PARF NEWS
Pennsylvania Association of Rehabilitation Facilities
2101 North Front Street, Building 3, Suite 200, Harrisburg, PA 17110
Phone: 717-745-9170 - Fax: 717-364-3287
PARF Email: parfmail@parf.org

Dateline: January 25, 2013

PA Legislative Committees Schedule FY 2013-2014 Budget Hearings

The PA House of Representatives Appropriations Committee has set its schedule for hearings to review the state budget that is to be proposed in February by Governor Tom Corbett. Hearings will begin on February 19 and end on March 7. The hearings will begin with presentations by the Independent Fiscal Office and the Department of Revenue. The PA House Appropriations Committee will hear from Department of Labor Industry at 11:00 am on February 26, Department of Health and Department of Drug & Alcohol Programs at 2:00 pm on March 5, and Department of Public Welfare at 9:30 am on March 6. All meetings will be held in Room 140 in the Main Capitol. The PA Senate Appropriations Committee will begin its own hearings on February 19 and end on March 6. The initial session will feature a presentation by the Budget Secretary – Office of the Governor. Other sessions of key interest to PARF members are scheduled to be held on February 26 at 1:00 pm for the Department of Drug & Alcohol Programs and at 3:00 pm for the Department of Health; on March 5 at 9:30 am for Department of Public Welfare, and on March 6 at 1:00 pm for Department of Labor & Industry. Senate Appropriations hearings will be held in Room 1 North Office Building. FMI: See www.legis.state.pa.us.

Governor Corbett to Propose $20 Million to Reduce ID Waiting List

On January 23 PA Governor Tom Corbett announced that in his proposed 2013-14 state budget nearly $20 million would be included to provide home and community-based services for approximately 1,200 adults with intellectual disabilities now waiting for services. Governor Corbett said that his proposal would reduce the waiting list for services for adults with intellectual disabilities. He was joined for the announcement by representatives from Department of Public Welfare (DPW), disability advocates, and families currently on the emergency waiting list. DPW reports that there are more than 3,500 individuals in the emergency category who have been identified as needing services within the next six months. The Governor said that his proposal would include special education graduates and people waiting to receive autism services. FMI: For the announcement of the Governor’s proposal, see www.pa.gov.

CCAP Opposes Cuts to Human Services Funding, Seeks Expansion of Block Grants

On January 23 the County Commissioners Association of Pennsylvania (CCAP) unveiled their nine (9) priorities for the FY 2013-2014 state budget. CCAP said that the top priority is the continuation of human services funding and further reform of the system. Among other priorities are: Improving support systems for county prison inmates with mental health and substance abuse. In addressing their concerns with human services, CCAP representatives said that the human services block grant pilot program offered to twenty (20) counties in FY 2012-2013 must be extended to all counties that want to participate in the next fiscal year. CCAP said that the state must maintain funding levels for 2013 that are at least equal to the 2012 funding levels and work toward full restoration of state funding for core services. FMI: For details on priorities see http://www.pacounties.org/GovernmentRelations/Pages/2013Priorities.aspx. See press release at http://www.pacounties.org/GovernmentRelations/Documents/PrioritiesPressRelease2013.pdf.
PA Senate Democratic Appropriations Committee Reviews Medicaid Expansion

On January 24 the PA State Senate Democratic Appropriations Committee held a public discussion in Philadelphia on the budgetary and economic impact of Medicaid expansion in Pennsylvania. The hearing was focused on the U.S. Supreme Court ruling on the Affordable Care Act (ACA) allowing individual state governors and state legislatures to decide on expanding Medicaid to cover more uninsured individuals. The federal government plans to pay 100 percent of the expansion at first and 90 percent from 2020 and thereafter. Proponents of the expansion say that Medicaid expansion in Pennsylvania would infuse $4 billion federal dollars into Pennsylvania’s budget, provide access to health insurance to a half a million Pennsylvanians, create an estimated 285,000 jobs over 10 years, unburden hospitals with $1 billion in uncompensated care costs, and reduce costs to counties who currently provide mental services to the uninsured. While the Corbett administration has pointed to additional costs associated with expansion, Governor Tom Corbett has said that he has not yet decided if Pennsylvania will participate in Medicaid expansion. FMI: See http://articles.philly.com/2013-01-25/business/36550403_1_medicaid-expansion-medicaid-next-year-corbett. See also http://www.pasenate.com/?p=12786.

