Dateline: November 25, 2011

PA Department Insurance to Set up Health Insurance Exchange

On November 22 the PA Department of Insurance announced that after considerable evaluation and citizen input it is taking steps to establish a state based and state run health insurance exchange. The Affordable Care Act (ACA) offers states a choice between a federal or state-run exchange. Under the federal health care law, each state is supposed to set up an exchange by 2014, or else opt into the federal version. States may also create multi-state exchanges or limit an exchange to a region within a state. The PA Department of Insurance indicated that while the Governor Tom Corbett believes that the law requiring the purchase of health insurance is unconstitutional, he has concluded that the Commonwealth must be prepared to establish a state exchange if the Supreme Court does not strike down the law. A report commissioned by the Pennsylvania Insurance Department estimated that at least 2 million people would participate. The next step is for Pennsylvania to apply by December 30 for a multimillion dollar grant to plan how the exchange would work.. FMI: See www.state.pa.us. For reports and comments see http://www.portal.state.pa.us/portal/server.pt/community/health_insurance/9189/pa_health_options/982060.

DPW Establishes Office of Program Integrity

On November 21 the PA Department of Public Welfare (DPW) announced that it established an Office of Program Integrity to better coordinate efforts to stop welfare fraud. DPW said that since January the department has reviewed all of its processes in order to enforce and tighten rules and regulations and has deployed tools to prevent waste and fraud in its welfare programs. DPW claims that as a result more than 100,000 ineligible welfare cases have been eliminated from the rolls at a savings of more than $34 million. DPW says that the new Office of Program Integrity will consolidate all department-wide efforts into one office, integrating fraud-detection efforts, implementing fraud prevention initiatives and ensuring compliance, efficiency, and accountability. FMI: See www.dpw.state.pa.us. See http://listserv.dpw.state.pa.us/scripts/wa.exe?A2=ind11&L=NEWS-RELEASES&P=41047.

PA Legislators to Receive 3% Increase in Salary

In the November 26 edition of the Pennsylvania Bulletin, the Pennsylvania General Assembly published the 2011 cost-of-living factor to be applied in increasing salaries of Pennsylvania legislators. The Public Official Compensation Law requires that for the 12-month period beginning December 1, 2011 through November 30, 2012 the salary of the members of the PA General Assembly shall be increased by a cost-of-living factor which is determined by increasing the amount of the salary by the percentage change in the Consumer Price Index for all Urban Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware and Maryland area. The CPI-U for the period November 1, 2010 through October 31, 2011 increased by 3.0178%. FMI: See http://www.pabulletin.com/secure/data/vol41/41-48/2032.html
PARF NEWS
Dateline: November 25, 2011

Safety in Youth Sports Act Signed into Law

On November 10 PA Governor Tom Corbett formally signed into law legislation to improve concussion management in youth sports and increase awareness of the effects concussions can cause when improperly controlled. The Governor publicly signed the bill on November 14 in Harrisburg. The Pennsylvania Brain Injury Coalition had established the legislation as a priority in its 2010 and 2011 campaigns. PARF is a member of the PA Brain Injury Coalition. The Safety in Youth Sports Act (S.B. 200), introduced by Representative Tom Briggs (D-149) in the House as HB 200 and Senator Pat Browne (R-16) in the Senate as SB 200. The Safety in Youth Sports Act requires students and a parent or guardian to annually read and sign a concussion and head injury awareness sheet before the student participates in practice or competition. The information sheet will include materials from the Centers for Disease Control and Prevention's Heads Up program. Also under the new law a player who exhibits symptoms of sustaining a concussion would be removed from play and would not be able to return to play until cleared by an appropriate medical professional. Coaches, trainers, physicians, physical therapists and game officials would be authorized to remove players for suspected head injuries and would be protected from civil liability for doing so. The Act requires coaches to complete a concussion certification course annually, such as the free online course offered by the CDC, or another course approved by the PA Department of Health. Coaches would be prohibited from coaching until the course is completed. Coaches who fail to comply would face a suspension for the remainder of the season on a first offense; the current season and the next for a second offense; and a lifetime suspension of any coaching activity for a third offense. The Safety in Youth Sports Act pertains to football, cheerleading and club sports like rugby and hockey. FMI: See http://www.pasenategop.com/newsbrief/2011/NB111411.htm and http://www.pahouse.com/pr/149111011.asp.

