PARF NEWS
Pennsylvania Association of Rehabilitation Facilities
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Dateline: April 13, 2012

PARF Legislative Day on May 8

PARF members and other supporters of services to people with disabilities will be gathering at a major 2012 rally to be held on Tuesday, May 8 in the Capitol Rotunda in Harrisburg to oppose cuts in the health and human services budget that have been proposed by PA Governor Tom Corbett. The major emphasis of the rally on May 8 will be on funding for services for people with intellectual disabilities, including the lack of funding to meet emergency needs of people with intellectual disabilities waiting for services. PARF, PCPA, The Arc of PA, Visions for Equality, and the PA Waiting List campaign are co-sponsors of the event. PARF is joining with PCPA and other state associations as a cosponsor of another rally to be held on June 5 that will highlight the need for funding for mental health and substance abuse services. Please save the days for these rallies and legislative meetings. FMI: Contact PARF at parfmail@parf.org.

PA Brain Injury Coalition Rally on May 2

Two rallies protesting cuts in the Pennsylvania Department of Public Welfare (DPW) programs affecting people with disabilities are to be held on May 2 in the Capitol Rotunda in Harrisburg. The PA Brain injury Coalition, including PARF, will hold its 3rd Annual PA Brain Injury Rally in Harrisburg on Wednesday, May 2 at 10 a.m. in the Rotunda of the Capitol Building. The rally is supported by PARF, Brain Injury Association of Pennsylvania, the Acquired Brain Injury Network of Pennsylvania, and the PA Disability Rights Network. PARF members offering brain injury services will be participating. FMI: Contact PARF at parfmail@parf.org.

PA Cares for All to Rally in Harrisburg

On Monday, May 7 at 11:00 a.m. the statewide coalition PA Cares for All will be and hosting a lobby day in Harrisburg, featuring a rally on the steps of the Capitol Rotunda calling for restoration of funds for critically needed programs for vulnerable citizens, including General Assistance and health and human services programs. The theme of the rally is Pennsylvania Should Care For All! The message of the statewide coalition is that the proposed State budget closes Pennsylvanian's bridge to stability and self-sufficiency. To obtain more details on the event see www.PACaresForAll.org or contact PA Cares for All, 1424 Chestnut Street, Philadelphia, Pennsylvania 19102. Phone (267) 765-6488.

PA Families and Advocates to Protest Governor’s Proposed Cuts

On May 2 at 12 Noon Vision for Equality and other self advocate and family organizations will be holding a rally in the Capitol Rotunda in Harrisburg to call for funding of services required by people with disabilities and to restore the cuts as proposed in the Governor's FY 2012-2013 Commonwealth Budget Plan. The "Keep Your Promise" rally will be held on Wednesday, May 2nd, 2012 at 12 noon at the Capitol in Harrisburg. It is supported by PARF, the Pennsylvania Community Providers Association (PCPA) and other state associations who are hosting a major rally on May 8. FMI: Contact PARF at parfmail@parf.org.
PA Legislative Reapportionment Commission Agrees on New PA House and Senate Maps

On April 12 the PA Legislative Reapportionment Commission passed new preliminary versions of the Pennsylvania House and Senate maps by a vote of 4-1. House Republicans and Democrats agreed on a map that moved five seats: (1) HD-5 – the seat of retiring Representative John Evans (R) – moves from Eric/Crawford counties to Berks; (2) HD-22 – the seat of former Representative, now County Controller Chelsa Wagner (D) – moves from Allegheny County to Allentown and becomes a majority Hispanic district; (3) HD-74 – the seat of retiring Representative Bud George (D) – moves from Clearfield County to Chester; (4) HD-115 – the seat of retiring Representative Ed Staback (D) – moves from Lackawanna/Luzerne counties to Monroe; and (5) HD-169 – the seat of former Representative, now Philadelphia Councilman Denny O’Brien (R) – moves from northeast Philadelphia to southern York County. There is a 30 day public comment period before maps are made final. The first public hearing is scheduled for May 2. The LRC developed the new plan after the PA Supreme Court rejected an initial plan. If the new plans are approved by the Supreme Court they will likely take effect for the 2014 elections, meaning it would gain the force of law in early 2015. The Senate plan moves to the Poconos the Senate district currently represented by Senator Jane Orie. FMI: For more details and a copy of the new legislative redistricting maps see http://www.politicspa.com/lrc-passes-new-prelim-pa-house-senate-maps/33960/.