PA Senate Resolution 6 Creates Task Force on Violence Prevention

On January 23 the PA Senate Judiciary Committee considered Senate Resolution 6 – a resolution directing the Joint State Government Commission to establish a 25 member commission to study violent crime, including mass shootings. The committee voted to support SR 6 in a vote of 13 ayes and 1 non-voting. The sponsor of the resolution – PA State Senator Stewart J. Greenleaf (R – Montgomery & Bucks) – announced in December 2012 his plans to introduce the resolution to create the task force. Senator Greenleaf would have the task force examine all issues surrounding cases of violence from firearm issues to bullying and mental health. Under SR 6 the task force will provide direction and support to the Legislature in addressing issues related to mass shootings. The task force is to offer recommendations to the General Assembly for consideration in 2013. FMI: See http://senatorgreenleaf.com/ and www.legis.state.pa.us.

HB 108 Extends Health Care Coverage for Uninsured Children

On January 22 the PA House Insurance Committee unanimously passed legislation (HB108 PN0099) sponsored by Representative Nick Micozzie (R-Delaware) to extend the Children’s Health Insurance Program (CHIP) through 2015. HB 108 specifically amends Act 284 of 1921, known as the Insurance Company Law of 1921, to extend the life of the Children's Health Insurance Program (CHIP) through December 31, 2015. Established in Pennsylvania in 1992, CHIP provides health insurance to all uninsured children and teenagers who are ineligible for – or not enrolled in – the Medical Assistance program. The CHIP program is to expire on December 31, 2013, but the Patient Protection and Affordable Care Act (ACA) together with the Health Care and Education Reconciliation Act of 2010 have extended federal funding of CHIP through 2015. FMI: See http://www.pahousegop.com/NewsItem.aspx?NewsID=16221. For a copy of HB 108 see www.legis.state.pa.us.
Pennsylvania Registers First Benefit Corporations, Implements New Law

On January 22 Secretary of the Commonwealth Carol Aichele accepted registrations by various corporations to become Pennsylvania’s first “benefit corporations.” A new state law gives entrepreneurs, investors, and consumers the option to build, finance, and patronize businesses that pledge, as part of their corporate structure, to operate in a socially and environmentally responsible manner. Under the new law the corporations may qualify and register as “benefit corporations.” Secretary Aichele described the benefit corporations as “committed to practices such as using recycled materials, requiring energy efficiencies in their operations and those of their suppliers, ensuring workers making their products are paid a fair wage, and contributing to the welfare of the communities in which their facilities are located. The law permits a corporation’s directors to consider non-financial interests when making decisions, without breaching any fiduciary duty to shareholders.” For information on registering a business as a benefit corporation in Pennsylvania, see www.dos.state.pa.us, click on “Corporations”, “Filing Guidelines,” then “Pennsylvania Benefit Corporation.”

DPW Seeks Comment on RFP for Protective Services to Adults with Disabilities 18–59

The Pennsylvania Department of Public Welfare (DPW) has announced that it is preparing to publish a Request for Proposal (RFP) to procure agencies to provide protective services to adults with disabilities between the ages of 18 – 59. DPW is planning to implement provisions of Act 70 which was passed and signed into law in 2010 creating an adult protective services program to investigate allegations of abuse, neglect or exploitation to adults with disabilities. The Act requires that DPW competitively procure the agencies to provide these services. Since funding is now available for this program, DPW has drafted an RFP and is now seeking written comments on its Draft RFP. The draft document, including instructions on how to submit comments is at http://www.dpw.state.pa.us/ucmprd/groups/webcontent/documents/document/p_025138.pdf. Only written comments will be accepted and any questions must be directed to the designated email. The document is not a solicitation for bids and is only for public comment. All comments must be received by February 19, 2013.

DPW to Select Contactor for Reviews of High Cost Cases in MA

January 18, 2013 was the deadline for responses to a PA Department of Public Welfare (DPW) Request for Quotations (RFQ6100023916c) for consulting services for Program, Policy and Resource Review and Maximization. Services that DPW is seeking in the RFQ include “focused case monitoring services” which would be used to assist DPW in conducting its proposed high cost case reviews. The case reviews were included in the Governor’s Proposed FY 2012-2013 Commonwealth Budget which indicated that savings were to be realized through the intensive review and case management of high-cost consumers enrolled in Medical Assistance programs that reimburse for services based on utilization and fee schedules. The RFQ was issued on November 26, 2012. The contract to be awarded will be effective until June 30, 2014. FMI: See http://www.portal.state.pa.us/portal/server.pt/community/invitation_to_qualify/4641/wher_to_start/495422.
DPW Publishes Notice of CMS Renewal of Consolidated and P/FDS Waivers for ID

