

## **DOH Proposes MDS Audit Approach**

The statewide average nursing home Medicaid Case-Mix Index (CMI) rose by six percent from Jan. 2011 to Jan. 2012. The July 2012 rates have been delayed as DOH attempts to develop a strategy to ensure that the CMI increases are warranted and that the resulting rate increases do not trigger Medicaid global spending cap rate cuts.

DOH has proposed to issue interim July 2012 rates in Nov. 2012 with temporary caps in place on CMI changes. The cap would set a maximum and minimum percentage by which each facility's CMI could increase or decrease from the previous period (i.e., Jan. 2011). The cap would be temporary pending MDS audits and the percentage would be determined by the room available under the global cap. Upon conclusion of the audits, payment adjustments associated with CMI changes above and below the temporary cap would be made.

LeadingAge NY and other associations would work with DOH to identify a private contractor in addition to OMIG to perform MDS audits based on protocols that would be developed by DOH and OMIG. Such audits would occur within six months of MDS submission. This is intended to create a system of pre-payment MDS reviews that would minimize rate issuance delays in future rate update cycles.

Member input is welcome as we evaluate this proposal. We thank you for your feedback and will keep you posted on developments.

Contact: Darius Kirstein, [dkirstein@leadingageny.org](mailto:dkirstein@leadingageny.org), 518-867-8841

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