PA Senate Passes $27.65 Billion State Budget, Restores Cuts Proposed by Governor

On May 9 the Pennsylvania Senate voted 39-8 in favor of a $27.656 billion budget proposal (Senate Bill 1466) that increases state spending by 1.8 percent over the current fiscal year. Twenty seven (27) Republican Senators voted for it as well as twelve (12) of twenty (20) Democrats. The budget is at a lower spending level than FY 2008-09, 2009-10 and 2010-11. While Senate Bill 1466 is $500 million above Governor Corbett’s $27.15 billion spending plan, a total of $650 million in the Governor's cuts from the current year budget were restored. The restorations include: $245 million Corbett restored to 18 state-funded universities, $84 million restored to funding for county human services programs and $50 million restored to education block grants. The Senate bill also provides $50 million for fiscally-distressed schools and restores some pre-K programs while cutting funding for child care services for poor families. Both Governor Corbett and House Majority Leader Mike Turzai (R-Allegheny) characterized the Senate bill as a ceiling for budget spending. PA Senate Appropriations Committee Chairman Jake Corman (R-Centre) and PA Senate Majority Leader Dominic Pileggi (R-Delaware) said if revenues run higher than expected in May, they might be open to a spending increase The PA House of Representatives is expected to offer a budget as early as the week of May 22. FMI: See http://www.pasenategop.com/news/2012/0512/corman-050912.htm.

PA Senate Budget Bill Restores $132M to DPW

On May 9 Pennsylvania Senate voted to approve Senate Bill 1466 – a $27.65 billion state budget for FY2012-13. The PA Senate budget bill increases state general fund appropriations by a net of $517 million, including: $907 million in additional revenues that are anticipated and used up in this proposal; $420 million from better than anticipated revenue collections from this year’s budget; $397 million from revenues anticipated next year above the Governor’s estimate; and $90 million through reduction in a reserve for tax refunds. In addition, the Senate Republican budget proposal made it more possible for restoration by making more than $163 million in cuts to the Governor’s proposed budget. More than $617 million was added back to the expense side of the budget, including: $245 million for higher education; $127 million for basic education; $132 for DPW programs; $75 million in agriculture, including restoring funding for the Veterinary School at the University of Pennsylvania; $ 23 million to restore spending in the Senate, House and other legislative agencies to last year’s levels; $9 million for debt service for the Commonwealth Financing Authority; and , $6 million for a long-standing rail freight program. The major components of the $132 million in add-backs in the DPW budget are: (1) $84 million for a restoration of half of the 20% cut in the human services block grant; (2) $23 million for a restoration of half of the 4% cut in nursing home rates; (3) $6.3 million for a restoration of half of the 4% cut in fee-for-service rates paid to hospitals; (4) $3.5 million to restore small hospital (DSH) payments to last year’s levels; and, (5) $10.1 million to restore cuts in the Community ID Waiver appropriation. FMI: See www.pasenategop.com. Contact PARF at parfmail@parf.org.
PA Brain Injury Coalition Holds Rally

On May 2 the PA Brain Injury Coalition held its rally attracting nearly 100 supporters of a campaign to obtain adequate funding for brain injury services. The rally also called for legislative action on requirements for disclosure of insurance benefits and stronger voice in setting state policy affecting people with brain injury. The rally addressed the cuts in funding that are being proposed by Governor Tom Corbett that would reduce home and community based services to people with brain injury. Representatives and Senators joined with representatives PARF, the Brain Injury Association of Pennsylvania, Acquired Brain Injury Network of Pennsylvania, and the Disability Rights Network of Pennsylvania to call for legislative action on the budget and bills under consideration. The participants in the rally called for a state budget that would support community services for people with brain injury and for approval of House Bill 2024 on insurance coverage for rehabilitative services and Senate Bill 997 on the making of public policy affecting people with brain injury. FMI: Contact PARF at parfmail@parf.org See also www.legis.state.pa.us and http://www.pahousegop.com/NewsItem.aspx?NewsID=14264.