In the January 26, 2013 edition of the *Pennsylvania Bulletin* the PA Department of Public Welfare (DPW) published notice of the approval of the renewal of the Consolidated and Person/Family Directed Support (P/FDS) waivers by the Centers for Medicare and Medicaid Services (CMS). DPW said that CMS approved these waivers with an effective date of July 1, 2012. DPW also noted that under 55 Pa. Code Chapter 51 (relating to Office of Developmental Programs home and community-based services), Sections 51.14(a) and (b), 51.28(d)—(h), 51.74(9) and (15) and 51.75(3) and 51.98(d) are effective upon written notification that CMS has granted approval of the Consolidated and P/FDS waivers. Since CMS has approved these waivers, these sections are effective July 1, 2012. The Consolidated Waiver can be found at [http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/consolidatedwaiverforindividualswithintellectualdisabilities/index.htm](http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/consolidatedwaiverforindividualswithintellectualdisabilities/index.htm). The P/FDS waiver can be found on the DPW web site at [http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/personfamilydirectedsupportwaiver/index.htm](http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/personfamilydirectedsupportwaiver/index.htm). DPW said that it is anticipated that there will be no fiscal impact. FMI: See [www.pabulletin.com](http://www.pabulletin.com) and [http://www.pabulletin.com/secure/data/vol43/43-4/index.html](http://www.pabulletin.com/secure/data/vol43/43-4/index.html).

DPW Changes Rate for HCBS Enrollment Service in Aging Waiver

In the January 26, 2013 edition of the *Pennsylvania Bulletin* the PA Department of Public Welfare (DPW) announced a Medical Assistance (MA) fee schedule rate change for the Home and Community-Based Services (HCBS) enrollment service in the Aging Waiver, effective upon publication in the *Pennsylvania Bulletin*. The rate for the HCBS enrollment service in the Aging Waiver across all four regions of the State will be $95.00. The fee schedule rate is available at [http://www.dpw.state.pa.us/dpworganization/officeoflongtermliving/providers/index.htm](http://www.dpw.state.pa.us/dpworganization/officeoflongtermliving/providers/index.htm). The fiscal impact of this change is estimated at $0.157 million ($0.085 million in State funds) in Fiscal Year 2012-2013. DPW said that funds have been included in the budget to cover this increase. FMI: See [www.pabulletin.com](http://www.pabulletin.com) and [http://www.pabulletin.com/secure/data/vol43/43-4/index.html](http://www.pabulletin.com/secure/data/vol43/43-4/index.html).

DPW Increases Rate for Service-Coordination in MA Waivers

In the January 26, 2013 edition of the *Pennsylvania Bulletin* the PA Department of Public Welfare (DPW) announced a Medical Assistance (MA) fee schedule rate change for the Service Coordination rate for the MA Aging, Attendant Care, COMMCARE, Independence and OBRA Waivers and the Act 150 Program. The change is effective upon publication. A rate-setting methodology and fee schedule rates for home and community-based services (HCBS) were published at in the *Pennsylvania Bulletin* 42 Pa. B. 3343 (June 9, 2012). DPW says the fee schedule rate for Service Coordination is being revised consistent with the published methodology to ensure continued access to Service Coordination services. The rate is available at [http://www.dpw.state.pa.us/dpworganization/officeoflongtermliving/providers/index.htm](http://www.dpw.state.pa.us/dpworganization/officeoflongtermliving/providers/index.htm). The fiscal impact of this change is estimated at $4.273 million ($2.042 million in State funds) in Fiscal Year 2012-2013. DPW said that these appropriations are unable to absorb the increased cost; therefore, funding will be included in a supplemental request for 2012-13. FMI: See [www.pabulletin.com](http://www.pabulletin.com) and [http://www.pabulletin.com/secure/data/vol43/43-4/index.html](http://www.pabulletin.com/secure/data/vol43/43-4/index.html).
OLTL Addresses Changes in MA Waiver Program, Prepares for CMS Renewals

