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PA Commonweath Revenues Exceed Estimates

On January 3 PA Governor Ed Rendell announced that at the mid-way point in the 2010-2011 fiscal year Pennsylvania had collected $191.2 million, or 1.7 percent, more revenue than anticipated. Revenue collections for December were $2.3 billion, which was $176.9 million, or 8.4 percent, more than anticipated. For the fiscal year-to-date, General Fund collections total $11.5 billion, which is $191.2 million, or 1.7 percent, above estimate. Governor Rendell said that collections for December 2010 are 15.5 percent better than December 2009. He said every major tax category came in above estimate for the month of December. He noted that corporate taxes are above estimate by 8.1 percent; sales tax is above estimate by 4.9 percent; and personal income tax is above estimate by 12.2 percent. FMI: For the PA Department of Revenue release see http://www.revenue.state.pa.us/portal/server.pt/community/revenue_home/10648. See www.revenue.state.pa.us.

PA Legislature Opens 195th Session

On January 4 swearing-in ceremonies were held in the PA General Assembly marking the beginning of 195th session of the Pennsylvania legislature. Two hundred of the 203 members of the House of Representatives took their oaths of office. In the Senate, twenty five (25) members who were elected in November - including three new Democrats - were sworn in. Pennsylvania Senate State Senator Joe Scarnati (R-25th District) was sworn in as President Pro Tempore of the Pennsylvania Senate. In the House of Representative Sam Smith (R-Jefferson County) was elected to serve as Speaker. The House and Senate will reconvene on January 18. FMI: For notes on the sessions see http://www.legis.state.pa.us/WU01/LI/HS/2011/0/20110104.htm and http://www.legis.state.pa.us/WU01/LI/SN/2011/0/20110104.pdf. See also www.pahousegop.com, www.pahouse.com, www.pasenategop.com and www.pasenate.com.

PA House Adopts New Rules

On January 4 the PA House of Representatives voted to approve a resolution (H.R. 1) adopting the rules which govern how the House will operate. The new House rules include comprehensive House ethical conduct guidelines regarding legislative activity versus impermissible campaign activities; expansion of the 60-day pre-election prohibition on mass communications to include mass e-mails; and a requirement that the Appropriations Committee consider fiscal aspects of any bill which has already received second consideration on the House floor. The House also approved the separation of the Health and Human Services Committee into two committees, the Health Committee and the Human Services Committee. The House Intergovernmental Affairs Committee has been abolished and its duties transferred to the State Government Committee. FMI: For a copy of HR 1, see http://www.legis.state.pa.us/cfdocs/billinfo/BillInfo.cfm?year=2011&sind=0&body=H&type=R&bn=1.
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PA Senate Committee Chairs Announced

On January 4, the Pennsylvania Senate announced the standing committee chairs for the 2011-2012 legislative session. The committee chairs for the 195th legislative session are: Aging & Youth – Senator Kim L. Ward; Agriculture & Rural Affairs – Senator Elder A. Vogel, Jr.; Appropriations – Senator Jake Corman; Banking & Insurance – Senator Don White; Communications & Technology – Senator Michael J. Folmer; Community, Economic & Recreational Development – Senator Jane M. Earll; Consumer Protection & Professional Licensure – Senator Robert M. Tomlinson; Education – Senator Jeffrey E. Piccola; Environmental Resources & Energy – Senator Mary Jo White; Finance – Senator Mike Brubaker; Game & Fisheries – Senator Richard Alloway, II; Inter-Governmental Operations – Senator Lloyd K. Smucker; Judiciary – Senator Stewart J. Greenleaf; Labor & Industry – Senator John R. Gordner; Law & Justice – Senator John Pippy; Local Government – Senator John H. Eichelberger, Jr.; Public Health & Welfare – Senator Patricia H. Vance; Rules & Executive Nominations – Senator Dominic Pileggi; State Government – Senator Charles T. McIlhinney, Jr.; Transportation – Senator John C. Rafferty, Jr.; Urban Affairs & Housing – Senator E. Eugene Yaw; and Veterans Affairs & Emergency Preparedness – Senator Elisabeth (Lisa) J. Baker. The Inter-Governmental Operations Committee will have jurisdiction over matters which encompass multiple areas of state government. Issues to be considered by the IGO committee will include the consolidation and elimination of governmental departments, agencies, boards and commissions as well as other cost efficient initiatives throughout state government. The committee will be created through amendments to be considered the week of January 24, 2011.