Capitol Rally Calls for End to Funding Cuts in Intellectual Disability Services

On May 8 PARF in conjunction with the Pennsylvania Community Providers Association, Vision for Equality, PA Waiting List Campaign and The Arc of PA held its annual rally advocating for services for people with intellectual disabilities. In opening remarks to the 200 participants at the rally PARF Immediate Past President Jeff Wilush led off the rally, calling for a stop to the cuts in funding for services that have been proposed by Governor Tom Corbett. Noting the signs that brandished the major messages of the rally (Save Our Services, Stop the Cuts) Wilush called for legislative action to assure that services were maintained. Legislators speaking up for restoration of funds included PA State Representative Thomas Murt (R–Montgomery/Philadelphia Counties), PA State Representative Gene DiGirolamo (R–Bucks County), PA State Senator Judy Schwank, (D–Berks County), PA State Senator Shirley Kitchen (D – Philadelphia County), and PA State Representative Ed Pashinski (D –Luzerne County). Advocates called for funding to assist the thousands of individuals with intellectual disabilities who are on emergency waiting lists. Shelia Stasko, Director, Pennsylvania Waiting List Campaign, Maureen Cronin, Executive Director, The Arc of PA and advocates Nancy Richey and Lisa Tesler called for a budget that maintained the state’s commitment to the most vulnerable citizens. The themes of the May 8 rally were sounded earlier at a rally held on May 2 at which protestors opposed the public welfare spending reductions and called on PA Governor Tom Corbett to withdraw the proposed 20% cut in human services funding grants to counties. FMI: Contact PARF at parfmail@parf.org.

DiGirolamo Holds Hearing on Impact of Policy Changes in OLTL

On May 3 PA Representative Gene DiGirolamo (R-Bucks), chairman of the PA House of Representatives Human Services Committee, hosted an informational meeting about the impact of policy changes on consumers and families receiving services through the Department of Public Welfare (DPW) and the Office of Long-Term Living. Testifying before the Committee, individuals with physical disabilities and provider agencies reported on the impact of changes implemented by DPW and the Office of Long-Term Living. FMI: See http://genedigirolamo.com/. See also www.pahousegop.com.
Asset Test on SNAP Recipients Reinstated

On May 1 the PA Department of Public Welfare reinstated an asset test to obtain food stamps under the Supplemental Nutrition Assistance Program (SNAP). As of May 1, any SNAP recipient under the age of 60 who has more than $5,500 in savings and assets, including cash, stocks, bonds and money in checking and savings accounts, no longer qualifies. Individuals who are over 60 or disabled who have $9,000 in savings and assets no longer qualify statewide. More than 146,600 households have at least one person 60 or older receiving SNAP. Opponents to the reinstatement of the asset test say that the asset test would discourage seniors and other people in need from applying for assistance to purchase the foods they need to maintain adequate nutrition and good health. Pennsylvania utilized an asset test until 2008, when the Rendell Administration ended it citing both the recession as well as its disproportionate effects on senior citizens. Nationwide, 35 other states do not have an asset test on SNAP recipients. FMI: See www.dpw.state.pa.us.

DOL Establishes New Criteria for Obtaining PA Unemployment Compensation Benefits

In the May 5 edition of the Pennsylvania Bulletin, the Pennsylvania Department of Labor and Industry (L&I) published its proposed new criteria for obtaining unemployment compensation benefits requirements. The new criteria are being proposed to comply with new provisions of the Unemployment Compensation Law established on June 17, 2011, requiring that after January 1, 2012 a claimant shall make an active search for suitable employment. The new requirements concern the timetable for registration for employment search services in the Pennsylvania Careerlink® system, submission of job applications, types of job search activities, and exceptions and alternative requirements. L&I anticipates that a claimant will be able to meet the new active search requirement at minimal or no cost. The change in the L&I rules requires a claimant to create a record of his work search activities that contains the information required by the Department, retain the record for 2 years from the effective date of the application for benefits and produce the record for the Department's review at the times and in the format and manner as the Department requires. The regulation will be monitored through practice and application. The proposed rulemaking will be effective upon final-form publication in the Pennsylvania Bulletin. Comments may also be submitted electronically at sumorrison@pa.gov. FMI: See www.dpw.state.pa.us.

