Dateline: April 12, 2013

PARF Board of Directors Approves Plan of Merger

On April 2 the PARF Board of Directors voted unanimously to approve a plan of merger with the Pennsylvania Community Providers Association (PCPA), effective July 1, 2013 and to recommend that the membership approve the plan at a special membership meeting on April 24. At the April 2 meeting an overview of the plan and key elements from the articles of incorporation and bylaws and a review of relevant material items from the due diligence was presented to the PARF Board of Directors. A similar legal overview took place at the PCPA board meeting on March 20 with PCPA counsel. At the March 20 meeting the PCPA Board of Directors approved the plan, subsequent to the PCPA/PARF Joint Operating Committee approval of the plan of merger for recommendation to each board. PARF and PCPA CEOs and CEO designates have access to all of the information in preparation for the historic vote on April 24. At Special Member Meetings to be held on April 24 in Harrisburg, the membership of both organizations will review the merger plan separately and decide on a unified providers association in Pennsylvania.

FMI: Contact PARF at parfmail@parf.org

PA Legislators Join with Brain Injury Coalition to Seek Increased Funding for TBI Services

PA Representative Dick Stevenson (R-08-Butler-Mercer), co-chairman of the House Brain Injury Caucus, and fellow House members Tom Briggs(D-149-Montgomery), Tom Murt (R-152-Montgomery-Philadelphia) and Tina Pickett (R110-Bradford-Sullivan)along with PA Senator Andy Dinniman (D-19-Chester-Montgomery) joined with members of the Brain Injury Coalition at a press conference on April 9 to encourage support for legislation to assist Pennsylvanians suffering from brain injuries. The press conference specifically focused on support for Governor Tom Corbett’s budget proposal to help create an additional 1,282 waivers to help people with disabilities, including those who suffer from a traumatic brain injury, to live in a community setting. In addition, those in attendance urged support for House Bill 648, which would help Pennsylvanians make more informed decisions about insurance; Senate Bill 136, which would create a Brain Injury Advisory Board; and Senate Bill 74, which would strengthen the Safety in Youth Sports Act. Organizations participating in the press conference included PARF, the Acquired Brain Injury Network of PA, Brain Injury Association of Pennsylvania, and Disability Rights Network. FMI: See http://www.pahousegop.com/NewsItem.aspx?NewsID=17040.

SLEN Conducts PA Employment Survey

The PA DPW Office of Developmental Programs (ODP) is encouraging response to the surveys being conducted by the State Employment Leadership Network (SLEN). ODP says that it is a member of the SLEN. ODP notes that a survey was sent recently to all stakeholders across the state to assess the current employment practices, outcomes and resources. In addition, regional forums were held to assist ODP in gathering information on the current employment service delivery system. ODO says that the next phase of the process is for individuals with disabilities and their families to complete an employment survey. For a copy of the survey (SLEN State Strategic Assessment Supplement - Individuals and Families - Pennsylvania 2013) see http://bit.ly/Zb3qNy. ODP says that the survey will be open for several weeks. FMI: See www.SLEN.org. Inquiries on ODP activity may be directed to Diane Cashman at ODP at dcashman@pa.gov or phone 717-783-5755.
PA Traumatic Brain Injury Advisory Board Meeting on May 3

On May 3 the PA Traumatic Brain Injury Advisory Board will hold a public meeting from 10 a.m. to 3 p.m. in the large conference room of the Community Center, 2nd Floor, Giant Food Store, 2300 Linglestown Road, Harrisburg, PA 17110. The PA Department of Health (DOH) published the formal meeting notice in the April 13, 2013 edition of the *Pennsylvania Bulletin*. Persons with a disability who wish to attend the meeting and require an auxiliary aid, service or other accommodation should contact Darlene Smith, Administrative Assistant, Division of Child and Adult Health Services at (717) 772-2762. Speech and/or hearing impaired persons should contact V/TT (717) 783-6514, or the Pennsylvania AT&T Relay Service at (800) 654-5984. The meeting is subject to cancellation without notice. FMI: See [http://www.pabulletin.com/secure/data/vol43/43-15/674.html](http://www.pabulletin.com/secure/data/vol43/43-15/674.html).