Governor Elect Corbett Chooses Avila as PA Secretary of Health

On January 4 PA Governor-elect Tom Corbett announced that he intends to nominate Eli Avila as Pennsylvania Secretary of Health. Avila is currently chief deputy commissioner of the Suffolk County (New York) Department of Health Services. He oversees a staff of more than 1,600 employees and manages an annual budget of more than $400 million. Avila is the co-chair of the New York State Bar Association’s Medical Research and Biotechnology Committee and is a lecturer in Employment Law at St. John’s University School of Law. Corbett said he expects Avila will work to promote healthy lifestyles, prevent injury and disease, plan and coordinate health resources and provide top-quality programs and services.

DOH Establishes New PA Website Offering Help for People with Gambling Problems

On January 3 the Pennsylvanians Department of Health established a new online resource offering confidential help to people with gambling problems. The new DOH website is at www.PaProblemGambling.com. The site offers information about local gamblers-anonymous meetings; local and state subsidized and private counseling options; a risk assessment tool to help individuals determine if they or someone they know may have a problem with gambling; a list of warning signs and frequently asked questions; and information for people affected by the actions of problem gamblers. The site also includes a ZIP code lookup feature to help find local assistance. The site complements the DOH toll-free Problem Gambling Hotline, 1-877-565-2112, which operates 24/7. All calls are confidential. FMI: See www.PaProblemGambling.com.
IRRC Questions Costs of Proposed Rules for Residential Treatment Facilities

In the January 8, 2011 edition of the Pennsylvania Bulletin, the PA Independent Regulatory Review Commission (IRRC) issued comments on proposed regulations on Residential Treatment Facilities (RTFs). The proposed regulations had been published by the PA Department of Public Welfare (DPW) in the Pennsylvania Bulletin on October 23, 2010. IRRC commented that the proposed regulation submittal does not include a plausible evaluation of the economic and fiscal impact of the regulation. IRRC said DPW must provide a detailed evaluation of the costs imposed by the final-form regulation, the effect on the revenues of the businesses the providers run, and ultimately how the final-form regulation protects the overall public health, safety and welfare of the children in a Residential Treatment Facility (RTF). IRRC provided a detailed outline of its concerns and the concerns expressed by public commentators. Commentators believe the cost of compliance for providers and DPW will involve substantial direct and indirect costs. IRRC itself questioned whether DPW itself will have increased costs as a result of the regulation. DPW must consider the comments in preparing the final-form regulation. The final-form regulations must be submitted within 2 years of the close of the public comment period or it will be deemed withdrawn. FMI: See www.irrc.pa and www.pabulletin.com.

IRRC Calls for Analysis of Fiscal Impact of New Rules on Psychiatric Rehabilitation

In the January 8, 2011 edition of the Pennsylvania Bulletin, the Independent Regulatory Review Commission (IRRC) issued comments on proposed regulations on Regulation #14-521 (IRRC #2879) on Psychiatric Rehabilitation Services. The regulations were published by the PA Department of Public Welfare (DPW) in the October 23, 2010 Pennsylvania Bulletin. The proposed regulation adopts minimum standards for the issuance of licenses for psychiatric rehabilitative services (PRS) in facilities operated in the Commonwealth. According to the Preamble, DPW anticipates that "the implementation of PRS will not have fiscal impact on the Commonwealth, as the reduction in more costly traditional mental health treatments and improved clinical and social outcomes will offset the cost of PRS." IRRC noted that several commentators indicate that this statement overlooks the implementation costs imposed on the regulated community, in particular relating to staff training and the required general staffing patterns. IRRC said that in the final-form regulation, DPW needs to provide a more detailed cost-benefit and fiscal impact analysis of the regulation that addresses the potential implementation costs. FMI: See www.irrc.pa and www.pabulletin.com.