Extended Unemployment Benefits Program Ending in Pennsylvania

On May 3 the PA Department of Labor & Industry announced that the U.S. Department of Labor had notified Pennsylvania that the state’s declining unemployment rate is too low to authorize continued payment of Extended Benefits (EB). The EB program provided 13 weeks of unemployment compensation benefits beyond federally funded Emergency Unemployment Compensation, or EUC, and 26 weeks of state-funded unemployment compensation. The last payable week of EB will be the week ending May 12. Claimants currently filing for EB may continue to file claims for weeks they are fully or partially unemployed through May 12, 2012. L&I said that it will notify, by mail, individuals affected by the end of the program. Federally funded EB is a separate program from federally funded EUC. The EUC program and participants are not affected by the end of EB in Pennsylvania. FMI: See www.pacareerlink.state.pa.us.
PA Revenue Department Reports Current Budget Deficit Less than Anticipated

On May 1 the PA Department of Revenue reported that Pennsylvania had higher than expected tax revenue collections for April, indicating that the state's shortfall is about $288 million. In December 2011, the Corbett administration predicted there would be a $719 million deficit by the end of the 2011-2012 fiscal year. PA Department of Revenue Secretary Dan Meuser says that his office will wait until tax collections for May are in before making any changes to revenue estimates. In its report PA Department of Revenue said that Pennsylvania collected $3.4 billion in General Fund revenue in April, which was $98.9 million, or 3 percent above estimate. Fiscal year-to-date General Fund collections total $23 billion, which is $288.4 million, or 1.2 percent, below estimate. Sales tax receipts totaled $777.3 million for April, $35.7 million above estimate. Year-to-date sales tax collections total $7.3 billion, which is $74.1 million, or 1 percent, more than anticipated. Personal income tax (PIT) revenue in April was $1.7 billion, $26.4 million below estimate. This brings year-to-date PIT collections to $9 billion, which is $224.5 million, or 2.4 percent, below estimate. April corporation tax revenue of $587.2 million was $68.7 million, above estimate. Year-to-date corporation tax collections total $4.2 billion, which is $122.3 million, or 2.8 percent, below estimate. For more information, visit www.revenue.state.pa.us.

Highmark and UPMC Reach Agreement

On May 2 PA Governor Tom Corbett announced that Highmark and the University of Pittsburgh Medical Center (UPMC) reached an agreement that would provide in-network access to all UPMC hospitals and physicians for Highmark Commercial and Medicare Advantage members until December 31, 2014. Highmark and UPMC have also agreed to negotiate rates and terms for continued Highmark member access to certain UPMC services on an in-network basis starting in 2015, including Western Psychiatric, certain oncological services, UPMC Bedford, and UPMC Venango. Highmark members in a continuing course of treatment at UPMC will also continue to have in-network access to UPMC hospital and physician services. Current Highmark-UPMC arrangements regarding UPMC Mercy and Children’s Hospital are unaffected by the agreement and will remain in effect. The current Highmark-UPMC arrangements regarding UPMC Hamot, which expire on June 30, 2013 with an additional one-year run-out period, will be extended by six months to December 31, 2014. UPMC will also continue to provide in-network hospital and physician services at preferred rates for certain Highmark plans which serve vulnerable populations, specifically Special Care, PA Fair Care, CHIP and Guaranteed Issue plans, for such time as these plans continue to be offered by Highmark. The contractual extension until the end of 2014 is expected to provide for sufficient and definite time for patients to make appropriate arrangements for their care and eliminate the need for any possible governmental intervention under Act 94. Highmark has agreed not to seek or support such intervention in return for a UPMC agreement to the extension. The agreement was reached with the assistance of David F. Simon, Executive Vice President and Chief Legal Officer of Jefferson Health System. Philadelphia, PA – a mediator designated by Governor Corbett – and through the support of interested legislators. The agreement in principle is binding and will be implemented through formal agreements to be completed by June 30, 2012. FMI: See www.state.pa.us and http://www.portal.state.pa.us/portal/server.pt?open=514&objID=1052970&parentname=ObjMgr&parentid=384&mode=2.
DPW Certification and Licensing System Available