On January 24 at the monthly meeting of the PA DPW Medical Assistance Advisory Committee, the PA Office of Long Term Living (OLTL) reported on its progress in implementing measures to manage the Medicaid waiver programs. OLTL reported on the progress of Public Partnerships, LLC (PPL) in serving as the sole provider of financial management services. (See below for OLTL Reports on PPL Progress in Implementing Financial Management Services.) OLTL said that it is implementing the terms of its November 27, 2012 court-approved settlement agreement in the case of Mosley v Alexander (the class action lawsuit dealing with DPW’s failure to complete reviews of MA waiver applications within 90 days). OLTL said an initial quarterly report has been filed and a second one is due at the end of January. OLTL reports that it is making progress in completing timely reviews of applications. OLTL also reported that the Attendant Care and Aging Waivers are due for renewal and must be submitted to the Centers for Medicare and Medicaid Services (CMS) by March 29. OLTL said that it has contracted with Mercer and will be using the same process as was used by ODP in renewing its waivers. OLTL said that while it anticipates no major changes, the MA waiver language must comply with the work-plan that was agreed upon with CMS. OLTL said that Mercer is currently reviewing Appendices and its comments will be incorporated into the document by February 2. OLTL expects to meet with the Long-Term Care Subcommittee on February 12 for review and comment. There will be a two-week comment period for stakeholders. OLTL also reported that the OLTL staff was instructed to focus on service coordination and enrollment rates prior to other rates. The January 26 Pennsylvania Bulletin will reflect rate increases for those services. Enrollment rates will increase to $95 under the Aging Waiver. Service Coordination average rates will increase to $18.15 per 15-minute unit. OLTL will begin addressing the rates for the other services. (See related article in PARF News.)

OLTL Reports on Challenges in Financial Management of Participant-Directed Services

At the January 24 meeting of the PA DPW Medical Assistance Advisory Committee, the PA Office of Long Term Living (OLTL) OLTL reported on the progress of Public Partnerships, LLC (PPL) in serving as the sole provider of financial management services for consumers in Office of Long-Term Living and Office of Development Programs participant-directed programs. OLTL said that PPL has issued 33,000 checks since January 4 (83% of all valid timesheets). OLTL said that remaining timesheets have not been paid because of (a) missing authorizations for people who transitioned to PPL (OLTL has developed a workaround so that the workers can be paid); (b) missing pay rates since data was not transferred over (Effective January 22, PPL will be paying these timesheets at the highest hourly wage possible); (c) Overlapping times (PPL will pay the time that does not overlap and then contact workers to resolve the overlapping hours); (d) Submitting time sheets with the wrong pay cycles (PPL will be contacting workers to resolve issues.) and (e) submitting time sheets for hours not yet worked. OLTL said that that PPL put its customer services center in place according to its contract but that neither PPL nor DPW anticipated the issues that have arisen or the volume of calls. OLTL said that PPL has expanded its capabilities and is making efforts to contact people within 48 hours of their calls. FMI: For updates on DPW MAAC Meeting Minutes see http://www.dpw.state.pa.us/.
Disability Rights, Community Movement and PA Public Policy Seminar on February 4

On February 4 from 9 am to 1 pm Millersville University will host a program entitled *The Challenge of Inclusion: Disability Rights, the Community Movement and Pennsylvania Public Policy*. The half-day event is designed to bring together advocates and community organizers to explore the history of disability rights and current public policy issues. Speakers including leading advocates and self-advocates and specialists in disability public policy. For more information and special accommodations contact Dennis Downey (dennis.downey@millersville.edu) or Thomas Neuville (thomas.neuville@millersville.edu). The event is free and open to the public. Sponsors include: PA TASH, Pennhurst Memorial & Preservation Alliance, Keystone Institute and Millersville University.

CDC Training on Response to Autism Emergencies

In serving children with autism and educating parents and the community about the specific needs of children with autism, Hope Enterprises, Inc. (DBA, Children’s Development Center) has designed a two (2) day session to help educate the community about how to address those needs. The training is offered at no cost to the participant. Hope Enterprises, Inc says that it intends to draw in as many participants as possible from its region and to reach out to anyone in the state interested in attending the events. The first evening (April 4 from 6:00 to 9:00 p.m.) is targeted to the families and caregivers of children with autism; the second day (April 5 from 8:30 am to 3:30 pm) is for those that serve in a professional role – such as those in health care and emergency services or as a first responder. Hope Enterprises, Inc has engaged a nationally known speaker for the two days and is planning other ancillary activities to accentuate the training. The presenter for both events is Dennis Debbaudt, the leading global voice on autism training for law enforcement and emergency responders. He has co-authored over 30 articles and books relative to law enforcement and autism. Information is also available by calling (570) 326-0565. The first training event will be held on Thursday, April 4, 2013 at the Community Arts Center, 220 W. 4th Street, Williamsport, PA 17701. There is no cost to attend. Pre-registration for handouts is necessary. Walk-ins are welcome. Registration is at 6:00 pm. The training on the first day is from 6:30 pm to 9:30 pm. To register, contact [http://911autism.eventbrite.com](http://911autism.eventbrite.com). The second day training event of the Autism Risk & Safety Management Program is scheduled for Friday, April 5 and is focused on recognition, response and risk management. Registration begins at 8:30am. A lunch break will be provided between 12pm to 1:15pm. The event will close by 3:30pm. Parents, educators, human service and autism professionals are encouraged to attend. To register, contact [http://911autism.eventbrite.com](http://911autism.eventbrite.com).
U.S. House of Representatives Passes HR 325, Suspends Debt Limit until May 19

