


DPW/PDA
Office of Long Term Living (OLTL)
PACAH FOG Meeting
OLTL Update
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OLTL Update

AGENDA:

- NF Rates
- Budget Adjustment Factor
- NF Assessments, 2011-12
- MDOI and P4P Payments
- NF Rate Setting Methodology Review
- Prudent Payment Plan
- Participation Review Final Regulations
- NF PSAE
- HAI
- Hosp. Bed Day Paym't Recovery



Baby Boomers

The leading edge of the baby boom cohort turned age 65 in January 2011. They are among the first of the nearly 78 million Americans from the baby boomer generation (those born between 1946 and 1964) to reach their golden years.

Distinguishable by the dramatic increase in birth rates and prosperity following World War II, the baby boomers are part of one of the largest and perhaps, most celebrated generations in U.S. history. Its sheer size has always been the hallmark of the baby boom generation.

Results from the 2010 Census indicated that Pennsylvania is home to more than **3.3 million** baby boomers, accounting for **26.6 percent** of the total population. The Commonwealth **ranks 8th** among states in the proportion of baby boomers to the total population.

Information from The Pennsylvania State Data Center (PaSDC) is the commonwealth's official source for population and economic statistics

NF Rates

2011-12 Rates

- No Regs in play this year for NF Rates (except for PG 13 Facilities)
- Last year of phase-out of County Home costs in Non-publics' PG Price calculations (25% / 75%)
- Second year of the phase-in to RUG v 5.12 and use of the latest classifiable assessments

The **estimated** timing for publication of 11-12 **final** rates notice for most facilities and 11-12 **proposed** rates notice for the four PG13 facilities is [Early March 2012](#)

NF Rates

- ▼ 2011-12 “Proposed Rates” for the County Homes and the Non-Public Homes are on the DPW website
<http://www.portal.state.pa.us/portal/server.pt?open=514&objID=748330&mode=2>
- ▼ 11-12 Retro Claims Adjustments ...
- ▼ Proposed 12-13 Rates Notice ... published after Gov’s budget presentation and after calculation of the 12-13 BAF



Budget Adjustment Factor (BAF), For Non-public Facilities

- ▼ BAF Formula (non-publics):
 - ▼ Calculate a “Target Rate” (statewide day weighted avg payment rate for the year based on budget)
 - ▼ Calculate quarterly day weighted avg rate at 100%
 - ▼ Divide Target Rate by quarterly day-weighted avg rate at 100%
- ▼ BAF adjusted quarterly FY 2011-12
 - ▼ 2011-12 Target Rate --- \$190.85
 - ▼ July '11 BAF --- .88598
 - ▼ Oct '11 BAF --- .86825
 - ▼ Jan '12 BAF --- .86829
 - ▼ April '12 BAF --- .86483



BAF County Homes

■ BAF Formula (County Homes):

“For the rate year beginning July 1, 2011, the per diem rate paid to a county nursing facility for an MA resident will be the facility’s prior year per diem rate as calculated under Chapter 1189, Subchapter D and § 1189.91(b) multiplied by 1.0.”

- 12-13 Proposed BAF % and “Target Rate” will be calculated shortly after the Governor’s Proposed Budget Presentation (Feb 7th)



NF Assessments

2011-12 NF Assessments

- 11-12 Assessment Rates: **\$6.59** and **\$28.04**
- “Important Dates” are posted to DPW website <http://www.portal.state.pa.us/portal/server.pt?open=514&objID=734405&mode=2>
- “Supplemental” and “MDOI” Payments Made On Dates Indicated on the “Important Dates” schedule... **Except for Delinquent NFs**



NF Assessments, cont'd

- NF Assessments expected to generate \$434 million in 2011-12 (more in 2012-13)
- \$434 million used to cover payments to nursing facilities. (County Homes and Non-public Facilities; Routine MA per diems, Supplemental Payments and MDOI Payments)
- NF Assessment Program **Must Be** Reauthorized in 2012. If not reauthorized the alternatives are not good.