PA House Passes HB 1317 Improving Access to Medications for Patients with Mental Illness

On November 14 the Pennsylvania House of Representatives approved legislation (House Bill 1317) exempting psychiatrists who treat patients with mental health issues under the state’s Medical Assistance program from pre-authorization for prescribed medications. Proponents of the bill cited a study by the American Psychiatric Association that showed that more than 61 percent of psychiatrists in Pennsylvania reported having patients who experienced a difficulty in accessing prescribed medications due to the prior authorization requirement. By contrast, the study found that psychiatrists in the state of New York, where mental health medications are not subject to prior authorization, only reported seeing patients who had difficulty in accessing medications at a rate of 27 percent. The bill’s sponsor Representative Bryan Cutler (R-100) noted that though the current system of requiring psychiatrists to receive prior approval for behavior health prescriptions was meant to control inappropriate prescribing, very few instances of improper prescribing have taken place. House Bill 1317 is now in the Senate for consideration. FMI: See www.RepCutler.com and http://www.repcutler.com/NewsItem.aspx?NewsID=12956.
Funding Sought for Implementing Adult Protective Services Act

On November 2 PA Representative Denny O’Brien (R-Philadelphia) called on Governor Tom Corbett to propose funding in his fiscal year 2012-13 budget for implementing the Adult Protective Services Act (Act 70 of 2010). The Adult Protective Services Act was signed into law in 2010 without the funding necessary to implement the protections in the Act. Representative O’Brien said that with $1.7 million the state could begin to establish a system to prevent incidences of abuse. The funding would enable the state to establish a toll-free phone number for reporting suspected cases of abuse or neglect; hire staff to investigate complaints; work with agency staff who are knowledgeable about the needs of persons with disabilities to provide needed services; petition the courts to allow staff to intervene in emergency situations to provide safe homes for people facing imminent harm; and, begin the process of selecting regional private contractors to carry out these functions. O’Brien called on Governor Corbett to propose the funding for implementing the Adult Protective Services Act in the FY2012-13 budget. FMI: See www.repobrien.com

PA Legislation Introduced to Require Reporting Abuse to Law Enforcement

On November 14 legislation was introduced in the PA House of Representatives by Representative Kevin Boyle (D-172) aimed at ensuring that people who witness the abuse of a child report it to law enforcement (H.B. 1990). The legislation would require that staff members of institutions must immediately notify law enforcement. Current law only requires that the abuse be reported to the person in charge of the institution, school, facility or agency or the designated agent of the person in charge. FMI: See http://www.pahouse.com/PR/172111411.asp

Amendments to 1966 MH MR Act Signed into Law

On November 23 PA Governor Tom Corbett signed into law a bill amending the act of October 20, 1966 known as the Mental Health and Mental Retardation Act of 1966 by removing the term “mental retardation” and replacing it with the term “intellectual disability.” The Act will be known and may be cited as the "Mental Health and Intellectual Disability Act of 1966." The new law retains all the provisions of the 1966 Act while replacing the term “mental retardation” with the term “intellectual disability” in the provisions of the Act. The term “mental retardation” would also be replaced with “intellectual disabilities” in all state communications, including publications and websites. For a copy of the bill, see www.legis.state.pa.us and enter SB458.

Texting While Driving in Pennsylvania Banned

On November 9 PA Governor Thomas Corbett signed legislation into law that bans texting while driving on Pennsylvania roads. The new law makes texting while driving a primary offense carrying a $50 fine. The law takes effect in 120 calendar days from the signing. The new law specifically prohibits as a primary offense all drivers from using an Interactive Wireless Communication Device (IWCD) to send, read or write a text-based message. It defines an IWCD as a wireless phone, personal digital assistant, smart phone, portable or mobile computer or similar devices that can be used for texting, instant messaging, emailing or browsing the Internet. The law defines a text-based message as a text message, instant message, email or other written communication composed or received on an IWCD. FMI: See www.state.pa.us.
PA House Passes Marcellus Shale Impact Fee Bill

On November 17 the PA House of Representatives approved legislation granting counties the power to enact an impact fee on drilling in the Marcellus and Utica Shale regions. House Bill 1950 also directs revenue toward a series of environmental initiatives and enacts regulations on drillers. The bill enables counties where drilling is taking place to enact an impact fee. The fee structure is set at $40,000 for the first year of production and drops to $30,000 the second year, $20,000 the third year, and $10,000 each for the fourth through 10th years. Revenue generated by the impact fee will be split between local and state governments at 75 percent and 25 percent respectively. The money will support roads, bridges and other infrastructure improvements, environmental protection, and public health and safety initiatives. The bill also provides funding for the state’s Growing Greener environmental protection program. Under HB 1950 municipalities would still be able to enact ordinances relating to oil and gas development that do not conflict with current state or federal laws, which allow for development of oil and gas. Disputes would be arbitrated through the attorney general’s office. House Bill 1950 was approved largely along party lines by a vote of 107-76. The measure now goes to the state Senate for its consideration. Pennsylvania House Democrats strongly opposed the natural gas tax supported by Governor Tom Corbett and passed by the Republican-controlled House. House Democrats said the 1 percent tax rate on drillers in the Marcellus Shale was too low, environmental protections were weak and inadequate and the power of local governments to regulate drilling activities in their communities was infringed. FMI: For a copy of the bill, see www.legis.state.pa.us and enter HB 1950. For comment see www.pahousegop.com and www.pahouse.com.