PA Insurance Department Holds Public Hearing On Change of Control in Highmark

On April 17 the PA Insurance Department will hold a public informational hearing on the proposed change in control of Highmark and its Pennsylvania insurance subsidiaries. The hearing also relates to Highmark's proposed affiliation with the West Penn Allegheny Health System. The Department received the transactional filing addressing the proposed change in control and affiliation last November. The Department says that it has received comments from a range of interested parties, including physicians, purchasers and other health plans and has asked follow-up questions on the proposal. The hearing will be held on Tuesday, April 17, at the Westin Hotel Convention Center, Pittsburgh, PA. FMI: The filing, public comments and hearing registration materials are available at www.insurance.pa.gov and click on Highmark/West Penn Hearing.

DRN Addresses Impact of Policies on Accessibility Adaptations and Assistive Technology

On April 9 the PA Disability Rights Network (DRN) circulated its February 10, 2012 letter to the PA Department of Public Welfare (DPW) regarding the Office of Long-Term Living (OLTL) Accessibility Adaptations and Assistive Technology Bulletin. The OLTL Bulletin (Numbers 05-11-07, 51-11-07, 52-11-07, 54-11-07 55-11-07) issued on October 11, 2011 informs care managers and service coordinators of their responsibility to provide information about accessibility adaptations and assistive technology to individuals during the service planning process and to document that communication. In its February 10 letter DRN says that the bulletin imposes restrictions that are in conflict with OLTL’s home and community-based waivers. DRN also claims that the bulletin needs to be clarified to avoid confusion by care managers and service coordinators as to participants’ eligibility for services. In seeking information on implementation of the DPW policies, DRN says it is attempting to know more about the impact of the new policy on individuals who may be eligible for services. FMI: Contact the DRN intake unit at 1-800-692-7443 (voice) or 1-877-375-7139 (TTY).
DPW Publishes SNF and Special Rehab Nursing Facilities Rates

In the April 14 edition of the *Pennsylvania Bulletin*, the PA Department of Public Welfare published its notice on payments to nonpublic and county nursing facilities and rates for state fiscal year 2011-2012. The notice announces the DPW final annual case-mix per diem payment rates for FY 2011-2012 for most of the nonpublic and county nursing facilities that participate in the Medical Assistance Program. The notice also announces the proposed case-mix per diem payment rates for four of the special rehabilitation nursing facilities that participate in the MA program for the period November 1, 2011, through June 30, 2012. They are: Good Shepherd Home Raker Center, Inglis House, Margaret E. Moul Home and Good Shepherd Home – Bethlehem. DPW says that the final annual per diem rates for these special rehabilitation nursing facilities for the period November 1, 2011, through June 30, 2012, will be published in the *Pennsylvania Bulletin* after CMS approval of SPA 11-028 and publication of regulations. Interested persons are invited to submit written comments regarding this notice to the Department of Public Welfare/Department of Aging, Office of Long-Term Living, Bureau of Policy and Strategic Planning, Attention: Yvette Sanchez-Roberts, Forum Place - 5th Floor, 555 Walnut Street, Harrisburg, PA 17101-1919. Comments received by May 14, 2012 will be reviewed and considered for any subsequent revision of the notice. FMI: See [www.pabulletin.com](http://www.pabulletin.com).