DPW Offers E-mail Access for Personal Care Homes to Report Incidents

On January 4 the Department of Public Welfare (DPW) Adult Residential Licensing (ARL) announced that personal care home (PCH) operators now have the ability to submit reportable incidents pursuant to 55 Pa. Code § 2600.16 as e-mail attachments. DPW ARL noted that although the service is now available incidents do not need to be submitted by email. The email addressees are for the Northeast ra-pwarlnortheast@state.pa.us; Central ra-pwarlcentral@state.pa.us; Southeast ra-pwarlsotheast@state.pa.us; and, Western ra-pwarlwestern@state.pa.us. FMI: See www.dpw.state.pa.us. See also http://www.dpw.state.pa.us/fordisabilityservices/personalcarehomeinformation/index.htm.
DPW and Aging Plan for Demonstration on Integrating Care for Dual Eligible Individuals

On January 6 the PA Office of Long-Term Living (OLTL) requested comments from stakeholders on a funding opportunity for states to integrate care for persons who are dually-eligible for Medicare and Medicaid (dual-eligible individuals). The Center for Medicare and Medicaid Innovation (CMMI) solicitation for proposals regarding State Demonstrations to Integrate Care for Dual Eligible Individuals has been posted on the CMS website. For the outline and proposal requirements see [http://innovations.cms.gov/opportunities/opportunities.shtml](http://innovations.cms.gov/opportunities/opportunities.shtml). OLTL said that the PA Departments of Aging and Public Welfare is interested in applying for one of the planning contracts that CMMI will be funding in up to 15 states with up to $1 million each to engage in short term strategic planning around integrating care for dual eligible individuals. Applications are due by February 1, 2011. The contract start date is expected to occur in April. OLTL said that over the course of the 12-18 month planning agreement, the PA Departments of Aging and Public Welfare would have to prepare and present to CMMI a proposed demonstration model for integrating care in the Commonwealth. The proposal must incorporate a plan for evaluating the benefit and impact of the demonstration. Once the final proposed demonstration is submitted to CMMI, CMMI will evaluate it and determine whether to fund the Commonwealth’s implementation of the proposed demonstration through a second round of funding agreements. OLTL said that if awarded a first stage contract with CMMI, the Departments of Aging and Public Welfare would be funded to engage in strategic planning around integrating all physical health, behavioral health, and long-term supports and services for dual eligible individuals. The Departments of Aging and Public Welfare are asking for stakeholder input on a strategic planning process. PARF members are encouraged to send comments on approaches to integrating care for dual-eligible individuals to PARF at parfmail@parf.org.

ODP Issues User Friendly Version of Checklist for AE Review and Approval of ISPs

On January 6 the PA DPW Office of Developmental Programs (ODP) issued its Announcement 002-11, informing its administrative entities (AEs) that a user friendly version of the form entitled Checklist for AE Review and Approval of ISPs is now available. On December 30, 2010, ODP Informational Packet 172-10 was issued, introducing a new Checklist for AE Review and Approval of ISP. ODP said that the checklist was originally issued in a format that prevented the user from entering data electronically. Shortly after Informational Packet 172-10 was issued, ODP received several requests to convert the form into a user friendly format. ODP says that AEs are now expected to use the current version of the Checklist for AE Review and Approval of ISPs beginning February 2011 when reviewing Individual Support Plan's (ISPs) for waiver participants where intense levels of staff supports are being proposed. The checklist will be assigned a number, reviewed, and revised, if necessary, prior to July 2011, in order to reflect any service definition changes that are made. A future ODP communication will announce the final form number and any changes. ODP asks that Informational Packet 172-10 be reviewed for more information regarding the purpose of the checklist and to determine which services on the ISP require the completion of this form by the AE. The user friendly version of the Checklist for AE Review and Approval of ISPs is stored on [www.odpconsulting.net](http://www.odpconsulting.net) using the following path: www.odpconsulting.net > ODP Resources > ODP Forms.
ODP Posts Responses to Year 2 Revenue Reconciliation Provider Forum Questions