PA Senate Approves Legislation on Drilling Impact Fees

On November 15 the Pennsylvania Senate approved its own legislation (Senate Bill 1100) establishing fees on gas drillers, adopting environmental safeguards, and strengthening oversight of the Marcellus Shale drilling industry. Senate Bill 1100 would impose a tax rate of approximately a 3 percent on gas production – retroactive to 2010 – to funds to help maintain roads and sewer systems in communities affected by the drilling. It would also fund statewide initiatives that finance infrastructure improvement, environmental cleanups and open space. The bill would impose a sliding fee of $50,000 per well in the first year of production, with a $10,000 reduction each subsequent year. Starting in the 11th year until the 20th year of the well, an annual fee of $10,000 is imposed. According to estimates, the fee proposal would raise $94 million from wells that were producing gas this year, a figure that would rise to $155 million next year and $255 million by 2014. Over the next five years the fee will yield more than $1 billion dollars. Approximately 55 percent of the fees generated would go to counties and municipalities in the Marcellus Shale region and 45 percent to statewide infrastructure projects, environmental programs and other projects related to natural gas production. Other funds also would be set aside for county conservation districts, firefighter training programs, the Fish and Boat Commission and for boosting availability of affordable housing. The legislation also provides for zoning standards, increased environmental safeguards including increased setbacks, a listing of all chemicals used at a drill site, provisions for water safety, an increase in well bonding, and increased penalties for environmental violations. Senate Democrats offered an amendment, which was defeated, largely along party lines. FMI: See www.legis.state.pa.us
Additional Class of DSH Payments Established

In the November 19 edition of the *Pennsylvania Bulletin*, the PA Department of Public Welfare (DPW) issued a final notice on an additional class of disproportionate share payments to certain qualifying acute care general hospitals that provide a high volume of Medical Assistance (MA) acute care and psychiatric services and incur significant uncompensated care costs. DPW considers a hospital eligible for this additional class of disproportionate share payments if the hospital is enrolled in the MA Program as an acute care general hospital with an excluded psychiatric unit. In addition, the hospital’s MA inpatient days of care and its number of MA admissions must be in excess of the 85th percentile of MA inpatient days provided by all enrolled acute care general hospitals with an excluded psychiatric unit. It must also provide inpatient psychiatric days of care to MA recipients in this Commonwealth in excess of the 90th percentile of the days provided by all enrolled acute care general hospitals with an excluded psychiatric unit. The hospital’s percentage of uncompensated care to net patient revenue must exceed the 90th percentile of this percentage for all enrolled acute care general hospitals with an excluded psychiatric unit according to the Pennsylvania Health Care Cost Containment Council (PHC4) Financial Analysis 2004. The hospital’s operating margin must be less than the 15th percentile of the operating margins of all enrolled acute care general hospitals with an excluded psychiatric unit according to the PHC4 Financial Analysis 2004. DPW published notice of its intent to establish this additional class of DSH payments at January 22, 2011 edition of the *Pennsylvania Bulletin*. FMI: See [www.pabulletin.com](http://www.pabulletin.com). See [http://www.pabulletin.com/secure/data/vol41/41-47/2014.html](http://www.pabulletin.com/secure/data/vol41/41-47/2014.html)

DPW Increases Funding for DSH Payments

In the November 5 edition of the *Pennsylvania Bulletin*, the PA Department of Public Welfare (DPW) issued a final notice of an increase to the funding allocation for Fiscal Year (FY) 2011-2012 for an additional class of disproportionate share hospital (DSH) payments to certain qualifying hospitals that DPW determines provide a high volume of services to Medical Assistance (MA) eligible and low income populations. DPW intends for these payments to promote the hospitals’ continued participation in the MA Program. There is no change in the qualifying criteria or payment methodology for this additional class of DSH payments. In making these payments, DPW says that it ensures that no acute care hospital receives any DSH payment that is in excess of its hospital specific limit and the Commonwealth does not exceed its aggregate annual DSH allotment. Any funds available due to the application of the hospital specific DSH upper payment limit are redistributed to other hospitals qualifying under this class of disproportionate share payments on a proportionate basis. DPW published notice of its intent to increase the funding allocation for these DSH payments in the January 22, 2011 edition of the *Pennsylvania Bulletin*. DPW says that it received no public comments during the 30-day comment period and will implement the changes described in its notice of intent. The FY 2011-2012 fiscal impact as a result of this additional class of DSH payments is $5.168 million ($2.292 million in State Funds). FMI: See [http://www.pabulletin.com/secure/data/vol41/41-45/1892.html](http://www.pabulletin.com/secure/data/vol41/41-45/1892.html)
DPW Reviews Rate Setting Methodology for ODP Services