DDAP Announces New Methadone Death and Incident Review Team

On April 10 the PA Department of Drug and Alcohol Programs (DDAP) announced several appointments to the new Methadone Death and Incident Review team. Signed into law by Governor Corbett on October 24, 2012, Act 148 created the Methadone Death and Incident Review Team, which is charged with reviewing and examining the circumstances surrounding methadone-related deaths and methadone-related incidents in Pennsylvania for the purpose of promoting safety, reducing methadone-related deaths and incidents, and improving treatment practices. New members of the team are: Thomas C. Armstrong, Dauphin County; Glen J. Cooper, Berks County; Scott M. Grim, Lehigh County; Jim Martin, Lehigh County; Dr. Kenneth Martz, Montgomery County; Debra Washburn-Murray, Northampton County; Stephen B. Roman, Butler County; William Stauffer, Lehigh County; and Dr. S. Anthony Stile, Westmoreland County. The team is collaborating with county coroners and medical examiners as well as with district attorneys, EMS providers and other parties to develop a comprehensive reporting process that will gather additional information for the team’s analysis. FMI: See [www.ddap.pa.gov](http://www.ddap.pa.gov).

DPW Publishes Final Notice of DSH Payments for FY 2012-13

In the April 13, 2013 edition of the *Pennsylvania Bulletin* the PA Department of Public Welfare (DPW) published a final notice of its allocation of funding for fiscal year 2012-2013 for several classes of disproportionate share hospital (DSH) payments made to qualifying Medical Assistance (MA) enrolled acute care general hospitals. DPW had published notice of its intent to allocate funding for these DSH payments in the September 22, 2012 edition of the *Pennsylvania Bulletin*. DPW says that it received no public comments during the 30-day comment period and is implementing the changes as described in its notice of intent for all payments other than the payments to certain Academic Medical Centers. For the payments to certain Academic Medical Centers, DPW is correcting the amount of funds allocated for these payments. The FY 2012-2013 fiscal impact, as a result of these payments is $84.666 million ($38.667 million in state funds and $45.999 million in federal funds). FMI: See [www.pabulletin.com](http://www.pabulletin.com).

OVR to Update Policy and Procedure on Durable Medical Equipment

Pennsylvania Office of Vocational Rehabilitation (OVR) is updating its policies and procedures on Durable Medical Equipment. All comments are due by April 30, 2013. If you have any comments about ways to improve the policy, please e-mail comments to OVR at [OVRpubliccomments@pa.gov](mailto:OVRpubliccomments@pa.gov). Written comments may be forwarded to Pamela Brauchli c/o Office of Vocational Rehabilitation, 1521 N. 6th Street, Harrisburg, PA 1710232. FMI: Contact PARF at [parfmail@parf.org](mailto:parfmail@parf.org).
HB 1186 Introduced to Increase Minimum Wage in PA

On April 11 legislation to increase the state minimum wage was introduced in the PA House of Representatives. House Bill 1186 would amend the Minimum Wage Act of 1968 to increase Pennsylvania’s minimum wage to $7.35 per hour, an amount 10 cents more than the federally established rate. The legislation would also automatically increase the state minimum wage in the future whenever the federal minimum wage is increased. The automatic increase would keep the state’s minimum wage 10 cents higher than the federal rate. HB 1186 would increase the state’s minimum wage to a rate higher than the federal rate for the first time since 2009. According to the Bureau of Labor Statistics, since the last increase in 2009, workers paid the minimum wage have lost purchasing power of 53 cents per hour, which is equivalent to a $520 reduction in pay, annually, compared to the value of minimum wage four years ago. The prime sponsor of HB 1186 is Representative Ed Neilson (D - 169th Legislative District - Philadelphia County). FMI: See www.legis.state.pa.us