On January 4 the Pennsylvania Department of Public Welfare (DPW) Office of Developmental Programs (ODP) released ODP Announcement 001-11 to its Waiver Direct Service Providers, including Supports Coordination Organizations. The announcement is directed to those individuals who participated in the Revenue Reconciliation Provider Forum on November 15 and will be participating in Year 2 (Fiscal Year 2010/2011) Revenue Reconciliation. In its announcement ODP says that responses to questions asked during the November 15, 2010 web-based Year 2 Revenue Reconciliation Forum for Waiver Direct Service Providers who participate in Revenue Reconciliation have been posted to the ODP Consulting website. The posted materials at www.odpconsulting.net can be accessed on the website by Waiver Direct Service Provider by using the following menu path at www.odpconsulting.net. Under ODP Information Centers select: Provider Information Center (PIC) and under ODP Consolidated and P/FDS Waiver Revenue Reconciliation Information, documents are titled “Year 2 Revenue Reconciliation Forum Question and Answers”. Providers are encouraged to continue monitoring this website for additional announcements and postings.

AHEDD to Provide Work Incentive Counseling to Transition Aged Youth in Southeast PA

On January 3 AHEDD announced that it has been approved for a two year grant from Kessler Foundation totaling $473,394 to provide specialized work incentive counseling to young adults (16-30) with disabilities including persons who receive benefits from the Social Security Administration (SSA). The project is targeted for southeastern PA including Bucks, Chester, Delaware, Montgomery and Philadelphia counties. The project features a team including Community Work Incentive Coordinators and Employment Coordinator, AHEDD will collaborate with local schools, SSA, Department of Public Welfare, Office of Vocational Rehabilitation, and other community-based agencies to promote and facilitate work incentive counseling for young beneficiaries who are considering employment. AHEDD’s Project Director John Miller said that the project will emphasize the financial benefits of work to youth as well as to their parents and educators and how to access an array of work incentives. The service features specialized counseling combined with targeted job placement, coaching, and financial literacy training. FMI: See www.ahedd.org.

Philadelphia Alliance Seeks Proposals for Workshops at DSP Conference

The Philadelphia Alliance is seeking proposals for workshops to be presented at its Ninth Annual Conference for Direct Service Professionals “Advancing in the Human Services Field: It’s Not a Job, It’s a Profession” to be held on Friday, April 15, 2011 at Hilton Philadelphia City Avenue. All presentations are 1 hour and 15 minutes in duration. The form and other Conference Information can be found online at www.philalliance.org. Workshop Proposal must be submitted by Friday, January 28, 2011. FMI: Contact Vicki Haggerty at Vicki@philalliance.net or call 267-385-7440.
Growth Rate of U.S. Health Care Spending Slows Down in 2009