In the November 12 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published a notice announcing the final payment rates for Fiscal Year (FY) 2011-2012 for Non-transportation Cost-based Services and Per Diem and Trip Transportation cost-based services funded through the Consolidated and Person/Family Directed Support (P/FDS) waivers for people with intellectual disabilities. These rates also apply for services when they are provided with base funding at the waiver funded service location. These rates are effective November 15, 2011. The notice includes a description of the Outlier Review Process, the Total Unit Cost Review, the Cost of Living Adjustment and Rate Adjustment Factor (RAF), and the Rate Assignment Process. DPW says that there will be an approximate part-year savings of $62,384 million ($31.421 million State Funds) and full-year savings of $99,870 million ($50.301 million in State Funds) in FY 2012-2013. Interested persons are invited to submit written comments regarding this notice to the Department of Public Welfare, Office of Developmental Programs, Division of Provider Assistance and Rate Setting, 4th Floor, Health and Welfare Building, Forster and Commonwealth Avenues, Harrisburg, PA 17120. E-mail should be sent to the ODP rate-setting mailbox at ra-ratesetting@pa.gov (use "PN PPS Methodology" in the subject line). See http://www.pabulletin.com/secure/data/vol41/41-46/1966.html

DPW Corrects Rate Setting Methodology for ODP Services

In the November 12 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published corrections to the Rate Setting Methodology for Consolidated and Person/Family Directed Support Waiver- and Base-Funded Services for Individuals Participating in the Office of Developmental Programs Service System from July 1, 2011, through November 14, 2011. The DPW published notice corrects the Prospective Payment System (PPS) notice published in the Pennsylvania Bulletin on June 25, 2011. Specifically, payment rates for providers of Consolidated Waiver, Person/Family Directed Support Waiver (P/FDS) and base funded services for a waiver service location identified as cost based services in Fiscal Year (FY) 2010-2011 will continue to have the same payment rates as the FY 2010-2011 final payment rate for the period of July 1, 2011, through November 14, 2011. This correction is applicable for transportation per diem and trip cost based services, non-transportation cost based services, Supports Coordination and Targeted Service Management rates. Interested persons are invited to submit written comments regarding this notice to the Department of Public Welfare, Office of Developmental Programs, Division of Provider Assistance and Rate Setting, 4th Floor, Health and Welfare Building, Forster and Commonwealth Avenues, Harrisburg, PA 17120. E-mail should be sent to the ODP rate-setting mailbox at ra-ratesetting@pa.gov (use "PN PPS Methodology" in the subject line). Persons with a disability who require an auxiliary aid or service may submit comments using the Pennsylvania AT&T Relay Service at (800) 654-5984 (TDD users) or (800) 654-5988 (voice users). FMI: See http://www.pabulletin.com/secure/data/vol41/41-46/1967.html
DPW Publishes MA Program Fee Schedule for ODP Services, Effective November 15

In the November 12 edition of the *Pennsylvania Bulletin*, the PA Department of Public Welfare (DPW) published the Medical Assistance (MA) Program Fee Schedule for Consolidated and Person/Family Directed Support Waiver-Funded Select Services, Targeted Service Management and Community Mental Retardation Base-Funded Program, effective November 15, 2011, through June 30, 2012. DPW says that these fee schedule payment rates also serve as the DPW established fees for base-funded services managed through county programs for individuals with mental retardation. DPW says that it used a market-based approach to develop the fee schedule rates. DPW says that it established a Statewide MA fee schedule rate for each service and adjusted each fee schedule rate by geographical area factors to reflect consideration for differences in wages observed across Pennsylvania. DPW says that it funded the fee schedule services at a level sufficient to encourage provider participation, promote provider choice and ensure cost effectiveness and fiscal accountability. All services that were placed on the MA fee schedule from July 1, 2011, through November 14, 2011, will remain on the MA fee schedule for the remainder of the fiscal year. These services include Companion, Behavior Support, Therapy (Physical, Occupational, Speech and Language, Individual Behavior, Group Behavior and Visual/Mobility) Nursing, Home Finding, Homemaker/Chore, Supports Broker, Older Adult Day, Supplemental Habilitation and Additional Individualized Staffing. DPW has identified a new service, Supports Coordination, to be placed on the MA Fee schedule effective November 15, 2011. There is no cost of living adjustment applied to any of the fee schedule rates for FY 2011-2012. Written comments should be sent to Department of Public Welfare, Office of Developmental Programs, Division of Provider Assistance and Rate Setting, 4th Floor, Health and Welfare Building, Forster and Commonwealth Avenues, Harrisburg, PA 17120. E-mail should be sent to the ODP rate-setting mailbox at ra-ratesetting@pa.gov (use "PN Fee Schedule" in the subject line). FMI: See [http://www.pabulletin.com/secure/data/vol41/41-46/1964.html](http://www.pabulletin.com/secure/data/vol41/41-46/1964.html)