PA House Committee to Consider Expansion of Human Services Block Grant

As of April 12 legislation to expand the Human Services Block Grant (HB 461) is scheduled to be considered in PA House Health Committee on April 15. Under House Bill 461 the block grant pilot of FY 2012-2013 would be expanded to thirty counties. An amendment to expand the block grant to any willing county may also be considered. PARF is urging its members to call upon legislators who serve on the House Health Committee to reject the expansion of the Human Services Block Grant program. Approximately 73 percent of the block grant is comprised of funds previously dedicated to behavioral health services. PARF has argued that placing funds into a block grant where they may be used for other programs places the behavioral health system infrastructure in jeopardy. PARF members are asking for an evaluation of actions taken by 20 county programs in implementation of the block grant. PARF notes that an evaluation of the first 20 counties to implement the human services block grant would determine whether the goals of flexibility and more integrated services have been met. FMI: See www.legis.state.pa.us

PA Commonwealth Court to Hold Hearing on PA General Assistance

On April 17 a panel of seven judges from the Pennsylvania Commonwealth Court will hear arguments on the lawsuit Billie Washington et al v. DPW that Community Legal Services (CLS) filed in October 2012 on behalf of three clients whose General Assistance was eliminated. The lawsuit challenging the enactment of Act 2012-80 was also brought on behalf of seven statewide organizations (including the PA Community Providers Association and the Mental Health Association of Pennsylvania) also affected by the legislation. The lawsuit argues that the way in which the legislation ending GA cash assistance was enacted had violated Article III of the Pennsylvania Constitution which requires a certain level of “legislative due process” to ensure that laws are only passed after careful deliberation. Specifically, the lawsuit argues that the way Act 2012-80 was enacted was unconstitutional because (a) there was no “single subject” where the provisions affected 2.7 million Pennsylvanians and 39% of the state budget; (b) the original intent of the bill had nothing to do with the final bill; and (c) the bill was not considered on three separate days. At the end of October 2012, a judge with the Pennsylvania Commonwealth Court declined to issue a preliminary injunction in the case. The case continued in both Commonwealth Court and the Pennsylvania Supreme Court. FMI: For more information and legal documents see http://pacaresforall.org/?p=513. Email Michael Froehlich at CLS at mfroehlich@clsphila.org.
IRRC to Act on Final-Form Regulation on Referrals to OT

On April 8 the PA Independent Regulatory Review Commission (IRRC) received from the PA State Board of Occupational Therapy Education and Licensure a final form regulation on referrals to licensed occupational therapists by certified registered nurse practitioners and physician assistants. Section 14 of the Occupational Therapy Practice Act (63 P.S. § 1514) originally provided that an occupational therapist could provide occupational therapy to an individual upon referral by a licensed physician, podiatrist or optometrist. Amendments to the Professional Nursing Law, the Medical Practice Act of 1985, the Osteopathic Medical Practice Act, and the act now allow a licensed occupational therapist to accept referrals from certified registered nurse practitioners and physician assistants. Therefore, the board drafted amendments to regulations (§ 42.25) to add certified registered nurse practitioners and licensed physician assistants to the list of authorized referring health care providers. FMI: See www.irrc.state.pa.us.

New OT Competency Requirements and Licensing Fees in PA

On April 8 the PA State Board of Occupational Therapy Education and Licensure sent to the Independent Regulatory Review Commission (IRRC) a final form regulation that adds (a) continued competency requirements for occupational therapists as a condition of license renewal and reactivation and (b) fees for continued competency providers and course approvals. Effective the first biennium following publication, the new regulation would require all licensed occupational therapists to complete a minimum of 24 contact hours in acceptable continued competency activities each biennium, after their first biennial renewal period, as a condition of license renewal. The regulation also contains three fees: (1) An initial application fee of $40 for approval of a provider who is not already included in the lengthy list of preapproved providers but seeks to offer educational courses; (2) In subsequent years, if the Board-approved provider desires to continue offering courses, there is a $40 biennial renewal fee; and (3) separately, an individual approval fee of $40 for licensees who seek to obtain credit for educational courses from a provider that is neither preapproved nor Board-approved. FMI: See www.irrc.state.pa.us

PA Board of Speech-Language & Hearing Proposes Termination of Grandfather Provisions

