

FHCA and Our Florida Promise PPS Recommendations

- 1) Quality- FHCA has provided Navigant/AHCA with a Quality Domains model we would like to see used as opposed to the Navigant model. FHCA also recommends funding the quality payment at 2% of the current rate, or approximately \$4.50 per Medicaid day from the current Operating Add-on. The Navigant model has problems that we can't support.
 - a. 5-Star is a very subjective measure due to 70% being survey based. Also the Navigant model uses both the overall 5-Star score and several quality measures that contribute to the 5-Star score potentially penalizing a provider twice for the same measure.
 - b. The quality awards section fails to recognize other provider awards including the Baldrige criteria based American Health Care Association Silver and Gold Award and JCAHO accreditation. FHCA feels that these additional awards should be included.
 - c. The 7% Navigant is recommending for quality payments is too much. FHCA supports a shift to a value based purchasing option but cannot support it at a level that erodes funding in the direct, indirect, and operating components.
- 2) Fair Rental Value- FHCA has provided Navigant with the data for our fair rental value model which is similar to what was presented at the September public meeting. The FHCA model changes some of the parameters of the Navigant model but the concept of rewarding providers for upgrading and renovating buildings still exists.
 - a. The FHCA proposal for FRV uses approximately \$3.80 more per day than the current system which we propose come from the Operating Add-on component.
 - b. In addition, FHCA wants the pass-through property rate components restored that exist in the current payment structure. The Property Tax, Property Insurance, and Home Office Costs make up approximately 25% of current property rates and removing them would create inequity in the system.
- 3) Peer Grouping - FHCA prefers the second of the 2 peer grouping models presented at the September 22 public meeting. The peer groupings in this model were SMMC Areas 1-9 as group 1, and SMMC Areas 10-11 as group 2.
- 4) Transition- FHCA would like Navigant to include language in its final report to the Legislature that would stress additional one time funding that would ease transition periods for providers.