DPW Makes Corrections to MA Fee Schedule for ODP Services

In the November 12 edition of the *Pennsylvania Bulletin*, the PA Department of Public Welfare (DPW) published corrections to the Medical Assistance Program Fee Schedule for Select Services in the Consolidated and Person/Family Directed Support Waivers and Community Mental Retardation Base Program, Effective July 1 through November 14, 2011, the MA Fee Schedule Tables published in the *Pennsylvania Bulletin* on June 25, 2011 are corrected. Specifically, payment rates for providers of the MA Consolidated waiver, Person/Family Directed Support waiver and base funded services for a waiver service location identified as fee schedule services in Fiscal Year (FY) 2010-2011 will continue to have the same payment rates as the FY 2010-2011 final fee schedule payment rate for the period of July 1, 2011, through November 14, 2011. The revised Fee Schedule Tables reflect carryover of the FY 2010-2011 fee schedule services for the period July 1, 2011, through November 14, 2011. Written comments regarding this notice should be sent to the Department of Public Welfare, Office of Developmental Programs, Division of Provider Assistance and Rate Setting, 4th Floor, Health and Welfare Building, Forster and Commonwealth Avenues, Harrisburg, PA 17120. E-mail should be sent to the ODP rate-setting mailbox at ra-ratesetting@pa.gov. (Use "PN Fee Schedule" in the subject line). FMI: See [http://www.pabulletin.com/secure/data/vol41/41-46/1965.html](http://www.pabulletin.com/secure/data/vol41/41-46/1965.html)
DPW Publishes MA Regulations on Income and Resource Limits for Spouse

In the November 19 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published regulations concerning the income and resource limits for a spouse living in the community when the other spouse is institutionalized or receiving home and community based services. The regulations establish the basis for determining the community spouse monthly maintenance need amount and the minimum and maximum community spouse resource standard for categorically needy non-money payment and Medically Needy Only Medical Assistance. These standards are required to be published annually in the Pennsylvania Bulletin and are available to the public upon request at the local County Assistance Offices. Interested persons are invited to submit written comments, suggestions or objections regarding this information to the Department of Public Welfare, Office of Income Maintenance, Edward J. Zogby, Director, Bureau of Policy, Room 431, Health and Welfare Building, Harrisburg, PA 17120. See www.pabulletin.com.

ODP to Request Renewals of Medicaid Waiver Programs by December 23

On November 15 the PA Office of Developmental Programs (ODP) issued ODP Informational Memo 156-11 concerning its request for renewals of its Medicaid waiver programs. ODP Informational Memo 156-11 is intended to inform all interested parties that the office in the process of requesting a 5 year Waiver Renewal for both the Consolidated and Person/Family Direct Support (P/FDS) Waivers from the Centers for Medicare and Medicaid Services (CMS). Home and Community-Based Waiver services provided under Section 1915 (c) of the Social Security Act, with the exception of new Waivers, are approved by CMS for five-year renewal periods. ODP reports that it has collected feedback on suggested changes to the waiver through multiple forums over the past 2 years. ODP says that prior to submission of the Consolidated and Person/Family Directed Support 5 Year Waiver Renewals, ODP will solicit feedback regarding proposed changes via the ODP Stakeholder Workgroup and the Medical Assistance Advisory Council (MAAC). In an effort to allow sufficient time for review and approval by CMS, the ODP goal is to submit the waiver renewals to CMS by December 23, 2011.

Registration Open for Training on HIPAA Upgrade to ANSI X12 v5010/NCPDP D.0

On November 23 issued ODP Announcement 160-11 to communicate to all direct service providers that registration is now open for the ANSI X12 v5010/NCPDP D.0 Virtual Classroom Training on HIPAA Upgrade to ANSI X12 v5010/NCPDP D.0. Participants will be able to view the presentation materials, be provided with dial-in information for a conference call line and have an opportunity to ask questions throughout the training session. The session is designed to help the provider community understand the transactions that are affected by the v5010/NCPDP D.0 upgrade, changes to the Provider Electronic Solutions (PES) software, changes to the PROMISE™ Internet web page layouts, the new PROMISE™ Error Status Codes and how to resolve them and/or avoid them from setting on claims, and changes related to Medicare crossover claims. The training session will last approximately one and one-half hours and a PowerPoint Presentation will be available in the virtual classroom for download to use during and after the session. A schedule of upcoming Internet Virtual Room training sessions and an announcement are provided. FMI: See www.odpconsulting.net.
ODP Clarifies v5010 CMS Mandate

On November 22 the PA DPW Office of Developmental Programs (ODP) released ODP Announcement 159-11 on clarification of the v5010 CMS Mandate. The announcement is directed to all direct service providers who submit claims for services rendered to individuals who participate in the Consolidated and Person/Family Directed Support (P/FDS) waivers and base program to provide clarification on the v5010 CMS mandate, including certifying for the v5010. ODP says that the one page v5010 certification summary document was created by ODP to simply the topic and for ease of distribution. A v5010 certification summary document is included. Beginning January 1, 2012, all electronic claims submitted to the Provider Reimbursement and Operations Management Information System (PROMISeTM) must be in the v5010 format. The effective date of this mandate applies to claim submission date, not dates of service. If a service was rendered in December 2011 and the provider submits the claim on January 1, 2012, that claim must be in the v5010 format or it will be denied. The v4010 transaction should be used until December 31, 2011. On January 1, 2012 only the v5010 electronic format will be accepted. FMI: See www.odpconsulting.net.