On April 2 the PA State Board of Examiners in Speech-Language & Hearing submitted a proposed rulemaking package to the Independent Regulatory Review Commission (IRRC) pertaining to the termination of grandfather provisions. The Board said that when the PA General Assembly enacted the Speech-Language and Hearing Licensure Act in 1984, it provided that existing practitioners who, as of the effective date of the act (February 19, 1985), met certain standards and applied would be licensed without regard to the new standards for licensure. The regulations of the State Board of Examiners in Speech-Language and Hearing initially promulgated in 1988 did not include a maximum time period in which existing practitioners could apply for licensure under these relaxed standards. The proposed rulemaking terminates the "existing practitioner" provisions as of the effective date of the final rulemaking. The Board said that "existing practitioners" who have not applied for licensure would be adversely impacted by being precluded from becoming licensed later. However, the Board said, they could avoid this impact by applying for licensure before the effective date of the final rulemaking. FMI: See www.irrc.state.pa.us
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2013 DOL Update for Vocational Facilities on Federal Wage & Hour Rules

PARF is hosting an educational session on April 17 in Clarion and April 18 in Harrisburg for managers and administrators of vocational rehabilitation facilities and programs (2013 U.S. Department of Labor Update for Vocational Facilities on Federal Wage & Hour Rules) that is focused on special rules and requirements affecting employment programs for workers with disabilities. The 2013 DOL Update for Vocational Facilities on Federal Wage & Hour Rules will be held on Wednesday, April 17, 2013 from 9:00 am to 12:00 Noon at the Holiday Inn Clarion, Route 68 & I80, Clarion, PA and on Thursday, April 18, 2013 from 9:00 am to 12:00 Noon at Dixon University, 2986 North 2nd Street, Harrisburg, PA. This specialized workshop specially offered by the U.S. Department of Labor (DOL) for vocational rehabilitation facilities will feature information on the Special Minimum Wage Certificate Program (Section 14(c)) and compliance with the Service Contracts. The program will focus on (a) Special Minimum Wage certification process, (b) prevailing wage surveys, (c) time studies and (d) compliance requirements for federal government contractors. If you have any questions regarding the various Spring 2013 seminars, please contact PARF at parfeducation@parf.org or call (717) 745-9170.

Webinar on New Pennsylvania Secondary Transition Guide Website

The Pennsylvania Department of Education, Bureau of Special Education, and the Pennsylvania Training and Technical Assistance Network (PaTTAN) have developed a new website for youth and families that address planning for secondary transition (www.secondarytransition.org). On Wednesday, April 17th from 10:00 a.m. to 11:00 a.m. PaTTAN will offer a webinar providing an Introduction to the New Pennsylvania Secondary Transition Guide Website. In this session participants will be guided through the website, which is organized by secondary transition topics that cover key areas, including post-secondary education and training, employment and community living. For more information and registration forms see http://www.pattan.net/category/Training/Calendar/event/event.html?id=69298d3b-5acd-4f34-a5a2-f79290fbacad.

PA Rehab Council to Host Forum on Job Coaching and Supported Employment Services

The PA Rehabilitation Council (PaRC) in partnership with the Office of Vocational Rehabilitation (OVR) and the Pittsburgh OVR Citizen Advisory Council is hosting a public forum on job coaching and supported employment services. Participants in the public forum will discuss how OVR can improve services to help people with disabilities obtain and maintain employment. The session will be held on Wednesday, May 22, 2013 at 12:30 p.m. The public forum will be held at Sheraton Station Square Hotel, 300 W. Station Square Drive, Pittsburgh, PA 15219. The forum will ask: (1) Are customers satisfied with the Vocational Rehabilitation services provided? (2) What was most helpful in finding a job? (3) Are employment outcomes satisfactory? Are supports provided to allow customers to continue working? and (4) What other supports could help to continue working? To register or to make accommodation requests, please contact the PaRC office at 1-888-250-5175 or 1-888-559-2658 TTY or by email at racucpca@parc.org by May 10th. Those who are unable to attend the forum but wish to present their experience, please write or fax PA Rehabilitation Council, 1902 Market Street, Camp Hill, PA 17011. Email: racucpca@parc.org. Fax: 1-888-524-9282
ODP Issues Memo on Fees for Consolidated & PFDS Waiver Services