DPW Proposes Changes to ICF-MR Fiscal Rules

In the April 14 edition of the *Pennsylvania Bulletin*, the PA Department of Public Welfare (DPW) published its notice on allowable cost reimbursement for non-state intermediate care facilities for persons with intellectual disabilities. The purpose of the notice is to announce DPW intent to amend Chapter 6211 rules on allowable cost reimbursement for non-State operated intermediate care facilities for persons with intellectual disabilities (ICF/ID) providers (previously referred to as ICF/MR providers) rendering services for individuals with intellectual disabilities or other related conditions. The major regulatory amendments contemplated by DPW include provisions that (a) eliminate references to the application of an inflationary factor; (b) allow DPW to apply a rate adjustment factor (RAF) to the standard interim per diem rate for each provider, including those providers who request a waiver of the standard interim per diem rate; (c) establish an October 31st deadline to submit a request for waiver in place of the March 1st deadline, and (d) allow DPW to set a rate for a provider failing to submit a request for waiver of the standard interim per diem rate. DPW says that it does not anticipate savings or costs but that implementation of a rate adjustment factor ensures that DPW expenditures do not exceed the aggregate amount appropriated by the General Assembly. Interested persons are invited to submit written comments for these changes to DPW by April 29 by sending an e-mail to ODP's rate-setting mailbox at ra-comment@pa.gov, use subject header "PN 6211 ICF/ID; provider rates" or send postal mail to the Department of Public Welfare, Office of Developmental Programs, Division of Policy, 5th Floor, Health and Welfare Building, Forster and Commonwealth Avenues, Harrisburg, PA 17120. FMI: See [www.pabulletin.com](http://www.pabulletin.com).
DPW Issues Final Rule on MA Copayment

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published final-omitted rules to (1) eliminate recipient copayment reimbursements; (2) update the sliding-scale MA copayment amount and provide that DPW may, by publication of a notice in the Pennsylvania Bulletin, adjust these copayments amounts; and (3) make technical amendments to Chapter 1101 to codify certain federally mandated copayment exclusions and to clarify existing MA copayment policies. DPW says that it as determined that modifying the recipient copayment obligations will produce savings with the least impact on services and care provided to MA recipients. In response to comments that eliminating the copayment reimbursement provision would impose a severe financial hardship on MA consumers, DPW says that it acknowledges that the elimination of the copayment reimbursement provision may be viewed by some as a financial burden but is compelled to implement cost saving initiatives. DPW noted that in response to comments from county MA transportation providers objecting to the imposition of a $2 per one-way trip copayment for non-emergency medical transportation (NEMT) para-transit services it was removing the NEMT para-transit copayment from the final-omitted rulemaking. DPW says that MA recipients who are not otherwise excluded from copayment requirements will be affected by the final-omitted rulemaking, which increases the nominal sliding scale MA copayment amounts and eliminates excess copayment reimbursement to recipients. The technical amendments codify copayment exclusions and clarify the regulation. DPW reaffirms in the rule that ICF/MR and ICF/ORC facilities do satisfy the criteria for the copayment exclusion. The rule takes effect on May 15, 2012. FMI: See www.pabulletin.com.

DPW Revises MA Pharmacy Payment Methodology

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published amendments to the Medical Assistance Pharmacy Payment Methodology. DPW is amending the current regulations (a) to set the dispensing fee paid to pharmacies at $2 for prescriptions for compensable non-compounded legend and non-legend drugs and $3 for compensable compounded prescriptions; (b) to set the dispensing fee paid to pharmacies for prescriptions for compensable legend and non-legend drugs and compensable compounded prescriptions for MA recipients with a pharmacy benefit resource to MA at $0.50 to cover the pharmacy's cost to transmit the claim to the MA program for secondary payment; and (c) to revise the calculation of wholesale acquisition cost (WAC) when establishing the estimated acquisition cost (EAC). For brand name drugs, the WAC calculation is being amended to the lowest WAC listed for the drug in available Nationally recognized pricing services, plus 3.2%. For generic drugs, the WAC calculation is being amended to the lowest WAC listed for the drug in available nationally recognized pricing services. FMI: See www.pabulletin.com.

DPW Decreases Payments for Burn Center Services

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) announced its intent to decrease the funding allotted for Fiscal Year (FY) 2011-2012 disproportionate share hospital (DSH) payments to certain qualifying Medical Assistance acute care general hospital burn centers. DPW says that the FY 2011-2012 fiscal impact is $7.576 million ($3.404 million in State general funds and $4.172 million in Federal funds), pending approval by the Centers for Medicare and Medicaid Services. FMI: See www.pabulletin.com.
DPW Restructures MA Payment for Normal Newborn Care in Acute Care Hospitals

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published its newborn payment policy for acute care general hospitals. The final rule restructures the inpatient payment for normal newborn care for MA births in inpatient acute care general hospitals. For normal newborn care, DPW will make one payment for inpatient services related to the mother's obstetrical delivery using the All Patient Refined (APR) Diagnosis Related Group (DRG) payment. DPW says that it is also amending regulations regarding its payment policy for readmissions to an inpatient acute care general hospital to increase the readmission time period from 7 to 30 days of the date of previous discharge. FMI: See [www.pabulletin.com](http://www.pabulletin.com).