ODP Webcast on Healthy Aging for People with Intellectual and Developmental Disabilities

On November 21 the PA DPW Office of Developmental Programs (ODP) released an ODP Announcement 158-11 to inform all interested parties that a new webcast Healthy Aging for People with Intellectual and Developmental Disabilities is available. Lesson 1 is the first in a series of webcasts about healthy aging. Lesson 2 highlights topics that will provide information on four specific topics: wellness, medical complexities, risks and mental health and will be announced separately. The chart on page 2 of the announcement offers important information on course requirements and how to access this webcast on the ODP Information Centers and ODP Consulting System Website. FMI: See www.odpconsulting.net.

ODP Issues Bulletin on Continuing Participation Allowance

On November 21 PA DPW Office of Developmental Programs (ODP) released its final Bulletin #00-11-06 entitled “Continuing Participation Allowance (Use allowance) for Residential Habilitation Service Providers’ rates. The bulletin announces changes to the Office of Developmental Programs (ODP) policy regarding payment rates to licensed and unlicensed residential habilitation providers in waiver service locations. Effective November 15, 2011, providers of licensed and unlicensed residential habilitation services operating waiver service locations will see a change in their waiver ineligible payment rates and the sum of a base payment rate. The base rate for a base funded individual in a waiver service location shall have the Individual Support Plan updated to reflect the rate change. Effective November 15, 2011 ODP will no longer fund use allowance expenses for assets included on the residential occupancy schedule (J). ODP says hat it removed those expenses during the rate development process for residential ineligible rates effective November 15, 2011 through June 30, 2012. The policy is applicable to waiver ineligible payment rates and base payment rates for providers offering residential habilitation services to waiver and base individuals in waiver service locations. FMI: See www.odpconsulting.net. See http://services.dpw.state.pa.us/olddpw/bulletinsearch.aspx?BulletinId=4746.
ODP Issues Memo on Billing Bed Reservation Days

On November 8 the PA Office of Developmental Programs (ODP) issued *ODP Informational Memo 153-11* on Billing Bed Reservation Days. Effective November 15, 2011, *ODP Informational Memo 153-11* is intended to provide instructions regarding the billing rules for licensed and unlicensed residential habilitation providers in a waiver service location when bed reservation days are utilized and billed for the period November 15, 2011 through June 30, 2012. FMI: To review ODP Informational Memo 153-11, see [www.odpconsulting.net](http://www.odpconsulting.net).

ODP Makes Available Forms for Exceptions and Emergencies

On November 10 the PA Office of Developmental Programs (ODP) issued *ODP Announcement 155-11*, indicating that the DP 1023 (Request for Exception to Established Service Limits or Maximum Number of Service Units – Respite Services), DP 1025 (Unanticipated Emergency Funding Request and Approval Form), and DP 1033 (Unanticipated Emergency Screening Tool) forms are now available in user friendly savable versions. ODP says that due to its recent capability to create forms in a user friendly savable portable document format (pdf) it is now making all three (3) forms available in this format on [www.odpconsulting.net](http://www.odpconsulting.net) under > ODP Resources > ODP Forms. The DP 1025 and DP 1033 forms are also stored under [http://aeinfo.odpconsulting.net/](http://aeinfo.odpconsulting.net/) > Course Categories > Waiver Capacity Management. The announcement includes a chart listing the form number, title, and purpose of each form for user reference.

ODP Develops Packet on Billing with Diagnosis Code


Funding for PA Lifespan Respite Program Available

On October 31 the PA Department of Aging announced the availability of three (3) grants to provide respite services to address unmet needs, particularly emergency situations. The Department of Aging will provide three (3) agencies with $5,000 to provide respite care to individuals and families that address unmet needs, particularly emergency situations. Funding will be available to the selected agencies on or before March 1, 2012. Agencies must mail or send completed application to: Jennifer Crossley, Bureau of Individual Supports, Department of Aging, Office of Long Term Living, 6th Floor, Forum Place, 555 Walnut Street, Harrisburg, PA, 17101 or to c-jcrossle@pa.gov. The deadline for submission is December 30, 2011. Applications must be postmarked no later than December 30, 2011. Applications will be accepted via e-mail until 6:00 p.m. on December 30, 2011. FMI: Contact Department of Aging, 5th Floor Forum Place, 555 Walnut Street, Harrisburg, PA 17101. Telephone: (717) 783-1550, Fax: (717) 783-6842, Email us at aging@pa.gov.
President Obama Signs First FY 2012 Appropriations into Law