On April 9 the PA Department of Public Welfare (DPW) Office of Developmental Programs (ODP) issued an ODP Informational Memo on Fiscal Year 2013-2014 Consolidated and Person/Family Directed Support (P/FDS) Waivers concerning department established fees for waiver eligible services, residential ineligible services, and targeted services management (ODP Communication Number: 028-13). ODP issued the DPW-established fees for waiver eligible services, residential ineligible services, and targeted services management (TSM) for the Consolidated Waiver, P/FDS Waiver, and when applicable, base funded services. The information applies to FY 2013-2014 Department established fees (including Medical Assistance Fee schedule rates), effective July 1, 2013. Department established fees for waiver eligible services, residential ineligible services, and TSM are proposed and contingent on the final amounts appropriated by the General Assembly for FY 2013-2014. ODP said it is in the process of developing FY 2013-2014 Department established fee payment rates (the MA fee schedule) for waiver eligible services, base-funded services (when applicable), TSM services and residential ineligible services. ODP advised that the information presented in the memo is based on the current information available at this time and is subject to change as rates are developed and finalized. The list of services included on the Department established fee schedule for FY 2013-2014 are the same as FY 2012-2013. In addition, ODP did not move any additional services to a Department established fee for FY 2013-2014. Base-Funded Services Delivered at a Waiver Service Location Department established fees are applicable to the Consolidated and P/FDS Waivers, as well as to base-funded services at service locations that serve both waiver and base-funded individuals. DPW says that providers of FY 2013-2014 MA waiver eligible services, residential ineligible services, and TSM will not receive an individual rate letter pertaining to the Department established fees. In the coming months, ODP will distribute information on FY 2013-2014 renewal ISP instructions, as applicable, as well as other important considerations related to services that will be delivered during FY 2013-2014. ODP also states that the cost-based payment rates are proposed and are contingent on the final amounts appropriated by the PA General Assembly for FY 2013-2014. ODP says that it is in the process of developing FY 2013-2014 payment rates for the cost-based services, which include residential eligible and transportation trip services. ODP notes that the cost-based payment rates are proposed and are contingent on the final amounts appropriated by the PA General Assembly for FY 2013-2014. ODP says that providers of these services will receive an individual rate letter with their proposed FY 2013-2014 rates approximately one month prior to July 1, 2013. The DPW ODP memo also states that to address stakeholder concerns regarding the changes in the geographic areas and factors effective July 1, 2012 DPW reviewed the most recently available (2011) BLS Commonwealth-specific wage data for the applicable occupations in concert with 2010 data. DPW said that based on this review and to preserve program stability it concluded the three (3) areas and area factors would be maintained in FY 2013-2014. FMI: See www.odpconsulting.net.
President Obama Releases FY2014 Federal Budget Plan

On April 10 President Barack Obama submitted his $3.77 trillion fiscal year (FY) 2014 budget request to the U.S. Congress. His plan presents his Administration's overall fiscal policy and federal program priorities for the fiscal year beginning October 1, 2013. The President’s spending plan includes funding requests and data for all federal executive departments and independent agencies. The proposal seeks to replace sequestration with a mix of spending cuts and revenue increases to produce $1.8 trillion in deficit reduction over ten years. On April 11 Congressional committees began holding hearings on the President’s budget request. The House and Senate have already passed budget resolutions for FY 2014 (S Con Res 8 and H Con Res 25) which differ markedly from one another. The President’s deficit reduction plan is similar to the budget plan approved on March 23 by the Senate. The deficit reduction proposal includes savings of nearly $400 billion through reductions in mandatory health care programs, with Medicare cuts totaling $371 billion over 10 years. For more information on how the President’s fiscal 2014 budget proposal would affect states, Federal Funds Information for States (FFIS) has updated their “Jim Martin” Table, which lists program funding levels for major discretionary and mandatory grant programs. See the table at http://www.ffis.org/node/3076. FMI: See www.whitehouse.gov.

