. Medical Risk Services (old)	Daily	0	0	\$0.00	
32. Integrated Community Employment (old)	Hourly	0	0	\$0.00	
33. Team Behavioral Consultation Services (old)	Occurrence	0	0	\$0.00	
34. Retirement Services (old)	Hourly	0	0	\$0.00	
GRAND TOTAL:					\$16,225,227
TOTAL ESTIMATED UNDUPLICATED PARTICIPANTS (from Table J-2-a)					1,055
FACTOR D (Divide total by number of participants)					\$15,379
AVERAGE LENGTH OF STAY ON THE WAIVER					310

State:	Nebraska - Adult DD Day
Effective Date	1/1/2016

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Waiver Year: Year 4 (renewal only)					
Waiver Service	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Unit	# Users	Avg. Units Per User	Avg. Cost/Unit	Total Cost
1. Adult Companion Service (new)	Hourly	193	257	\$13.09	\$649,277
2. Adult Day Services (new)	Hourly	173	1,130	\$13.58	\$2,654,754
3. Consultative Assessment Service (new)	Hourly	88	24	\$116.31	\$245,647
4. Crisis Intervention Support (new)	Hourly	8	250	\$67.82	\$135,640
5. Habilitative Community Inclusion (new)	Hourly	511	959	\$14.97	\$7,336,034
6. Habilitative Workshop (new)	Hourly	0	0	\$0.00	
7. Prevocational Services (new)	Hourly	176	239	\$34.42	\$1,447,843
8. Respite (same)	Quarter Hour	160	362	\$3.45	\$199,824
9. Respite (same)	Hourly	0	0	\$0.00	
10. Respite (same)	Daily	160	4	\$140.26	\$89,766
11. Supported Employment - Individual (new)	Hourly	19	592	\$43.84	\$493,112
12. Supported Employment - Enclave (new)	Hourly	78	1,137	\$13.48	\$1,195,487
13. Supported Employment - Follow Along (new)	Quarter Hour	19	2,369	\$10.94	\$492,420
14. Transportation (new)	Mile	1,055	2,500	\$0.56	\$1,477,000
15. Transitional Services (new)	Occurrence	2	1	\$15,918.12	\$31,836
16. Environmental Modification Assessment (new)	Occurrence	2	1	\$1,061.21	\$2,122
17. Home Modification (same)	Occurrence	5	1	\$10,612.08	\$53,060
18. Vehicle Modification (new)	Occurrence	3	1	\$10,612.08	\$31,836
19. Personal Emergency Response System (new)	Month	2	12	\$42.45	\$1,019
20. Assistive Technology (new)	Occurrence	5	1	\$2,653.02	\$13,265
21. Day Habilitation (old)	Daily	0	0	\$0.00	
22. Day Habilitation (old)	Hourly	0	0	\$0.00	
23. Behavioral Risk Services (old)	Daily	0	0	\$0.00	
24. Behavioral Risk Services (old)	Hourly	0	0	\$0.00	
25. Workstation habilitation services (old)	Daily	0	0	\$0.00	
26. Workstation habilitation services (old)	Hourly	0	0	\$0.00	
27. Vocational Planning habilitation service (old)	Hourly	0	0	\$0.00	
28. Vocational Planning habilitation service (old)	Daily	0	0	\$0.00	
29. Community Living and Day Supports (CLDS) (old)	Hourly	0	0	\$0.00	
30. Community Living and Day Supports (CLDS) (old)	Daily	0	0	\$0.00	
31. Medical Risk Services (old)	Daily	0	0	\$0.00	
32. Integrated Community Employment (old)	Hourly	0	0	\$0.00	
33. Team Behavioral Consultation Services (old)	Occurrence	0	0	\$0.00	
34. Retirement Services (old)	Hourly	0	0	\$0.00	
GRAND TOTAL:					\$16,549,944
TOTAL ESTIMATED UNDUPLICATED PARTICIPANTS (from Table J-2-a)					1,055
FACTOR D (Divide total by number of participants)					\$15,687
AVERAGE LENGTH OF STAY ON THE WAIVER					310

State:	Nebraska - Adult DD Day
Effective Date	1/1/2016

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Waiver Year: Year 5 (renewal only)					
Waiver Service	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Unit	# Users	Avg. Units Per User	Avg. Cost/Unit	Total Cost
1. Adult Companion Service (new)	Hourly	193	257	\$13.35	\$662,173
2. Adult Day Services (new)	Hourly	173	1,130	\$13.86	\$2,709,491
3. Consultative Assessment Service (new)	Hourly	88	24	\$118.63	\$250,547
4. Crisis Intervention Support (new)	Hourly	8	250	\$69.18	\$138,360
5. Habilitative Community Inclusion (new)	Hourly	511	959	\$15.27	\$7,483,048
6. Habilitative Workshop (new)	Hourly	0	0	\$0.00	
7. Prevocational Services (new)	Hourly	176	239	\$35.11	\$1,476,867
8. Respite (same)	Quarter Hour	160	362	\$3.52	\$203,878
9. Respite (same)	Hourly	0	0	\$0.00	
10. Respite (same)	Daily	160	4	\$143.07	\$91,565
11. Supported Employment - Individual (new)	Hourly	19	592	\$44.72	\$503,011
12. Supported Employment - Enclave (new)	Hourly	78	1,137	\$13.75	\$1,219,433
13. Supported Employment - Follow Along (new)	Quarter Hour	19	2,369	\$11.16	\$502,323
14. Transportation (new)	Mile	1,055	2,500	\$0.57	\$1,503,375
15. Transitional Services (new)	Occurrence	3	1	\$16,236.48	\$48,709
16. Environmental Modification Assessment (new)	Occurrence	2	1	\$1,082.43	\$2,165
17. Home Modification (same)	Occurrence	5	1	\$10,824.32	\$54,122
18. Vehicle Modification (new)	Occurrence	3	1	\$10,824.32	\$32,473
19. Personal Emergency Response System (new)	Month	2	12	\$43.30	\$1,039
20. Assistive Technology (new)	Occurrence	5	1	\$2,706.08	\$13,530
21. Day Habilitation (old)	Daily	0	0	\$0.00	
22. Day Habilitation (old)	Hourly	0	0	\$0.00	
23. Behavioral Risk Services (old)	Daily	0	0	\$0.00	
24. Behavioral Risk Services (old)	Hourly	0	0	\$0.00	
25. Workstation habilitation services (old)	Daily	0	0	\$0.00	
26. Workstation habilitation services (old)	Hourly	0	0	\$0.00	
27. Vocational Planning habilitation service (old)	Hourly	0	0	\$0.00	
28. Vocational Planning habilitation service (old)	Daily	0	0	\$0.00	
29. Community Living and Day Supports (CLDS) (old)	Hourly	0	0	\$0.00	
30. Community Living and Day Supports (CLDS) (old)	Daily	0	0	\$0.00	
31. Medical Risk Services (old)	Daily	0	0	\$0.00	
32. Integrated Community Employment (old)	Hourly	0	0	\$0.00	
33. Team Behavioral Consultation Services (old)	Occurrence	0	0	\$0.00	
34. Retirement Services (old)	Hourly	0	0	\$0.00	
GRAND TOTAL:					\$16,896,109
TOTAL ESTIMATED UNDUPLICATED PARTICIPANTS (from Table J-2-a)					1,055
FACTOR D (Divide total by number of participants)					\$16,015
AVERAGE LENGTH OF STAY ON THE WAIVER					310