



**Agency for Health Care Administration
2727 Mahan Drive
Tallahassee, FL 32308**

**Nursing Home Prospective Payment Systems
Governance Meeting – 06/27/2016
3:00 p.m. – 4:30 p.m.**

Meeting Summary

The Agency is making decisions on the nursing home prospective payment system methodology using a Governance Committee model. This committee has been formed and held its first meeting on June 27, 2016.

During the first meeting, Navigant walked the committee through the background and legislation of the project, along with the project plan. The committee was informed of the overall objectives and areas of interest for stakeholders. Navigant also reviewed the current Florida payment methodology and compared price based to cost based. After an introduction and summary of the project, Navigant highlighted some key decisions that will have to be made in the future. Some of these decisions are:

- How standardized should the system be?
 - Adjust for wage differences or not?
 - Adjust for facility size or not?
 - Adjust for acuity differences or not?
 - Adjust for quality differences or not?
 - Adjust for Geography or not?
 - Adjust for Medicaid Beds?
- What should the basis for the rates be?
- Should Florida use cost apportionment for differences in acuity?
- Should there be a fair rental value system for capital, and what should that look like?
- Is Fair Rental Value appropriate?
- Are there more appropriate systems?
- Should there be a quality incentive component,
- What should it look like
- How should it be funded (i.e., should there be a withhold to fund it so budget neutrality can be maintained)?
- Should there be a transition or phase-in period?
- What should the time frame be for phase in?
- Should there be an acuity based measure for reimbursement?
- Are acuity based measure appropriate given the minimum staffing - 3.6 hour nursing hour issue?