On November 18 President Obama signed the first the FY 2012 “minibus” (HR 2112) into law. The bill funds the departments of Agriculture, Justice, Commerce, Transportation and Housing and Urban Development. The bill also includes a continuing resolution to fund the remaining parts of the federal government through December 16. This includes all programs for which FY 2012 appropriations have not been enacted and continues a 1.5 percent across-the-board cut for such programs that had been enacted earlier this year as part of a previous continuing resolution. Additionally, the continuing resolution provides Congress with four weeks to approve an FY 2012 omnibus spending bill following the collapse in minibus negotiations earlier this month. Congress is now expected to approve the nine remaining FY 2012 spending bills as a single omnibus in mid-December.

Congress to Act on Appropriations, Immigration, and NLRB

On November 28 the U.S. House and Senate will reconvene after a weeklong recess and begin a final push to complete work and approve appropriations bills, extend a number of tax cuts due to expire and act on a jobs bill. The Senate is set to resume consideration of the FY 2012 defense authorization bill and vote on extending a cut to the payroll tax enacted in December 2010. The House of Representatives is expected to act on a workers’ compensation bill (HR 2465), the Fairness for High-Skilled Immigrants Act. The House is also expected to consider a bill (HR 3094) amending the National Labor Relations Act with respect to representation hearings and the timing of elections of labor organizations. See www.senate.gov and www.house.gov

Senate Set to Vote on Payroll Tax Cut Extension

Soon after the Senate reconvenes on November 28 it expected to vote on extending the Social Security payroll tax cut which is due to expire at the end of 2011. Last year the U.S. Congress temporarily reduced the employee-paid share of the Social Security tax from 6.2 percent to 4.2 percent. The cost of the proposed payroll tax extension would be offset by a 3.25 percent income tax surcharge on individuals earning more than $1 million. Senate Democrats are proposing to extend it and to reduce the worker share to 3.1 percent in 2012 and to cut the employer share from 6.2 percent to 3.1 percent for a company’s first $5 million in wage costs. It is expected that with Republican Senators opposed to new taxes, the vote may fall short of the 60 votes needed to end a filibuster. FMI: See www.senate.gov.

New Short-Term PEPPER Now Available

A new release of the Short-Term (ST) Acute Care Program for Evaluating Payment Patterns Electronic Report (PEPPER), with statistics through the third quarter of FY2011, is available for short-term acute care hospitals nationwide open as of Thursday, June 30. PEPPER files were distributed in late November 2011 through a My QualityNet secure file exchange to hospital QualityNet Administrators and user accounts with the PEPPER recipient role. This release of PEPPER includes a new report, the “National High Outlier Ranking Report,” which ranks hospitals by the total number of high outliers as compared to all other hospitals in the nation. A new training session reviewing the new report is available at www.PEPPERresources.org.
Super Committee Fails to Reach Agreement on Plan for Deficit Reduction

On November 23 the Joint Select Committee (the Super Committee) failed to reach agreement on plans to reduce $1.2 trillion dollars in federal deficit as prescribed in the Budget Control Act. The Act was passed earlier this year as part of an agreement to raise the federal debt limit. Members of Congress differed about an acceptable mix of new revenue and cuts to major entitlement programs. Democrats proposed new revenue and spending cuts. Republicans included provisions for new revenue in their proposals but also sought to make permanent the 2001 and 2003 tax cuts while lowering the top income tax rate to 28 percent. With the Super Committee failing to come to an agreement, $1.2 trillion in automatic spending cuts will go into effect on January 1, 2013. Half of these cuts would apply to non-defense discretionary spending and half would apply to discretionary defense spending. The National Association of State Budget Officers reports that Social Security, Medicaid, the Children’s Health Insurance Program (CHIP), Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), and Federal-Aid Highways Obligation Limitations are exempt from these cuts. Additionally, although Medicare is not exempt, cuts are limited to 2 percent per year. Funding included in the Affordable Care Act would not be exempt from sequester, unless provided to one of the exempt programs, such as Medicaid. The $1.2 trillion in automatic cuts is based over a ten year time period. The Budget Control Act estimates that of the $1.2 trillion in spending reductions, $216 billion would come from recued interest payments. Therefore, $984 billion would be split between defense and non-defense spending. CBO estimates that this would result in about $109 billion of spending reductions per year, or about $55 billion per year for both defense and non-defense spending. The National Governors Association (NGA) estimates the required cuts from Medicare (limited to 2 percent) and other nonexempt mandatory programs would be approximately $10 billion. As a result, the reduction to non-defense discretionary programs would be $44 billion per year. Accordingly, a $44 billion reduction in non-defense discretionary programs would result in cuts of approximately 8.8 percent. An 8.8 percent cut in nondefense discretionary would be applied to FY 2013 funding levels at the budget account level as determined by the appropriation process and subject to the revised non-security caps.