DPW Amends Rules on Special Allowance for Supportive Services

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) published amendments revising the special allowance for supportive services requirements in the Road to Economic Self-Sufficiency Through Employment and Training (RESET) Program. The final rule eliminates several types of special allowances, combines public and private transportation related special allowances into one category, reduces the maximum combined annual limit for transportation from $3,000 to $1,500, and eliminates the motor vehicle insurance special allowance. In addition, the lifetime limit for other work, education and training-related allowances is reduced from $2,000 to $1,000. The rule further specifies that the DPW will not authorize a special allowance for a service or item that has been paid for or obtained prior to requesting the special allowance unless required under federal law. In addition, the individual shall provide verification within the time frame specified on the Agreement of Mutual Responsibility or Employment Development Plan. The final rule also specifies the types of special allowances for supportive services that may be issued for individuals who apply for or receive SNAP-only benefits. The rule eliminates two bases for good cause for failure to comply with RESET requirements: (1) Allowing an individual to end employment that is sporadic and (2) allowing an individual to reject a job offer that would result in the loss of income. The rule also deletes the "benefit of the doubt" language relating to good cause. DPW may request verification from the individual regarding good cause. FMI: See [www.pabulletin.com](http://www.pabulletin.com).

DPW Issues Regulation on State Supplementary Payment Levels

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Public Welfare (DPW) issued a regulation on State Supplementary Payment Levels for its Supplemental Security Income Program and State Supplementary Payment Program. DPW notes that it had reduced the SSP payment levels earlier by publishing a notice in the January 16, 2010 edition of the Pennsylvania Bulletin. However, the authority of DPW to change the SSP payment levels by notice rather than by regulation is currently being challenged in the PA Commonwealth Court. DPW says that it is publishing the rule to mitigate the uncertainty associated with that litigation. The final rule sets the level of SSP payments at their current levels, places those levels in regulation, deletes the language authorizing that the subsequent changes in payment levels will be made by publication of a notice in the Pennsylvania Bulletin and rescinds Appendix A. The final-omitted rulemaking affects approximately 380,000 individuals who receive or are anticipated to receive the optional SSP. DPW says that the rule will yield an estimated savings of $21,147,890 in FY 2011-2012. FMI: See [www.pabulletin.com](http://www.pabulletin.com).
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**HPN Reports on DPW Funding Reductions**

On April 12 the Harrisburg Patriot News (HPN) featured reports on the impact of recent reductions by the PA Department of Public Welfare (DPW) in the state funding of services to people with intellectual disabilities who are served by The Arc of Cumberland Perry Counties. The article is entitled “PA Budget Cuts, Policy Changes are Ravaging Services.” It focuses on the impact of the cuts on C/PARC and the people that are supported by its programs. See [http://www.pennlive.com/midstate/index.ssf/2012/04/pennsylvania_budget_cuts_polic.html](http://www.pennlive.com/midstate/index.ssf/2012/04/pennsylvania_budget_cuts_polic.html). The news article was preceded by an editorial published by the Harrisburg Patriot Editorial Board entitled “A poor excuse: DPW’s get tough policy lacks compassion”. See [http://www.pennlive.com/editorials/index.ssf/2012/04/a_poor_excuse_dpws_get_tough_p.html](http://www.pennlive.com/editorials/index.ssf/2012/04/a_poor_excuse_dpws_get_tough_p.html)


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**OVR Posts Invitation for Bid on Services to PA Rehab Council**

Effective April 12, 2012 at 10:00 am, the PA Department of Labor and Industry (L&I) Office of Vocational Rehabilitation (OVR) posted one (1) Invitation for Bid (IFB) on the Department of General Services (DGS) web site to obtain Logistical Support and Coordination Services for the Pennsylvania Rehabilitation Council (PaRCT). See [IFB #1 6100021940 – Logistical Support and Coordination Services to the Pennsylvania Rehabilitation Council (PaRC).](https://www.pasupplierportal.state.pa.us/irj/portal/anonymous)

