

# Testimony on House Bill 64

Before the Senate Medicaid Committee

May 14, 2015

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# Agreement Reached



- Executive Budget contained a number of elements that could have been extremely harmful for ICF/IID providers.
- DODD and provider associations (OACBDD, OPRA, VFA, OCID) negotiated intensively and in good faith while budget was in House.
- Agreement reached on all aspects affecting ICFs; agreed language incorporated into House passed bill.

# Overview

- Like any compromise, no one is completely happy, but the parties all support it.
- Ensures that ICFs remain a viable choice for individuals/families.
- Continues progress on system change.
- Key elements outlined in following slides.

# Bed Take Backs

- Executive Budget:
  - ICF permanently lost certification of bed if individual moved to community on waiver.
  - ICF permanently lost license for bed if unoccupied for 12+ months.
- House Budget: both bed take back provisions removed.

# Flat Rates

- Executive Budget:
  - Flat rates for Group 5 and 6 individuals (22% of population)
  - Applied to all ICFs regardless of size.
  - Rate cut could be \$100/day or more.
- House Budget:
  - No flat rate for small (8 or less bed) ICFs.
  - No flat rate for current residents.
  - Flat rate for new admissions to large ICFs starting July 1, 2015.

# Grand Bargain Milestones



- Grand Bargain (July 2013) called for at least 500 ICF beds to be converted to waiver by June 30, 2018.
- Also at least 500 ICF beds to be downsized into smaller facilities; total of 1,200 beds downsized/converted.
- Executive Budget: no explicit changes, but DODD viewed flat rate as penalty for not meeting Grand Bargain targets.
- House Budget:
  - Established interim milestones for conversions under Grand Bargain.
  - 225 beds by June 30, 2016; 350 beds by June 30, 2017.
  - No penalties.

# Admission Review



- Executive Budget:
  - Required county board/state review of all admissions to large ICFs.
  - 90 day process for each candidate.
- House Budget:
  - Retains review process, but shortens to 7 business days.
  - Can submit in advance (e.g., waiting list).

# Two Per Bedroom



- Executive Budget:
  - ICFs must eliminate any rooms with more than 2 beds by 2023.
  - Must submit plan for DODD approval.
  - Cannot admit new individuals while plan is carried out.
- House Budget:
  - Extends timetable to 2025.
  - Exempts children, people who wish to room together.
  - Eliminates ban on admissions unless provider does not comply with plan.

# Options Counseling

- Executive Budget:
  - ICFs must provide information to residents about service/support options.
  - DODD to develop material.
  - Exit waivers available to people who choose to leave.
  - Tied to bed closure.
- House Budget:
  - Retains counseling, exit waiver provisions.
  - Eliminates bed closure.

# ICF Rates



- Executive Budget:
  - 2% rate increase in SFY 2016, carried over to SFY 2017.
  - Paid only to minority of providers.
  - New payment system to be developed for July 1, 2017.
  
- House Budget:
  - 2% increase only in SFY 2017.
  - Paid equitably to all providers.
  - Retains new payment system provisions.