On January 6 Health Affairs released an analysis of the National Health Expenditure Accounts (NHEA), the official estimates of total health care spending in the United States. The data indicate that U.S. health care spending growth decelerated in 2009, increasing 4.0% compared to 4.7% in 2008. Total health expenditures reached $2.5 trillion, which translates to $8,086 per person or 17.6% of the nation's Gross Domestic Product, up from 16.6% in 2008. The growth rate of health spending continued to outpace the growth of the overall economy, which experienced its largest drop since 1938. The recession contributed to slower growth in private health insurance spending and out-of-pocket spending by consumers as well as a reduction in capital investments by health care providers. The recession also placed increased burdens on households, businesses, and governments, which meant that fewer financial resources were available to pay for health care. The report also shows that declining federal revenues and strong growth in federal health spending increased the health spending share of total federal revenue from 37.6% in 2008 to 54.2% in 2009. Total federal and state Medicaid spending accounted for 15% of the national health care bill in 2009, reaching $373.9 billion. Rising unemployment and rapid increases in enrollment were the main contributors to a near-doubling of Medicaid spending growth, from 4.9% in 2008 to 9.0% in 2009. As a result of $34 billion in additional aid to the states from the Recovery Act, federal Medicaid expenditures increased 22.0% in 2009, the highest rate of growth since 1991. Meanwhile, state expenditures declined 9.8%, the largest drop in the program’s history. Medicare spending reached $502.3 billion in 2009. One of every five dollars spent on US health care was spent on Medicare goods and services in 2009, but program spending growth stayed stable from the previous year (7.9%). Program enrollment in fee-for-service Medicare continued to fall, as beneficiaries chose to enroll in managed care instead. Medicare Advantage expenditures reached $125.3 billion, accounting for 25% of total Medicare spending, a share that has nearly doubled since 2003. Spending on hospital care reached $759.1 billion in 2009, an increase of 5.1% from the previous year and approximately the same rate as in 2008. But the growth rate was slower than growth between 1999 and 2007, when spending increased an average of 7.2 percent annually. Because fewer people had private coverage and there was a “moderate to significant” decrease in hospital admissions, growth in private health insurance spending on hospital care slowed (2.7% in 2009 versus 5.6% in 2008). Meanwhile, Medicaid hospital spending grew 10.2% in 2009, more than three times the rate (3.3%) in 2008.


National Provider Teleconference on ICD-10 Implementation in 2011

Centers for Medicare & Medicaid Services (CMS) will host a national provider teleconference on “Preparing for ICD-10 Implementation in 2011”. The call will be held on Wednesday, January 12, 2011 from 1:00 p.m. to 3:00 p.m. ET. Subject matter experts will review basic information on the transition to ICD-10 and discuss implementation planning and preparation strategies for this year. A question and answer session will follow the presentations. To register, see http://www.cms.gov/ICD10/Tele10/itemdetail.asp?filterType=none&filterByDID=0&sortType=D&sortOrder=descending&itemId=CMS1242831&intNumPerPage=10. Registration will close at 1:00 p.m. ET on January 11, 2011, or when available space has been filled.
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CMS Hosts Physician, Nurses and Allied Health Open Door Forum

Centers for Medicare & Medicaid Services (CMS) announced the proposed agenda for the next Physician Nurses and Allied Health Open Door Forum scheduled for Tuesday, January 11, 2011 from 2:00 p.m. to 3:00 p.m. ET. To participate, dial 1-800-837-1935 Conference ID 29105520. The Physicians, Nurses, and Allied Health Professionals Open Door Forum addresses the concerns and issues of Medicare and Medicaid physicians, non-physician practitioners, nurses, and other allied health care specialists. FMI: See http://www.cms.gov/OpenDoorForums/.

CMS Open Door Forum on Hospital and Hospital Quality Issues

The next CMS Hospital & Hospital Quality Open Door Forum is scheduled for Wednesday, January 12, 2011 beginning at 2:00 PM Eastern Time (ET). Questions should be emailed to ODF@cms.hhs.gov. Include “Hospital ODF” in the subject line. To participate by phone: Dial 1-800-837-1935 and reference Conference ID 29113660. Persons participating by phone do not need to RSVP. Encore: 1-800-642-1687; Conference ID# 29113660. Encore is an audio recording of the call that can be accessed by dialing 1-800-642-1687 and entering the Conference ID. The recording will be accessible beginning Tuesday, January 12, 2011 and expires after 3 business days. FMI: For ODF schedule updates, E-Mailing List registration and Frequently Asked Questions, visit http://www.cms.gov/OpenDoorForums/

National Provider Call and Webinar on 2011 PQRS and eRx Incentive Program

The Centers for Medicare & Medicaid Services (CMS) Provider Communications Group will host a national provider conference call on the 2011 Physician Quality Reporting System (PQRS) and Electronic Prescribing (eRx) Incentive Program from 1:30 p.m. to 3:00 p.m., EST on Tuesday, January 18, 2011. A slide presentation will be posted to the PQRS webpage at, http://www.cms.gov/PQRI/04_CMSsponsoredCalls.asp on the CMS website to download prior to the call. In order to receive the call-in information, you must register for the call. Registration will close at 1:30 p.m. EST on January 17, 2011, or when available space has been filled. To register for the call see http://www.eventsvc.com/palmettogba/011811. For those unable to attend, a transcript and MP3 file of the call will be available at least one week after the call at http://www.cms.gov/pqri on the CMS website.