On May 10 the PA Department of Public Welfare (DPW) Office of Developmental Programs (ODP) announced in ODP Announcement 037-12 that the DPW Certification and Licensing System (CLS) is now available to ODP service providers. The announcement is directed to providers who are currently licensed and those who would seek to be licensed by ODP. ODP said that the announcement offers providers basic background information on the system, a list of frequently asked questions and directions on how to access support resources. CLS is an online system that providers will use to complete a new or renewal application, submit a plan of correction (POC) associated with the inspection, complete and submit a civil rights compliance questionnaire (CRCQ) and request changes to their current certificate of compliance. ODP said that providers that will use CLS for licensing activities include: Community homes, life sharing/family living homes, adult training facilities, vocational training facilities, intermediate care facilities for the intellectually disabled (ICF>ID), and intermediate care facilities for other related condition (ICF/ORC). In a HCSIS update, DPW said that as a result of the implementation, licensing data will be displayed on HCSIS SSD and the HCSIS Provider Qualification screens. A link will be added to HCSIS Provider Access to allow providers to navigate to CLS. Updated HCSIS training materials will available on the LMS in May. Please review these materials to become familiar with the changes. In addition, new CLS training materials will be available on the LMS by May 4, 2012. Look for more information about CLS in upcoming HCSIS Monthly and Release Communications. FMI: See www.odpconsulting.net.

DPW Establishes Bureau of Human Services Licensing

On May 10 the PA Department of Public Welfare (DPW) announced the consolidation of several departmental licensing and inspection functions into a single Bureau of Human Services Licensing (BHSL). DPW said that the initiative will involve the consolidation of licensing functions currently administered in several DPW program offices into a single administrative bureau within the department’s Office of Administration. Ron Melusky will serve as Director of Human Services Licensing. DPW said that its goal is to increase efficiency by eliminating duplicative administrative structures and to improve its regulatory protection of vulnerable populations. DPW said that the consolidation would benefit inspectors and people served in licensed settings and provide better, more consistent across-the-board decision-making for regulatory application, interpretation and enforcement, particularly for those human services providers who serve multiple populations. DPW said that the initial phase of the initiative, scheduled for July 1, 2012, will involve Licensing Management and Research (licensing databases and managerial support), and Adult Residential Licensing (personal care homes) from the Office of Administration; Community Home, Family Living Home, Adult Training Facility, and Vocational Facility licensing from the Office of Developmental Programs; and Child Residential Licensing from the Office of Children, Youth and Families. DPW said that other department licensing functions will be included at later dates. FMI: See www.dpw.state.pa.us. See http://www.dpw.state.pa.us/searchforprovider/index.htm
ODP Certified Investigators Manual Revised

On May 4 PA Department of Public Welfare (DPW) Office of Developmental Programs (ODP) issued ODP Announcement 036-12 advising interested parties that a revised version of the ODP Certified Investigators Manual is available. ODP said the Columbus Organization revised the ODP Certified Investigators Manual to reflect evolving policy and procedures related to incident management and conducting investigations. Updates include: Revised language to reflect current ODP standards; Revised sample completed Certified Investigation Report; and, Recommended practices involving witness statements and demonstrative evidence. ODP said that effective on May 4 ODP Certified Investigators Manual V2 (version 2.0) dated 04/01/2012 is to be used to guide investigations. The updated manual is available at: www.odpinvestigations.com>CI Help Desk>All Documents>Manuals>Final CI Investigators Manual V2 (viewers with older browsers may have to scroll down to see the link). Providers can also use this site to request technical assistance from Columbus Organization. ODP said that for questions regarding this communication, users should contact the ODP Risk Manager assigned to their region.