On January 23 the U.S. House of Representatives passed a bill (HR 325) by a vote of 285-144 that would temporarily suspend enforcement of the federal debt limit, currently $16.4 trillion, through May 18, 2013. Under the provisions of the bill, on May 19, the debt limit would automatically increase to reflect the additional borrowing that took place during the suspension period, and normal enforcement of the borrowing limit would resume. The House measure also aims to restore the traditional federal budget process and pressure the Senate to take up a budget by requiring both chambers of Congress to adopt a fiscal 2014 budget resolution by April 15. If either chamber fails to meet this deadline, members of that chamber will not receive paychecks. The salary payments would be held in escrow until the end of the 113th session of Congress in early 2015. The Senate is expected to pass the House measure without any amendments. On January 22 the White House released a “Statement of Administration Policy” indicating that the President “would not oppose” the short-term debt limit measure, even though the Administration would prefer a long-term increase in the debt limit. Without congressional action on the debt limit, the federal government is expected to run out of funds to fulfill its obligations by early March. If the short-term measure approved by the House on January 23 is enacted, it would effectively postpone debate over the debt ceiling until after two other key budget deadlines: sequestration scheduled to be triggered on March 1 and the expiration on March 27 of the continuing resolution (CR) that is currently funding the federal government. See www.nasbo.org.

HHS Releases Final Omnibus HIPAA Rules

On January 25 the US Department of Health and Human Services (HHS) published its final Omnibus Health Insurance Portability and Accountability Act (HIPAA) rule. While the final rule becomes effective March 26, 2013, covered entities and business associates have until September 23, 2013, to comply and, in the case of existing business associate agreements, covered entities have until September 2014 to make changes. The changes in requirements expand many of the requirements to business associates of these entities that receive protected health information, such as contractors and subcontractors. Penalties are increased for noncompliance based on the level of negligence with a maximum penalty of $1.5 million per violation. The changes also strengthen the Health Information Technology for Economic and Clinical Health (HITECH) Breach Notification requirements by clarifying when breaches of unsecured health information must be reported to HHS. Individual rights are expanded and new limits are set on how information is used and disclosed for marketing and fundraising purposes. The sale of an individuals’ health information without their permission is prohibited. The final rule also reduces burden by streamlining individuals’ ability to authorize the use of their health information for research purposes. The rule makes it easier for parents and others to give permission to share proof of a child’s immunization with a school and gives covered entities and business associates up to one year after the 180-day compliance date to modify contracts to comply with the rule. The Rulemaking may be viewed in the Federal Register at http://www.regulations.gov/#!documentDetail;D=HHS_FRDOC_0001-0480.
CMS Issues 2013 Children’s Core Set of Health Care Quality Measures

On January 24 the Centers for Medicare & Medicaid Services (CMS) Center for Medicaid and CHIP Services (CMCS) issued an informational bulletin on two topics: (a) State Health Official Letter: 2013 Children’s Core Set of Health Care Quality Measures and (b) Performance Indicators for Medicaid and CHIP Business Functions. In addressing use of pediatric quality measures, CMS has released a letter to State Health Officials that provides an overview of the steps undertaken to improve the Initial Core Set of Children’s Health Care Quality Measures for Medicaid and CHIP; identifies changes to the measure set; and presents the timing for the implementation of the changes. In its announcement CMCS noted that the Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA) requires the Secretary of the Department of Health and Human Services to identify an initial core set of recommended pediatric quality measures for voluntary use by State Medicaid and the Children’s Health Insurance Programs (CHIP). CMCS also noted that over the past two years CMS has worked closely with states to support the voluntary collection of the initial core set of health care quality measures (Initial Children’s Core Set) for children in Medicaid and CHIP. To access the letter see http://www.medicaid.gov/Federal-Policy-Guidance/Federal-Policy-Guidance.html.