The IFB will be posted for 21 days. The bid period closes on May 3, 2012 at 10:00 am. OVR has posted one (1) Invitation for Bid on the Department of General Services Web site. Use this link to access the web site: [https://www.pasupplierportal.state.pa.us/irj/portal/anonymous](https://www.pasupplierportal.state.pa.us/irj/portal/anonymous). Go to the Search for Solicitation Section and enter the IFB number. Bids will be reviewed on May 3, 2012 at 10:01 am. Questions will be answered through the DGS Web site: [http://www.emarketplace.state.pa.us/](http://www.emarketplace.state.pa.us/) and [https://www.pasupplierportal.state.pa.us/irj/portal/anonymous](https://www.pasupplierportal.state.pa.us/irj/portal/anonymous) and will be attached to the IFB. If you have difficulties locating this IFB or posting your questions, please email L&I Procurement Office, at RA-li-OIT-BAS-Procur@state.pa.us. You must be a registered vendor of the Commonwealth to bid on this IFB. Questions about the registration process should be directed to the Help Desk at 1-877-435-7363. Only Electronic Bids will be accepted by that date and time. All vendors wishing to do business with the Commonwealth must register at [https://www.pasupplierportal.state.pa.us/irj/portal/anonymous](https://www.pasupplierportal.state.pa.us/irj/portal/anonymous). Potential applicants must be a registered PA vendor in order to view, bid and receive a Contract. For assistance in becoming a registered PA vendor, call toll free number: 1-877-435-7363. FMI: Email Mike Schindler, Purchasing Agent, L&I Procurement Office at RA-li-OIT-BAS-Procur@state.pa.us.

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**ODP Memo on HCSIS Incident Report Screens and Incident Management Report**

On April 13 the PA DPW Office of Developmental Programs (ODP) released ODP Informational Memo 028-12 Enhancements to HCSIS Incident Report Screens and Incident Management Report. The Informational Memo alerts ODP partners about enhancements to HCSIS incident screens and HCSIS Incident Management reports in the 6.15 release scheduled for April 14, 2012. ODP says that the information in this memo supplements the HCSIS Release 6.15 Communication. FMI: See [www.odpconsulting.net](http://www.odpconsulting.net)
DCED Seeks Comment on 2011 CAPER

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Community and Economic Development (DCED) announced that it is seeking written comments regarding its current draft version of its 2011 Consolidated Annual Performance and Evaluation Report (CAPER). Now under preparation, CAPER reports on the progress and accomplishments made during 2011 in implementing the Commonwealth's Consolidated Plan for Federal Fiscal Years 2009-2013. This document must be submitted to, and approved by, the United States Department of Housing and Urban Development (HUD) for the Commonwealth and organizations within this Commonwealth to receive funding under most HUD housing and community development programs. The Consolidated Plan creates a unified strategy for housing and community development programs, as well as the necessary linkages for building successful neighborhoods and communities. Individuals or organizations may provide written comments regarding this draft version of the CAPER. This report will be available at http://www.newpa.com/strengthen-your-community/technical-assistance or by calling (717) 720-7412. Written comments will be accepted about funding activities, community development, housing, CAPER content and the process by which public input is gathered. Written comments will be accepted until 5 p.m. on May 14, 2012, and should be sent to Dan Fox, Department of Community and Economic Development, Center for Community Financing, Commonwealth Keystone Building, 400 North Street - 4th Floor, Harrisburg, PA 17120-0225. FMI: See www.pabulletin.com.

DCED Seeks Comment on Substantial Amendment to HUD Consolidated Plan

In the April 14 edition of the Pennsylvania Bulletin, the PA Department of Community and Economic Development (DCED) announced a public comment period to consider a substantial amendment to the Commonwealth of Pennsylvania Fiscal Year (FY) 2011 United States Department of Housing and Urban Development (HUD) Annual Action Plan for the new Emergency Solutions Grant (ESG). The public comment period is from April 14, 2012, through May 14, 2012. The purpose of the ESG program is to facilitate coordination and efficient use of resources, align the requirements of the program with HUD's other formula and rental assistance programs and, when feasible, increase efficiency and coordination among the various Federal programs. A public meeting will be conducted electronically on Monday, April 23, 2012, from 10 a.m. to 11:30 a.m. by means of the Internet. The format will be more accessible than an in-person meeting because those who wish to make a comment or discuss policy may participate directly from their personal computer or from a computer location at their public library on Monday, April 23, 2012. Access to the discussion by means of the Internet will occur between 10 a.m. and 11:30 a.m. Anyone who wants to participate must register in advance on the Department's web site at http://www.newpa.com/strengthen-your-community/technical-assistance#comp. Individuals may also contact Daniel Fox at (717) 720-7412 to receive registration instructions for the Internet-based public meeting by Friday, April 20, 2012. Persons who would like to provide written comment on the draft amendment may send those comments electronically to Dan Fox at daniefox@pa.gov. Comments must be received before 5 p.m. on May 14, 2012. FMI: See www.pabulletin.com.
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**PA DOH Urges Enrollment in Emergency Volunteer Registry**