ODP Describes FY 2012-2013 Anticipated Rate Load

On May 3 PA Department of Public Welfare (DPW) Office of Developmental Programs (ODP) issued ODP Announcement 035-12 concerning the Fiscal Year (FY) 2012-2013 Anticipated Rate Load Date and Description, Timing, and Impact of “On Hold” Batch Processes. The announcement describes the batch processes that will be “on hold” to support the rate load and details the expected impact and timeframe associated with the batch hold process. The announcement also offers the anticipated date when the FY 2012-2013 estimated waiver rates will be viewable in the Home and Community Services Information System (HCSIS). In ODP Announcement 035-12, ODP explains that the FY 2012-2013 service definition changes are anticipated to be reflected in HCSIS on May 25, 2012. For each of the services impacted by the service definition changes, a single dollar placeholder rate will be viewable as the FY 2012-2013 rates in HCSIS during the period from May 25, 2012, through the beginning of June 2012. The single dollar placeholder rate will only be applied to direct service providers – not vendors or financial management service providers. ODP says that this action will take place to support the rate load effort. The actual FY 2012-2013 waiver rates will be viewable in HCSIS early June 2012. A future communication will announce the exact date when they will be viewable. ODP also says that several automated HCSIS processes (also referred to as batches) will be on hold for a period of approximately five (5) weeks. FMI: See www.odpconsulting.net

DOH Public Meeting on Title V Maternal and Child Health Services Block Grant

On May 23 the Pennsylvania Department of Health (DOH) will host a public meeting to discuss the Title V Maternal and Child Health (MCH) Services Block Grant 2011 Annual Report and 2013 Application. The purpose of the MCH Block Grant is to improve the health, safety and well-being of all mothers and children, especially those with low income or limited availability of services. Comments on Title V state and national priorities are invited. Written comments must be no more than three pages in length. The public meeting will be held on Wednesday, May 23, 2012 from 9:00 am to 12 noon at the Rachel Carson Building, 2nd Floor Auditorium, 400 Market Street, Harrisburg, PA 17101. FMI: See www.health.state.pa.us. See http://www.portal.state.pa.us/portal/server.pt?open=514&objID=558075&mode=2
ODP Issues Advisory on FY 2012-13 Changes in Billing

On May 2 PA Department of Public Welfare (DPW) Office of Developmental Programs (ODP) issued ODP Announcement 034-12 to direct service waiver providers to educate them on the billing changes for FY 2012-2013. ODP said that implementation is contingent on CMS approval of the Consolidated and Person/Family Directed Support (P/FDS) FY 2012-2017 waiver renewals and the final FY 2012-2013 budget by the General Assembly. Upon approval, these changes will be effective July 1, 2012. DPW strongly recommends that providers view their service authorization notices as early as possible before rendering and billing for services. ODP advises that if the ISP team determines that the units will not sufficiently meet the needs of the individual or the service/procedure code is incorrect, providers should contact the SCO of the individual to whom they are providing services and discuss a critical revision. ODP warns that insufficient units on the individual’s ISP may result in the denial of billing claims. The memo addresses several billing changes, namely: Implementation of Vacancy Factor will eliminate billing for medical and therapeutic leave; Implementation of Vacancy Factor will eliminate Permanent Vacancy as a discrete billable service; Implementation of a Department established fee for Residential Habilitation Ineligible in FY 2012-2013 will eliminate requirement to bill room and board charges on the claim; Implementation of a Vacancy Factor will change the Licensed Out of Home Respite services eligible for reimbursement; Procedure code descriptions for Transportation Trip and new billing rule for Transportation Aide will be modified ; Procedure code reimbursements for Assistive Technology will have a lifetime limit; Consolidated Waiver procedure codes (services) for FY 2012-2013 that will be end dated; and P/FDS procedure codes that will be end dated for FY 2012-2013. FMI: See www.odpconsulting.net

MIG Grant Funding Available for Proposals on Employment for Persons with Disabilities