President’s FY 2014 Budget Plan Cuts Medicare & Medicaid

The largest single Medicare savings proposal in President Obama’s FY 2014 Budget Plan would net an estimated $123 billion over 10 years by aligning Medicare drug payments with Medicaid policies for low-income beneficiaries. Medicaid is largely exempt from proposed cuts. The President’s budget plan proposes $22 billion in Medicaid savings largely by reducing payments for prescription drugs and durable medical equipment and targeting waste, fraud, and abuse. Also included in the President's 2014 budget blueprint are funding boosts for mental health and food and drug safety as well as the elimination of the SGR formula to set Medicare physician payment rates. The proposal also delays funding cuts to hospitals that treat the uninsured. The budget would delay the Affordable Care Act’s Disproportionate Share (DSH) cuts by one year, from 2014 to 2015, to better align DSH payments with expected levels of uncompensated care. This proposal would save the program $500 million next year. The remaining $8 billion in mandatory health savings would come from changes to the Federal Employees Health Benefits Program. The President also proposes to adopt a new inflation measure for calculating increases in Social Security benefits, the chained Consumer Price Index (CPI). The switch would occur in 2015, netting $130 billion in benefit reductions and $100 billion in new revenue through 2023. Certain populations, including beneficiaries over age 76 and individuals with disabilities who have been receiving Social Security for at least 15 years, would receive modest protections from the change. FMI: See www.whitehouse.gov.

President’s FY 2014 Budget Boosts Funding for Mental Health Services

Among the changes included in the president's 2014 budget blueprint are funding boosts for mental health and food and drug safety as well as the elimination of the SGR formula to set Medicare physician payment rates. President Obama is asking for $235 million as part of his new budget proposal to fund mental health initiatives. Of the funds, $130 million will be used to train teachers and others to identify signs of mental illness in students and provide them with access to treatment. Secretary of Health and Human Services The funds include $205 million to help identify mental health problems, improve access to mental health services and support safer school environments. The plan would affect at least 8,000 schools. Another $30 million will go toward public health research on gun violence. FMI: See www.samhsa.gov.
President Obama’s Budget Initiatives to Expand Opportunities for People with Disabilities

On April 10, President Obama released his budget proposal, announcing many initiatives expanding opportunities and support for people with disabilities. These include: (a) **Protection from Chained CPI for Means-Tested Benefit Programs**: Means-tested benefit programs are not included in the switch to the chained CPI. This includes the Supplemental Security Income (SSI) program, meaning that the lowest-income seniors and people with disabilities generally would not be affected. Find out more about Chained CPI Protections, at the following link: [http://www.whitehouse.gov/omb/budget/factsheet/chained-cpi-protections](http://www.whitehouse.gov/omb/budget/factsheet/chained-cpi-protections); (b) **Employment**. Social Security Administration and partner agencies are to test innovative techniques to help people with disabilities remain in the workforce. In addition, the Budget also proposes reauthorization of SSA’s demonstration authority for the Disability Insurance (DI) program. (c) **Funding for the Education of Children with Disabilities**: The budget provides $11.6 billion for the Individuals with Disabilities Education Act (IDEA) Grants to States. (d) **Disability Research**: The Budget provides $110 million, a $1 million increase over the 2012 enacted level, for the National Institute on Disability and Rehabilitation Research (NIDRR). (e) **Anti-Discrimination Enforcement**: The Budget provides $12.5 million, a 9 percent increase over the 2012 enacted level, for the Community Relations Service in the Department of Justice to fight hate crimes and provides a $13 million, or 3 percent, increase over the 2012 enacted level for the Equal Employment Opportunity Commission (EEOC). For more information on the budget, go to: [http://www.whitehouse.gov/omb/budget/Overview](http://www.whitehouse.gov/omb/budget/Overview).

**CMS National Provider Call on Transitioning to ICD-10 on April 18**

On April 18 Centers for Medicare & Medicaid Services (CMS) will conduct a national provider call **Begin Transitioning to ICD-10 in 2013** from 1:30 p.m. to 3 p.m. Agenda topics include: Planning for transition to ICD-10; claims processing; national implementation issues; national coverage decisions; and outreach. To obtain call-in information, register for the call on the CMS Upcoming National Provider Calls registration website at [http://www.eventsvc.com/blhtechnologies](http://www.eventsvc.com/blhtechnologies). Registration will close at 12 noon on April 18 or when available space has been filled. No exceptions will be made. Please register early. The presentation for this call is now posted on the FFS National Provider Calls web page at [http://www.cms.gov/Outreach-and-Education/Outreach/NPC/index.html?redirect=/NPC/](http://www.cms.gov/Outreach-and-Education/Outreach/NPC/index.html?redirect=/NPC/). A link to the slide presentation will be emailed to all registrants on the day of the call.