On April 13 the PA Department of Health urged PA residents to join the State Emergency Registry of Volunteers in Pennsylvania (SERVPA) during Volunteer Week which is being observed statewide during the week of April 15-21. PA Governor Tom Corbett proclaimed the week Volunteer Week to honor the acts of volunteerism performed every day by Pennsylvanians. The Governor’s proclamation praised the State Emergency Registry of Volunteers in Pennsylvania (SERVPA), a secure, statewide database of registered, pre-credentialed volunteers who can be called upon during major disasters or public health emergencies. Approximately 10,500 medical and nonmedical volunteers are currently registered. Pennsylvanians interested in registering to volunteer through SERVPA should visit online at [https://www.serv.pa.gov](https://www.serv.pa.gov).

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**HAP Program on Medical Necessity in Rehabilitation & Compliance Strategies on April 24**

On April 24 the Hospital and Healthsystem Association of Pennsylvania (HAP) will offer a one hour web conference on ethical and financial issues specific to determining medical necessity for rehab patients and compliance strategies. This program will be of particular interest to chief executive officers, chief operating officers, chief financial officers, chief nursing officers, chief medical officers, PAI coordinators, inpatient and outpatient rehabilitation program directors, managers responsible for inpatient rehabilitation units, planning and strategy staff and key rehabilitation managers or staff. For a brochure and registration form see [http://www.haponline.org/programs/details/OGEXYRd1L94QTV06K7GT](http://www.haponline.org/programs/details/OGEXYRd1L94QTV06K7GT)

Any questions may be directed to Mary Barth, Member Relations and Education, at mbarth@haponline.org or (717) 561 5270. Education Services, The Hospital & Healthsystem Association of Pennsylvania 4750 Lindle Rd., Harrisburg, PA 17111.

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**Works for Me Program Seeks Artists with Disabilities**

The Works for Me Program has announced that it is searching for artists with disabilities to submit art work for its Work Incentives Calendar for 2013. Each month, the calendar will feature a work-incentive as well as artwork submitted by an individual with a disability living in Pennsylvania. The project is sponsored with funds from the Center for Medicare and Medicaid Services (CMS) Medicaid Infrastructure Grant (CFDA # 93.768). The Works for Me Program says that calendar artists will receive public recognition for their accomplishments. Individuals can submit artwork of their own, including the title of the artwork, full name of the artist, phone number, and email address. Photographs or pictures of paintings, sculptures, wall hangings, and textile designs should be submitted. One picture per each email and no more than 3 items per artist should be submitted. Items must be submitted to Kiley Hassinger at khashing@pa.gov. All artwork must be submitted by May 31, 2012. Artists will be notified in July 2012 if their work has been chosen. Winning entries will be featured in the 2013 calendar. FMI: Contact: 1-877-268-9894.
GAO Assesses Fiscal Challenges Facing State and Local Governments

On April 5 the Government Accountability Office (GAO) issued its most recent report on state and local governments’ fiscal conditions. The GAO report finds that, much like the federal government, the state and local government sector continues to face near-term and long-term fiscal challenges that grow over time. GAO says that although the fiscal situation of the state and local government sector has improved in the past year as the sector’s tax receipts have slowly increased in conjunction with the economic recovery, total tax receipts have only recently returned to the prerecession levels of 2007. GAO says that the sector still faces a gap between revenue and spending. GAO says that the fiscal position of the sector will steadily decline through 2060 absent any policy changes. The GAO concludes that substantial policy changes are required in the state and local government sector to maintain fiscal balance over the long term. GAO cautions that because abrupt spending declines or tax increases would likely have negative effects on both state and local governments and the economy as a whole, the adjustments needed to achieve fiscal balance would need to be adopted gradually. It calculates that closing the fiscal gap would require action to be taken today and maintained for each year equivalent to a 12.7 percent reduction in state and local government current expenditures. GAO says that closing the fiscal gap through revenue increases would require action on that side of a similar magnitude. For a copy of report and analyses see http://www.gao.gov/assets/590/589908.pdf. For a review of the GAO report on the outlook for federal revenues and spending, see http://gao.gov/assets/590/589835.pdf.