The PA DPW Medicaid Infrastructure Grant Program in Pennsylvania has issued requests for proposals promoting employment for persons with disabilities. As one of the final initiatives of the MIG, the Works for Me Program is seeking intermediate units, schools, Career Links, community agencies, consumer groups, Centers for Independent Living, organizations who serve people with disabilities, and other stakeholders to actively promote employment for people with disabilities. This initiative is supported with funds from the CMS Medicaid Infrastructure grant (CFDA# 93.768).Reimbursement will be provided up to $5,000 per award for the period of July 1, 2012, through October 31, 2012. The Works for Me Program is seeking applicants to respond to its two initiatives: (1) To engage youth with disabilities and their families to raise awareness and prepare students for post-secondary education and/or employment by collaborating with students, families, education partners and/or businesses and/or; (2) To engage adults with disabilities and employers to raise awareness to promote employment for people with disabilities. Proposals should seek to heighten the awareness of people with disabilities on the benefits of employment and businesses on the benefits of hiring individuals with disabilities. All proposals must be submitted electronically to Kiley Hassinger at c-khassing@pa.gov by Friday, June 15, 2012. Only electronic submissions will be accepted. Projects will be evaluated by a review team and applicants will be notified via email June 29, 2012. Final Report information and contracts will follow. To obtain application forms or further information, contact Kiley Hassinger at 1-877-268-9894 or email c-khassing@pa.gov.
U.S. House of Representatives Approves Sequester Replacement Bill

On May 10 the U.S. House of Representatives passed H.R. 5652, the Sequester Replacement Reconciliation Act of 2012, a package of reforms halting most of the $109 billion in across-the-board cuts that are scheduled to be implemented in January 2013. The automatic cuts are the result of the super committee failing to come to an agreement on a deficit reduction plan called for by last year’s Budget Control Act (PL 112-25). The sequester replacement bill stops $98 billion in discretionary spending cuts ($43 billion in domestic spending and $55 billion in defense) and would replace the cuts with reductions in areas such as Medicaid and food stamps. The Medicaid program would be cut by $28 billion over 10 years through changes in provider taxes, hospital payments, maintenance of effort (MOE) requirements, and payments to territories. If enacted people with disabilities would likely face decreased Medicaid eligibility and benefits as the states adjust to the reduced federal participation. The Social Services Block Grant (SSBG) that funds special services for people with disabilities would be repealed. People receiving food stamps (SNAP) would see their monthly assistance reduced; 2 million people would be denied SNAP help altogether. Minority members of the House have criticized the sequester replacement bill for targeting the social safety net programs. The sequester replacement bill is not expected to be approved by the Senate. FMI: For information on H.R. 5652 see http://budget.house.gov/BudgetAnalysis/Reconciliation.htm. See also see www.house.gov. For analysis on the impact on funding of human services see www.cbpp.org and http://www.offthechartsblog.org/.

CMS Prepares for Implementation of Rule on Provider Preventable Conditions

On June 6, 2011, the Centers for Medicare & Medicaid Services (CMS) published a final rule implementing Provider Preventable Conditions (PPCs) as authorized by section 2702 of the Affordable Care Act, but the final implementation date of the rule was delayed by one year. The rule is now due to be in effect on July 1, 2012. The provisions of the rule prohibit federal payments to States under section 1903 of the Social Security Act for any amounts expended for providing medical assistance for health care-acquired conditions. CMS says that the final rule incentivizes quality improvement at the provider-level and cost savings for States by requiring states to reduce payments at the occurrence of hospital errors and never-events in specific health care settings. The final rule became effective July 1, 2011; however, CMS provided states with an additional year to meet these new requirements in order to allow States time for the discussion of policy, implementation of required hospital changes, and development of the appropriate systems for reporting. Since the final implementation date is July 1, 2012 CMS is now highlighting technical assistance resources widely available in order to assist states in meeting the requirements of the final rule. CMS has created a Provider Preventable Conditions website through www.Medicaid.gov. This website contains basic information about the final rule requirements, SPA pre-prints and instructions, as well as a Frequently Asked Questions page which includes program-specific questions that will help States craft their PPC policies and meet the State plan requirements. For those states which have not yet submitted the required SPA, CMS staff remains available for direct technical assistance. FMI: The PPC website is available at http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Provider-Preventable-Conditions.html. Direct questions on this topic should be sent to Andrew Badaracco at (410) 786-4589 or by e-mail at Andrew.Badaracco@cms.hhs.gov.
US Access Board Seeks Comments on Standards for Medical Diagnostic Equipment