**CMS Establishes Technical Assistance Center on Medicaid Managed Care**

On April 12 the Centers for Medicare & Medicaid Services (CMS) Center for Medicaid and CHIP Services (CMCS) issued a **CMCS Informational Bulletin** announcing the new Technical Assistance Center for states on Medicaid managed care. CMS will provide individualized technical assistance to the states on managed care program operations, including planning and procurement, benefit design and serving the needs of complex populations, access and quality, and the use of data for program oversight and management. CMCS says that in the coming months, the managed care content on [www.Medicaid.gov](http://www.medicaid.gov) will include enhanced state profiles, a map depicting managed care penetration, and new issue briefs and toolkits. To request individualized technical assistance, please visit [http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Managed-Care/Request-Managed-Care-Technical-Assistance.html](http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Managed-Care/Request-Managed-Care-Technical-Assistance.html) and submit the completed technical assistance request form to ManagedCareTA@cms.hhs.gov.
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HHS Proposes Rule for Electronic Health Records Safe Harbor under Anti-Kickback Statute

On April 10 the US Department of Health and Human Services Office of the Inspector General (HHS-OIG) published a proposed rule that would amend the safe harbor regulation concerning electronic health records items and services, which defines certain conduct that is protected from liability under the Federal anti-kickback statute in the Social Security Act. The proposed amendments include an update to the provision under which electronic health records software is deemed interoperable; removal of the electronic prescribing capability requirement; and extension of the sunset provision. In addition, HHS is requesting public comment on other changes it is considering. Comments must be received no later than 5 p.m. on June 10, 2013. FMI: See http://www.gpo.gov/fdsys/pkg/FR-2013-04-10/html/2013-08312.htm. See http://go.usa.gov/Tc7R.

CMS Finalizes Rule for Increased FMAP under Affordable Care Act

On April 2 Centers for Medicare & Medicaid Services (CMS) issued a final rule with request for comment to implement provisions of the Affordable Care Act on the increased Federal Medical Assistance Percentage (FMAP) for certain Medicaid beneficiaries in states. This rule codifies the increased FMAP rates that will be applicable beginning January 1, 2014 and outlines a methodology states will use to claim the appropriate matching rates. An increased FMAP rate is available for medical services provided to people defined as “newly eligible” who are enrolled in the new eligibility group for adults up to 133 percent of the poverty level. In general, individuals are “newly eligible” if they are enrolled in the new adult group and would not have been eligible for full benefits, benchmark benefits, or benchmark-equivalent benefits under the eligibility rules in that state in effect in December 2009. The rule also describes the increased FMAP available under the Affordable Care Act in a defined “expansion state” if the state had expanded coverage to the adult group prior to enactment of the Affordable Care Act. FMI: See http://www.gpo.gov/fdsys/pkg/FR-2013-04-02/html/2013-07599.htm See www.cms.gov

OMB Issues New Guidance to Agencies on Implementing Sequester

On April 4 the federal Office of Management and Budget (OMB) issued to federal agencies a memorandum with further guidance on issues related to implementing the March 1, 2013 sequestration (referred to as the “Joint Committee Sequestration”). The memo specifically directs agencies that provide grants and other financial assistance to state, local and tribal governments to consider how they can help these entities mitigate the effects of funding reductions under sequestration. The memo says that agencies should work closely with states, localities and tribal governments to determine whether there are ways to reduce administrative requirements, consistent with applicable laws, to enable funds to be used in a more cost-effective manner. The memo also explains that while agencies have little discretion in deciding where and how to reduce spending under sequestration, some agencies, depending on their account structure and any existing flexibilities provided by law, may have limited ability to realign funds using existing reprogramming and transfer authority. To the extent possible, agencies are directed to use these authorities to minimize the negative impact of sequestration on core mission priorities. The memo also provides instructions on implementing funding reductions for agency Inspectors General (IGs) and restates previous guidance that discretionary monetary awards should not be issued while sequester is in effect unless legally required. Source: NASBO Washington Report – April 8, 2013.