CMS Forum on Quality Improvement Organizations (QIO) Program

On January 24 the Centers for Medicare and Medicaid Services (CMS) hosted an open door forum on CMS’s Future Development of the Quality Improvement Organizations (QIO) Program. For a copy of the handouts see http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityImprovementOrgs/Downloads/QIOSODF01-24-13.pdf. CMS said that it was aware that many people were not able to participate during the Special Open Door Forum due to a limited number of phone lines available, and CMS apologized for the inconvenience. An encore replay of the call was made available until midnight, January 25. CMS said that for those who missed both opportunities to listen to the forum a transcript and copy would be made available soon and will be posted on the CMS website. For the CMS update, see http://www.cms.gov/Outreach-and-Education/Outreach/OpenDoorForums/ODFSpecialODF.html.

CMS Hosts Physicians, Nurses & Allied Health Professionals Open Door on January 29

The Centers for Medicare and Medicaid Services has announced that its next Physicians, Nurses & Allied Health Professionals Open Door Forum is scheduled for Tuesday, January 29, 2013 from 2:00 pm to 3:00 pm ET. If you wish to participate, dial 1-800-837-1935; Conference ID: 78870847. An agenda will be posted before the scheduled call and participants will receive a separate notification. FMI: See http://www.cms.gov/Outreach-and-Education/Outreach/OpenDoorForums/ODF_pnahp.html.
CMS Seeks Comment on Performance Indicators for Medicaid & CHIP Business Functions

On January 24 the Centers for Medicare & Medicaid Services (CMS) Center for Medicaid and CHIP Services (CMCS) announced that it is seeking public input on to aid in the development of an initial set of business process indicators for all Medicaid and CHIP programs. CMS indicated in two final rules that it would begin to collect business process performance indicators for all Medicaid and CHIP programs in association with the development of new information technology systems: “Federal Funding for Medicaid Eligibility Determination and Enrollment Activities” (75 FR 21950) and “Eligibility Changes under the Affordable Care Act of 2010” (77 FR 17144.) We intend to begin collecting and reporting on indicators in two primary domains: individual (applicant and beneficiary) experience with eligibility and enrollment; and provider experience with enrollment and claims payment. We intend to begin by generating baseline data and in subsequent years, as we progress in the development and testing of indicators, CMS and states will work together, with input from other stakeholders, to develop benchmarks and targets for performance improvement. FMI: For more information about the business process performance indicators and the public input CMCS is seeking, see the request for information online at http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/Data-and-Systems.html. The request for information contains instructions for providing comments. Comments should be received by March 8, 2013.

CMS Clarifies IRF Claims Processing Policy

On January 18 the Centers for Medicare and Medicaid Services released MM 8127 – Manual Updates to Clarify Inpatient Rehabilitation Facility (IRF) Claims Processing. (See http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM8127.pdf.) MM 8127 explains Change Request (CR) 8127 which updates the "Medicare Claims Processing Manual," Chapter 3 (Inpatient Hospital Billing) to clarify key components of Inpatient Rehabilitation Facility (IRF) claims processing. The changes are intended only to clarify the existing policies, and there are no system or policy changes. Existing policies establish that any IRF beds that are added to an existing IRF must meet all applicable State Certificates of Need and State licensure laws. New IRF beds may be added one time at any time during a cost reporting period and will be considered new for the rest of that cost reporting period. A full 12-month cost reporting period must elapse between the de-licensing or decertification of IRF beds in an IRF hospital or IRF unit and the addition of new IRF beds to that IRF hospital or IRF unit. Before an IRF can add new beds, it must receive written approval from the appropriate CMS RO, so that the CMS RO can verify that a full 12-month cost reporting period has elapsed since the IRF has had beds de-licensed or de-certified threshold amount and upper threshold CCR are set forth annually in the IRF PPS notices published in the Federal Register. For additional information: The official instruction, CR8127 issued to the FI, carrier, or A/B MAC regarding this change may be viewed at http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2638CP.pdf on the CMS website. FMI: For the updated "Medicare Claims Processing Manual," Chapter 3 (Inpatient Hospital Billing) as an attachment to the CR, see: MLN Matters® Number: MM8127 Related Change Request Number: 8127; MLN Matters® Number MM8127, Related Change Request (CR) #: CR 8127; Related CR Release Date: January 18, 2013, Effective Date: April 22, 2013; Related CR Transmittal #: R2638CP, Implementation Date: April 22, 2013.