The United States Access Board (Architectural and Transportation Barriers Compliance Board) has issued for public comment regulatory standards for the accessibility of medical diagnostic equipment. The deadline for public comments is Friday, June 8. The proposed regulatory standards set forth the minimum technical criteria for medical diagnostic equipment used in (or in conjunction with) physician's offices, clinics, emergency rooms, hospitals, and other medical settings. The equipment includes examination tables, examination chairs (including chairs used for eye examinations or procedures, and dental examinations or procedures), weight scales, mammography equipment, x-ray machines, and other radiological equipment. The PPACA requires the standards to ensure that the equipment is accessible to, and usable by, individuals with accessibility needs and to allow independent entry to, use of, and exit from the equipment by such individuals to the maximum extent possible. To submit comments see the Federal eRulemaking Portal at http://www.regulations.gov. Follow the instructions for submitting comments. Regulations.gov ID for this docket is ATBCB-2012-0003 or e-mail docket@access-board.gov, and include docket number ATBCB-2012-0003 in the subject line of the message. Comments may also be submitted by fax 202-272-0081 or mail or hand delivery/courier to Office of Technical and Informational Services, Access Board, 1331 F Street, NW, suite 1000, Washington, DC 20004-1111. Comments must be received by Friday, June 8. FMI: For more information, see http://www.access-board.gov/medical-equipment.htm. At the top of the page, sign up to receive updates from the Access Board. See website www.access-board.gov.

CMS Provider Call on Medicare FFS implementation of HIPAA Version 5010 and D.0

On Wednesday, May 16 from 2:00 p.m. to 3:30 pm Eastern Time (ET), the Centers for Medicare and Medicaid Services will host the National Provider Call on the current status of Medicare FFS implementation of HIPAA Version 5010 and D.0. The agenda and registration information will be provided soon on the CMS Upcoming National Provider Calls webpage. For more information on HIPAA Version 5010 and D.0 implementation, visit the Versions 5010 and D.0 website. See http://www.eventsvc.com/blhtechnologies. Also see http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Versions5010andD0/index.html.

ODEP Announces 2012 Theme for National Disability Employment Awareness Month

IRF PPS Coverage Requirements National Provider Call on May 31

The IRF PPS Coverage Requirements National Provider Call will be held on Thursday, May 31, 2012 beginning at 2:00 PM Eastern Time. The US/Canada Toll Free Dial-in number is (877) 237-0855. Please dial the Toll Free Dial-in number on May 31 to join the call.

HHS Releases Proposed Rule for Medicare Reimbursements

On May 9 U.S. Department of Health and Human Services (HHS) released a proposed rule requiring Medicaid primary care physicians to be reimbursed at Medicare levels in 2013 and 2014. This minimum payment level applies to specified primary care services furnished by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine, and also applies to services paid through Medicaid managed care plans. CMS is proposing that all subspecialists within the three specialty designations (as recognized by the American Board of Medical Specialties) be eligible for increased payment for primary care services. It would also provide for a 100 percent Federal matching rate for any increase in payment above the amounts that would be due for these services under the provisions of the State plan as of July 1, 2009. In this proposed rule, CMS specifies which services and types of physicians qualify for the minimum payment level in CYs 2013 and 2014, and the method for calculating the payment amount and any increase for which increased Federal funding is due. Let us know if you are interested in a detailed memo on the rule, or in help with developing comments. Comments are due in 30 days. See www.hhs.gov and www.cms.gov.

HHS Finalizes New Rules to Cut Regulations for Hospitals and Healthcare Providers