CMS Awards Funding for Community Based Care Transition Program

On November 18, the Centers for Medicare and Medicaid Services (CMS) announced the first sites selected for the Community Based Care Transition Program (CCTP). The CCTP is an initiative of the Partnership for Patients, a new public-private partnership created by the Affordable Care Act. The goals of the CCTP are to reduce hospital readmissions, test sustainable funding streams for care transition services, maintain or improve quality of care, and document measureable savings to the Medicare program. The demonstration will be conducted under the authority of Section 3026 of the Affordable Care Act of 2010. Click here for the first site selections for the Community Based Care Transitions Program: [http://www.CMS.gov/DemoProjectsEvalRpts/downloads/CCTP_FirstSiteSelections.pdf](http://www.CMS.gov/DemoProjectsEvalRpts/downloads/CCTP_FirstSiteSelections.pdf). Comments or questions can be sent to: CareTransitions@CMS.hhs.gov. For more information about the Community Based Care Transitions Program, visit [http://go.CMS.gov/caretransitions](http://go.CMS.gov/caretransitions).
CMS Announces Demonstration Projects on Medicare Payment

On November 15, 2011 CMS announced three demonstration projects that are set to begin on January 1, 2012 with aims to reduce fraud, waste, and abuse in the Medicare program. The Recovery Audit Prepayment Review demonstration project will allow Medicare Recovery Auditors (RACs) to review claims before they are paid to ensure that the provider complied with all Medicare payment rules. The RACs will conduct prepayment reviews on certain types of claims that historically result in high rates of improper payments. These reviews will focus on seven states with high populations of fraud- and error-prone providers (FL, CA, MI, TX, NY, LA, IL) and four states with high claims volumes of short inpatient hospital stays (PA, OH, NC, MO) for a total of 11 states. (Contact: RAC@cms.hhs.gov.) A second demonstration program on Prior Authorization of Power Mobility Devices will require Prior Authorization for power mobility devices for all people with Medicare who reside in seven states with high populations of fraud- and error-prone providers (CA, FL, IL, MI, NY, NC and TX). This demonstration will help ensure that a beneficiary's medical condition warrants their medical equipment under existing coverage guidelines. (Contact: PAdemo@cms.hhs.gov.) The third demonstration program Part A to Part B Rebilling will allow hospitals to re-bill for 90 percent of the Part B payment when a Medicare contractor denies a Part A inpatient short stay claim as not reasonable and necessary due to the hospital billing for the wrong setting. CMS says that currently when outpatient services are billed as inpatient services, the entire claim is denied in full. This demonstration will be limited to a representative sample of 380 hospitals nationwide that volunteer to be part of the program. This demonstration will allow hospitals to resubmit claims for 90 percent of the allowable Part B payment when a Medicare Administrative Contractor, Recovery Auditor, or the Comprehensive Error Rate Testing Contractor finds that a Medicare patient met the requirements for Part B services but did not meet the requirements for a Part A inpatient stay. (FMI: Contact ABRebillingDemo@cms.hhs.gov.) FMI: To read more about the demonstration projects, visit http://go.cms.gov/cert-demos. CMS has posted a set of questions and answers on the site as well. The QA is available at https://www.cms.gov/CERT/downloads/Prior_Auth_11_18.pdf.

CMS Announces Special Open Door Forum for New RAC Demonstrations

Centers for Medicare and Medicaid Services (CMS) will host a Special Open Door Forum: Medicare’s Prepayment Review and Prior Authorization Demonstration Project for Power Mobility Devices on Monday, December 5, 2011 from 2:00 pm to 3:30 pm Eastern Time (Conference Call Only). Participants may submit questions prior to the Special ODF to pademo@cms.hhs.gov by Friday December 2, 2011, 5pm ET. To participate dial: 1-866-501-5502 and enter Conference ID: 29845811. A transcript and audio recording of this Special ODF will be posted to the Special Open Door Forum website at http://www.cms.gov/OpenDoorForums/05_ODF_SpecialODF.asp and will be accessible for downloading beginning on or around Wednesday, December 14, 2011. CMS also plans to hold two identical Open Door Forums on November 30 and December 8 from 2:00 p.m. to 3:30 p.m. on the Part A to Part B Demonstration for Eligible Medicare Fee-for-Service Hospitals. For the November 30 call, dial 1-866-501-5502 and reference Conference ID#: 28778898. For the December 8 call, dial: 1-866-501-5502 and reference Conference ID#: 28779067. There is also a set of questions and answers posted at http://www.cms.gov/CERT/downloads/AB_Rebilling_11_18.pdf.