DME MAC Teleconference on Medicare Oxygen Policy on February 3

The Durable Medical Equipment Medicare Administrative Contractor (DME MAC) National CERT Education Task Force presents the Oxygen “Ask the Contractor” Teleconference on February 3, 2011 from 2:00 to 3:30 pm ET. On February 3, the task force will conduct a national Ask the Contractors Teleconference (ACT) specific to oxygen policies. Members of the DME MAC CERT Education Task Force and knowledgeable CMS policy experts will be available to answer your questions on oxygen and oxygen equipment. Coverage Criteria, Testing Requirements, Certificate of Medical Necessity, and Documentation will be addressed. Registration will close at 2:00 p.m. ET on February 2, 2011 or earlier. To register for the call participants need to go to http://www.eventsvc.com/palmettogba/020311. Fill in all required data. Verify that the time zone is displayed correctly in the drop down box. Click “Register.”
HHS OIG Reports on Incorrect Coding of IRF Transfers

On January 7 the U.S. Department of Health and Human Services Office of Inspector General (HHS OIG) posted its report on use of transfer codes by inpatient rehabilitation facilities. In its Review of Jurisdiction 10 Payments for Inpatient Rehabilitation Facility Claims Billed with Patient Status Code 05 for Calendar Year 2007 (A-01-10-00517) HHS OIG found that inpatient rehabilitation facilities (IRF) incorrectly coded 19 of the 54 claims that it reviewed with patient status code 05. HHS OIG said that because IRFs did not use the appropriate transfer codes on these claims, Medicare contractors made $185,000 in overpayments for miscoded transfers to 15 IRFs in CY 2007. HHS OIG found that IRFs incorrectly coded 19 of the 54 claims that it reviewed with patient status code 05. These beneficiaries were actually transferred to facilities that were subject to the Medicare transfer regulations, e.g., inpatient hospitals, skilled nursing facilities, and Medicaid-only nursing homes. Because the IRFs did not use the appropriate transfer codes on these claims, Cahaba, Riverbend, and BCBS of Georgia made $185,153 in overpayments for miscoded transfers to 15 IRFs in CY 2007. As a result of the audit work, an IRF has already refunded $5,882 for one of the 19 claims, leaving $179,271 in uncollected overpayments. HHS OIG said that the overpayments occurred because IRFs did not have adequate controls to ensure the correct use of patient status 05. In addition, Medicare payment controls in the Common Working File were not adequate to prevent or detect these overpayments until CMS established the necessary edit in April 2007. HHS OIG recommend that Cahaba recover the $179,271 in outstanding overpayments for 18 claims and alert IRFs to the importance of reporting the correct patient status code on their claims. In comments on the draft report, Cahaba concurred with HHS OIG recommendations and described the corrective actions that it was taking or planned to take. Cahaba’s comments are included in their entirety in an appendix to the report. FMI: See http://go.usa.gov/rnp for a copy of the report.

US Department of Labor Upgrades Re-employment Web Portal

On January 6 the U.S. Department of Labor announced that it has upgraded its re-employment Web portal to provide access to assistance beyond career and job searches. The http://www.CareerOneStop.org/reemployment site now offers a single source for information on jobs, career training, unemployment benefits and assistance with necessities such as food, housing, health care and utility payments. The resources will prove useful to everyone from recently laid-off workers and unemployment insurance claimants to individuals who have exhausted their unemployment benefits and those seeking to change careers. The portal offers information and guidance related to such varied topics as food stamps; the Low Income Home Energy Assistance Program; continuing health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act, better known as COBRA; the Temporary Assistance for Needy Families program; credit counseling; avoiding foreclosure; and pursuing education and training. In addition, visitors may search for both federal and state resources. FMI: See http://www.CareerOneStop.org/reemployment.