On May 10 the US Department of Health and Human Services (HHS) announced new rules designed to reduce unnecessary, obsolete, or burdensome regulations on hospitals and health care providers. The first of the new rules issued by the Centers for Medicare & Medicaid Services (CMS) revises the Medicare Conditions of Participation (CoPs) for hospitals and critical access hospitals (CAHs). The second – the Medicare Regulatory Reform rule – eliminates duplicative, overlapping, and outdated regulatory requirements for health care providers. Among other changes, the final rules will (a) allow one governing body to oversee multiple hospitals in a single health system; (b) allow CAHs to partner with other providers; (c) require that all eligible candidates, including advanced practice registered nurses and physician assistants, be reviewed by medical staff for potential appointment to the hospital medical staff and then be granted all of the privileges, rights, and responsibilities accorded to appointed medical staff members; and (d) eliminate obsolete regulations, including outmoded infection control instructions for ambulatory surgical centers; outdated Medicaid qualification standards for physical and occupational therapists; and duplicative requirements for governing bodies of organ procurement organizations. The rule also replaces inflexible time-limited agreements with open-ended agreements for Medicaid-participating Intermediate Care Facilities that serve people with intellectual disabilities (ICF-ID). The regulation implements a recommendation from stakeholders to replace the term “mental retardation” with “intellectual disability.” The final rules were developed through a retrospective review of existing federal regulations called for by President Obama’s January 18, 2011 Executive Order 13563. To view the final rules, see www.ofr.gov/inspection.aspx. For more information see http://www.cms.gov/CFCsAndCoPs/01_Overview.asp.
CMS Rule Increases Medicaid Payment for Primary Care

On May 9 the Centers for Medicare & Medicaid Services (CMS) issued a proposed rule to implement a provision of the Affordable Care Act which provides increased payments for certain Medicaid primary care services. Under the provision, certain physicians that provide eligible primary care services would be paid the Medicare rates in effect in calendar years (CY) 2013 and 2014 (or if greater, the Medicare rate in effect in 2009) instead of their usual state-established Medicaid rates, which may be lower than federally established Medicare rates. Increased payment applies to primary care services delivered by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine or related subspecialists. States will receive 100 percent Federal financial participation (FFP) for the difference between the Medicaid State plan payment amount as of July 1, 2009 and the applicable Medicare rate. The increase applies to a specific set of services and procedures that CMS designates as “primary care services”. The proposed rule provides information about how CMS and States will work together to make the increased payments operational. In the proposed rule, CMS clarifies that subspecialists related to these primary care specialists qualify for the enhanced payment. CMS also clarifies that services must be delivered under the Medicaid physician services benefit. The proposed rule would allow States two options: (1) “lock” rates at the level of the Medicare physician fee schedule in effect at the beginning of 2013 and 2014; or (2) modify the rates in alignment with all updates made by Medicare. The regulation provides that all of the requirements related to the increased payments apply to services reimbursed by Medicaid managed care plans. CMS propose that the states incorporate the increased payment into contracts with such entities. The rule proposes payment of vaccine administration fees under the VFC program at the lesser of the VFC regional maximum administration fee (the VFC “ceiling”) or the Medicare rates in 2013 and 2014, whichever rate is lowest. The rule can be found at [www.ofr.gov/inspection.aspx](http://www.ofr.gov/inspection.aspx). Additional information is available at: [http://www.cms.gov/apps/media/fact_sheets.asp](http://www.cms.gov/apps/media/fact_sheets.asp).

New Case Studies Highlight Differences in Long-term Services and Supports

New case studies of three states’ long-term services and supports (LTSS) systems highlight how a top-performing state differs from those ranked lower. Minnesota ranks 1st; Washington is 2nd; and, Oregon is 3rd on the list. Pennsylvania is ranked 39th nationally and is 47th in affordability and access, 12th in choice of setting and provider, 22nd in quality of life and quality of care, and 46th in support for family caregivers. These case studies are a continuation of the LTSS Scorecard project – produced with support from The Commonwealth Fund and The SCAN Foundation – which last September released the groundbreaking report, *Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers*. While the Scorecard ranked all 50 states and the District of Columbia across 25 indicators of system performance, it did not explain why states ranked as they did. These case studies provide an in-depth look at LTSS systems in top-ranked Minnesota, mid-ranked Idaho (number 19 in the Scorecard) and lower-ranked Georgia (number 44 in the Scorecard) for a deeper understanding of factors that distinguish higher and lower ranked states. The new case studies, as well as the full Scorecard report and state-specific data, are available in PDF format at [http://www.longtermscorecard.org/](http://www.longtermscorecard.org/).