MDOI Payments

MA Day One Incentive (MDOI)


- MDOI Funded from NF Assessments and CPE Funds
- MDOI Currently Authorized Thru June 30, 2012



MDOI Payments

MA Day One Incentive (MDOI)

- Annual calculation, but paid in four installments
- Days used to calculate payment are the same used for disproportionate share payment calculation
- Payment schedule mirrors "Supplemental" payments for non-County facilities
- MDOI for '11-'12 amounts to [\\$16.1473574 per MA Day](#) (Assessment funds and CPE funds, Total State and Federal)




MDOI Payments

MA Day One Incentive (MDOI)

- To qualify:
Must be County NF at time of payment
- Funds vary

•2006/07	\$26,000,180	\$7.79 per day
•2007/08	\$26,852,835	\$8.06
•2008/09	\$25,220,963	\$7.73
•2009/10	\$40,534,510	\$12.76
•2010/11	\$37,146,312	\$12.91
•2011/12	\$45,792,969	\$16.15



P4P Payments

Pay for Performance (P4P)

- P4P Currently Funded by IGT Funds (\$6.5mil/yr)
- P4P Authorized Thru June 30, 2012
- Paid When CMI Data is Available



P4P Payments

P4P Schedule for 2011-12

P4P Quarter	Newest Picture Date	Previous Picture Date	Payment Date
7/1/2011	8/1/2011	5/1/2011	11/2/2011
10/1/2011	11/1/2011	8/1/2011	2/1/2012
1/1/2012	2/1/2012	11/1/2011	Mid April 2012
4/1/2012	5/1/2012	2/1/2012	Mid July 2012



NF Rate Setting Methodology Review

 **Currently On Hold**



Prudent Payment Plan

Prudent Pay Schedule - SFY 2011-2012

See MA Bulletin 99-11-07

<http://services.dpw.state.pa.us/olddpw/bulletinsearch.aspx?BulletinId=4732>



PRUDENT PAYMENT CHART

	Hold Days	NF submit claims to HP	Processing begins sometime Friday	Remittance Advise date - always Mondays	Pay Date - always Wednesdays	
2011						
Oct	12	10/3/2011	10/14/2011	10/17/2011	10/26/2011	the 1st is a Saturday
Nov	13	11/1/2011	11/18/2011	11/21/2011	11/30/2011	
Dec	14	12/1/2011	12/16/2011	12/19/2011	12/28/2011	
2012						
Jan	14	1/3/2012	1/20/2012	1/23/2012	2/1/2012	no change due to 5010
Feb	15	2/1/2012	2/17/2012	2/20/2012	2/29/2012	
March	16	3/1/2012	3/23/2012	3/26/2012	4/4/2012	
April	17	4/2/2012	4/20/2012	4/23/2012	5/2/2012	the 1st is a Sunday
May	18	5/1/2012	5/25/2012	5/28/2012	6/6/2012	
June	18	6/1/2012	6/22/2012	6/25/2012	7/4/2012	

Participation Review Final Regs

- Proposed Rule Comment Period Ended Dec 6, 2010, (Rec'd Comments from 9 Commentators and IRRC)
- Act 22 of 2011 Provided an Extension of the Deadline for Final Regs to June 30, 2012
- Met 3 times with NF associations to review and revise the draft Final Rule
- Final Rule is currently with DPW Legal Office for Review
- Have to Present to IRRC and to Legislative Oversight Committees
- Final Regulations **Must be Published by June 30, 2012**

Nursing Facility PSAE Program

PSAE Final Bulletin Status:

- Final PSAE Bulletin/Notice is drafted and with Legal for review. (Could be published as soon as March)
- Still up in the air whether or not a SPA is required
- CMS' Final Regulations re "Provider Preventable Conditions" ...Published on June 6th, 2011
- OMAP to Publish a Notice and Probably an MA Bulletin that will be Applicable to NFs re certain Surgical Events



HAI Payments

- Act 52 of 2007, 40 P.S. §§ 1303.401-1303.411 (relating to health care-associated infections) (Act 52), requires nursing homes to electronically report health care-associated infection (HAI) data to the Department of Health (Department) and the Patient Safety Authority (Authority). Mandatory reporting of nursing home HAIs was implemented in June 2009.
- HAI payments are based upon the MA occupancy rates that are reflected in the cost report period in which the HAI Surcharge payments were made to DOH. The 10-11 HAI surcharge payments were made to DOH in March and April of 2011. Therefore, the 10-11 MA payments for 12/31 cost report filers will be made after the 12/31/2011 year end reports are accepted next year.

Calculation of the HAI payment:

HAI Surcharge, less penalties, as reported by the DOH _____
 MA occupancy rate as reported from the MA-11 year ended 12/31/2009
 HAI Pass-through Payment _____



Hospital Bed Day Payment Recovery

- On July 29, 2011, the Department sent letters regarding hospital reserved bed day payments for FY 2010-2011. The Department anticipated that processing of recoveries for any ineligible bed day payments for FY 2010-2011 would be completed and appear on the RA dated October 3, 2011. This did not occur due to a conflict with the processing of the retroactive rate adjustments for FY 2010-2011 scheduled to be processed next week. It is anticipated the recovery of any ineligible bed day payments for FY 2010-2011 will be postponed until early spring.



QUESTIONS?