U.S. House Committee Holds Hearing on Workforce Investment Improvement Act

On April 17 The U.S. House of Representatives Education and The Workforce Committee will hold a hearing on H.R. 4297, the Workforce Investment Improvement Act of 2012. The committee has held four hearings and is continuing review of successes and weaknesses in the system to provide job training and employment assistance for workers. To view the hearing, see http://edworkforce.house.gov/Calendar/List.aspx?EventTypeID=189. For a copy of the bill see http://edworkforce.house.gov/UploadedFiles/Workforce_Investment_Improvement_Act_of_2012.pdf. For testimony by the National Skills Coalition see also http://www.nationalskillscoalition.org/homepage-archive/nsc-testifies-at-house.html.

HHS Proposes Delay in Implementation of ICD-10

The U.S. Department of Health and Human Services (HHS) has issued a proposed rule that would delay the implementation of the International Classification of Diseases, 10th Edition (ICD-10) by one year, from October 1, 2013 to October 1, 2014. The proposed rule is to be published in the April 17, 2012 edition of the Federal Register. Comments will be accepted through May 17, 2012. On January 16, 2009, HHS published a final rule (74 FR 3328) in which the Secretary of HHS adopted the ICD-10-CM and ICD-10-PCS (ICD-10) code sets as the HIPAA standards to replace the previously adopted ICD–9–CM Volumes 1, 2, and 3). The compliance date set by the final rule was October 1, 2013. Since that time, some provider groups have expressed strong concern about their ability to meet the October 1, 2013 compliance date and the serious claims payment issues that might then ensue. FMI: See http://www.regulations.gov/#!home. See also www.hhs.gov.
CMS Releases Application Guidance Document for Bundled Payment Models 2-4

The Centers for Medicare and Medicaid Services (CMS) Innovation Center has released an Application Guidance document for Models 2-4. This document is designed to offer applicants additional guidance in completing a strong application for the Bundled Payments for Care Improvement (BPCI) initiative. The Application Guidance document clarifies various sections of the BPCI applications. For complete program descriptions, including selection criteria, CMS recommends that applicants refer to the Request for Application, application question documents, frequently asked questions, and other clarification documents and webinars that are available on the CMS website at [http://innovations.cms.gov/initiatives/bundled-payments/index.html](http://innovations.cms.gov/initiatives/bundled-payments/index.html).

CMS Innovation Webinar on Models 2-4 on April 19

The Centers for Medicare and Medicaid Services (CMS) Innovation Center has announced that it is offering a webinar on Thursday, April 19, 2012 from 12:00 p.m. Noon to 1:30 p.m. EDT to discuss the Application Guidance document for Models 2-4 Bundled Payments for Care Improvement (BPCI). See [http://innovations.cms.gov/resources/Bundled-Payments-Application-Guidance.html](http://innovations.cms.gov/resources/Bundled-Payments-Application-Guidance.html). This webinar will highlight key areas from the document discussing what a strong application to the BPCI initiative should include. CMS encourages providers to review the Models 2-4 application questions and the new Application Guidance document, all available on its website, prior to this webinar. Participants may access the webinar at [https://air.omnovia.com/registration/pid=73271333980312](https://air.omnovia.com/registration/pid=73271333980312). Participants are strongly encouraged to use the Web link for full access to the presentation. If you are unable to hear the audio via your computer speakers or would prefer to listen via the telephone, please call the following phone number: (888) 776-9631. Each participant will be greeted by a live operator. Please state the number you are dialing in for the ‘CMMI Webcast’ and reference participant pass code 9100747 to be connected to the event. Organizations who have submitted Letters of Intent for Models 2-4 of BPCI should attend. FMI: See [http://innovations.cms.gov/resources/Bundled-Payments-Application-Guidance.html](http://innovations.cms.gov/resources/Bundled-Payments-Application-Guidance.html).

