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MEMORANDUM

TO: RHCF Members

FROM: Patrick Cucinelli, Senior Financial Policy Analyst

DATE: April 8, 2009

SUBJECT: Electronic Rate Appeals Submissions

ROUTE TO: Administrator, CFO

ABSTRACT: NYAHSA reminds members regarding 4/15/09 rate appeal deadline.

Introduction

NYAHSA Doc. ID # N00003241 provides members with details on the new Medicaid electronic appeals submission (EAS) process for the 2009 nursing home rates. April 15, 2009 is the date by which appeals, not including specified capital items appeals which were due on January 15, 2009, must be filed. All appeals must be submitted using the new EAS system, or they will be rejected. Capital items already submitted by the January 15th deadline are not impacted by the EAS implementation.

Additional Issues

As of this writing, April 15th remains the official EAS deadline for the initial 2009 rates. This includes the resubmission of certified 2002 (or off-year base year) cost reports used in calculating the 2009 rate under the new 2002 base year methodology, as specified in the cover letter which accompanied the initial 2009 rates issued in December 2008.

Developments since the release of the initial 2009 rates have raised some questions regarding the current deadline, including:

• With the legislative actions transpiring over the past few weeks, the 2009 rates as issued in December have become outdated and may bear little resemblance to the actual rates

that will finally be issued effective April 1, 2009. Certainly, the 2009 hotline rates are irrelevant as far as the first quarter of 2009 is concerned;

• Legislation just passed as part of the 2009-10 state budget states:

Notwithstanding any inconsistent provision of law or regulation, as of April first, two thousand nine, with regard to administrative rate appeals, the department will only review such appeals for (a) the correction of computational errors or omissions of data by the department in determining the operating rate based upon the information provided to the department prior to the computation of the rate, capital cost reimbursement, or (c) such reasons as the commissioner determines are appropriate. The department will not consider any revisions made to a facility's annual cost report for operating rate adjustment purpose later than the due date established by the commissioner.

It is unclear at this time if and how this language will impact the 2009 rate appeal process; and

• Some initial reports of problems with the new EAS system are beginning to surface, mostly related to the ability to submit the reports through the Health Providers Network (HPN).

NYAHSA has been raising these issues with the Department of Health (DOH) and is vigorously pursuing clarification and guidance for members.

In the meantime, NYAHSA recommends that members make every effort to comply with the April 15th deadline and appeal any issues that they feel need to be addressed, with the understanding that this is a potentially changing situation. There are some hints that DOH is considering a revised EAS schedule, but the instructions as issued in the cover letter to the initial 2009 rates remain the official word from DOH at this time and the guidance that members should follow.

NYAHSA further recommends that members not wait until the last minute to submit their appeals. As noted above, we are beginning to receive reports of submission problems and members should make sure they submit in time to deal with any unforeseen circumstances. Specifically members should make certain that the HPN account to be used for submission is current and working.

Again, this is a potentially volatile situation and NYAHSA is pursuing additional clarifications from DOH. We will continue to carefully monitor developments and immediately advise members of any new information.

Please contact me with any questions at pcucinelli@nyahsa.org or call 518-449-2707 ext. 145.