

DRAFT Summary
Workgroup for Nursing Facility Reimbursement
February 20, 2009
1:00 P.M. – 4:00 P.M.

Members Present

Doug Burr
Tony Marshall
Betty Sorna
Erwin Bodo

AHCA Staff

Phil Williams
Michele Hudson
Susan Dilmore
Wesley Hagler
Edwin Stephens
Ross Nobles
Stephen Russell
Billy Sanders

Introductions

Ms. Susan Dilmore opened the meeting with introductions of the workgroup along with the call-in listeners, and those in attendance. The Workgroup held quorum and unanimously approved the minutes from the January 16 meeting pending the addition of non-workgroup attendees.

Ms. Dilmore asserted that Robert's Rule of Order not be established, because the format of the Workgroup is semi-informal; the Team agreed.

Review of Timeline and Guiding Principles

The Time line agenda is as follows:

- a. September 1: Rough draft due
- b. October 1: Routing to begin
- c. November 1: Present to the Legislature

The Workgroup agreed to meet at least every six weeks. Ms. Dilmore will send the workgroup a list of tentative meeting dates. Mr. Erwin Bodo added that meetings can be canceled or changed around to accommodate the needs of the Workgroup members, because the meetings are not publicly noticed.

Discussion of Rate Semesters – Moving to One Rate Setting

The Workgroup unanimously recommended a single rate setting and cost reporting period. The Workgroup believed that a single rate setting period during September or October would benefit the providers more than any other time of the year. Ms. Michele Hudson warned the Workgroup of the potential roadblocks and challenges the Nursing Home facilities would face. She also stated that Managed Care Organizations have moved to a single rate setting period, and it has worked out well. A single rate setting and cost reporting period could possibly work out well, given proper research and analysis of a more appropriate time period within a fiscal year.

Mr. Bodo offered to survey his staff for a more appropriate period for cost reporting and rate setting. Mr. Tony Marshall agreed to do the same.

Matrix of AIDS Rate Setting

Mr. Doug Burr presented a comprehensive book of reimbursement methods within every state. Mr. Marshall suggested that Program Analysis compare individual facility costs are relative to the targets to determine if the findings are added costs. He also suggested that two or three of the largest groups be analyzed as a sample. Program Analysis agreed to conduct a comparison of their rates.

Mr. Marshall recommended that individual provider targets be eliminated. Ms. Dilmore confirmed that the Agency will prepare a comparison for the next meeting. Mr. Wes Hagler will perform an analytical comparison of rates if plans were not getting an AIDS supplement. He also agreed to follow through on the Workgroup's recommendation to find out how to adjust the class ceilings; to find an equitable way to adjust targets to eliminate the AIDS rate.

Discussion of Current Components

Mr. Burr asked for an updated chart from the 1999 study. The Workgroup agreed with the request, and the Agency will update the charts; specifically, Appendices: C, page 6; D, page 1; and J, page 1.

Discussion of Current Classes

Discussion from the Workgroup ensued regarding direct and indirect patient care. Mr. Burr requested an analysis on direct care as a classification of cost in to discern where each of the components best belongs.

Discussion of Targets, Ceilings and Inflation Factors

The Workgroup agreed that there is a reasonable ceiling. Mr. Tony Marshall requested that the Workgroup look at the ceiling calculations for direct care in terms of appropriate peer groups. Mr. Erwin

Bodo agreed to look at the Centers for Medicare and Medicaid Services (CMS) model of wage classification in terms of the disparities. In addition, Mr. Burr will review the historical wage index.

From an aggregate standpoint, Mr. Tony Marshall will find if there is a DRI for the geographic areas within the State of Florida.

Mr. Bodo will analyze the Core Based Statistical Area (CBSA) model, once supplied with Medicaid data from the Agency: Medicare geographic adjustments, and to what counties they belong to. He added that he would provide the queries and database for the purpose of verifying the calculations made by the Agency. Mr. Marshall agreed to provide the necessary tables.

Discussion of Upcoming Meetings, Topics and Schedule

Ms. Dilmore led the discussion on upcoming tasks. Workgroup members brought forth several items that they would like to see at the next meeting. Topics to be discussed for the next meeting’s agenda are as follows:

- How property is handled: FVRS
 - Suggestions on Geographic System
- Follow up on:
 - Components and Classes
 - Cost Reimbursement vs. Pricing Model
 - Targets, Ceilings and Inflation Factors
- Access to acuity measurement
 - By Facility
 - By Medicaid Beneficiaries (including duals)
 - Correlation between Staff Costs and Acuity

Adjournment

The meeting adjourned at 3:30 PM

Action Items

Name	Action Item	Date Assigned	Date Due
Mr. Billy Sanders	Add Attendees to the Minutes.	Friday, Feb. 20	Next Workgroup Meeting
Ms. Susan Dilmore	Query a list of tentative meeting dates to the Workgroup.	Friday, Feb. 20	Next Workgroup Meeting
Ms. Susan Dilmore	Schedule the next Workgroup meeting for March 16.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Erwin Bodo and	Survey staff to determine if they want one	Friday, Feb. 20	Next Workgroup

Mr. Tony Marshall	rate setting and cost reporting period.		Meeting
Ms. Susan Dilmore	Distribute an action item list to Workgroup members.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Follow up with AHCA bureaus potentially affected by a switch to one cost reporting period.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Ross Nobles	Find the current distribution of NH fiscal year ends.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Report the comparison of what rates would be for plans if they were not getting an AIDS supplement.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Find an equitable way to adjust targets so the AIDS rate goes away.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Update the charts in the 1999 study Appendix C, page 6 Appendix D, page 1 Appendix J, page 1	Friday, Feb. 20	Next Workgroup Meeting
Mr. Erwin Bodo	Analyze the CMS wage classification model to look at the disparities.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Doug Burr	Review the Historical Wage Index.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Tony Marshall	Check to find if there is a DRI for geographic areas.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Model the effect of using a 5% exclusion instead of a 10% exclusion.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Tony Marshall	Provide the tables to the CBSA model to Mr. Bodo.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Erwin Bodo	Analyze the CBSA model.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Break down Medicaid numbers by operating component, salaries/wages/benefits and other factors contributing to direct and indirect care.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Wes Hagler	Provide data to Mr. Bodo on Labor, Utility, Liability, and other factors used for acuity-based services.	Friday, Feb. 20	Next Workgroup Meeting
Mr. Ross Nobles	Query what his staff would want changed.	Friday, Feb. 20	Next Workgroup Meeting