CMS Online Application Portal Available by April 27

On April 4, Centers for Medicare and Medicaid Services (CMS) announced that the online application portal will be available the week of April 23, 2012. Based in part on the availability date of the CMS online application portal, CMS is extending the Models 2-4 application deadline to Thursday, June 28th, 2012 at 5:00 p.m. EDT. Prior to the release of the online application, CMS will be sending an email to the project contact of each organization that submitted a Letter of Intent to apply for Models 2-4 asking them to designate the applicant role for their application. More instructions regarding this process will follow. Since it is critical that CMS has the correct contact information for all potential applicants, CMS recommends that organizations verify that the project contact listed on the Letter of Intent is still the individual at the organization who should receive information. If there has been any change in project contact, please email CMS at BundledPayments@cms.hhs.gov as soon as possible and please copy the original contact in your communication. The slides, audio recording and transcript will be available on the CMS Innovation Center website. To ask a question, e-mail BundledPayments@cms.hhs.gov.
CMS Hosts National Call on Medicare FFS Implementation of HIPAA Version 5010

The Centers for Medicare and Medicaid Services (CMS) is hosting a National Provider Call regarding the current status of Medicare FFS implementation of HIPAA Version 5010 and D.0. This National Provider Call will be held on Wednesday, April 25 from 2:00 p.m. to 3:30 p.m. ET. The call focuses on addressing the current 5010/D.0 metrics, addressing recommendations made by Medicare FFS, and possible outstanding fixes impacting the Part A and Part B Version 5010 transition. In order to receive call-in information, you must register for the call at http://www.eventsvc.com/blhtechnologies. Registration will close at 12pm on the day of the call or when available space has been filled; no exceptions will be made, so please register early. The presentation for this call will be posted at least one day in advance at http://www.CMS.gov/Outreach-and-Education/Outreach/NPC/National-Provider-Calls-and-Events-Items/042512-NPC-Call.html. In addition, the presentation will be emailed to all registrants on the day of the call. CMS will be using an optional webinar feature as part of this National Provider Call. Complete details on this feature are available on the call registration page. FI: See www.cms.gov.

CMS Announces 27 ACOs in Medicare Shared Savings Program

On Tuesday April 10 Centers for Medicare and Medicaid Services (CMS) announced the selection of the first 27 Accountable Care Organizations (ACOs) to participate in the Medicare Shared Savings Program (Shared Savings Program). Of the 27 ACOs, 5 are participating in the Advance Payment ACO Model. This Model was established by the CMS Innovation Center to encourage rural and physician-based ACOs to participate in the Shared Savings Program. The Advance Payment ACOs receive advance payments to help cover the costs of establishing the infrastructure needed to coordinate care for the beneficiaries they serve. The Shared Savings Program ACOs, which will serve an estimated 375,000 beneficiaries in 18 States, brings the total number of organizations participating in Medicare shared savings initiatives to 65. This includes the 32 Pioneer Model ACOs that were announced last December and six Physician Group Practice Transition Demonstration organizations that started in January 2011. FMI: See http://www.cms.gov/apps/media/press_releases.asp. For more information about the CMS announcement, view the CMS Fact Sheet at http://www.cms.gov/apps/media/fact_sheets.asp.

Social Security Announces New Conditions for Compassionate Allowances Program

On April 11 the Social Security Administration (SSA) announced 52 new Compassionate Allowances conditions, primarily involving neurological disorders, cancers and rare diseases. The Compassionate Allowances program fast-tracks disability decisions to ensure that Americans with the most serious disabilities receive their benefit decisions within days instead of months or years. The announcement of 52 new conditions, effective in August, will increase the total number of Compassionate Allowances conditions to 165. The conditions include certain cancers, adult brain disorders, a number of rare genetic disorders of children, early-onset Alzheimer’s disease, immune system conditions, and other disorders. FMI: See http://www.socialsecurity.gov/pressoffice/pr/compassionate-allowances-0412-pr.htm For more information on the Compassionate Allowances initiative, please visit www.socialsecurity.gov/compassionateallowances.