Comments for the November 17, 2016 PPS Public Meeting

On behalf of LeadingAge Florida we offer the following comments regarding the November 17, 2016 Navigant presentation:

Models 35 and 36

The single most effective change from the earliest models to the most current models is the limitation imposed on the Quality Incentive. Under the proposed 30th percentile threshold, the distribution of losses and gains becomes much more symmetrical with regard to overall quality measures. Simulation Model 36 does impose this limit. Therefore, LeadingAge Florida recommends that Model 36 be retained as the basis for the final model.

One potential modification of the 30th percentile limit would allocate Quality Incentive payments for the process and outcome measure points obtained under the 20% year-to-year improvement provision regardless of the total quality points obtained by a nursing home. This would allow a recognition of improvements regardless of the point total of a facility. We ask that this option be explored for inclusion in the final model.

Only members of the American Health Care Association (AHCA) are eligible to receive the AHCA National Quality Awards. Therefore, these two award categories are not obtainable by all nursing homes and should not be included in the quality matrix. Equity is one of the guiding principles for the Nursing Home PPS study. A new payment plan cannot have equity if not all nursing homes are able to compete on an equal footing.

The losses and gains in both Model 35 and 36 are still extreme in both percentages and dollars. There can be no reasonable public policy achieved with such large differences compared to current rates paid. Especially troubling is the extreme gains some very poor performing facilities would realize under these two models. We strongly recommend a limit on gains, especially on unearned excessive gains. As previously suggested we recommend a 5% limit on all losses and gains compared to current payment rates.

Transition Period

As much as we would like to believe that additional funds will be available to transition to a new system, the current bleak budget outlook for Florida will more than likely preclude such an appropriation. We encourage AHCA to advocate for transition funding be included in the Governor's recommended budget but we alse strongly recommend that the final model not be developed based on the illusion or promise of additional funding.

If losses and gains are held to a reasonable 5% then the following three-year transition formula would allow for a less painful transition:

Josh Ashby, *Board Chair*
Steve Bahmer, *President/CEO*
Expanding Possibilities for Aging

1812 Riggins Road | Tallahassee, Florida 32308
P 850.671.3700 | F 850.671.3790 | **LeadingAgeFlorida.org**

Year 1:	2/3 current rate + 1/3 proposed rate
Year 2:	1/3 current rate + 2/3 proposed rate
Year 3:	full proposed rate.

Peer Groups

We recommend that the current South region be revised to include several other South Florida counties. Based on the 2015 Florida Price Level Index both Collier and Palm Beach counties have higher cost of living indices than either Broward or Miami-Dade counties.

Service Specific Add-Ons

During the late 1980's Medicaid had a special ventilator care payment rate. The initial caseload estimates quickly ballooned and the program was eliminated due to funding concerns. We forecast a similar caseload growth if the ventilator add-on is implemented now. Therefore while we concur with the concept of serving more ventilator dependent patients in nursing homes we cannot support this proposal without a specific additional funding source.

Additional Comments

We would like to submit additional comments after we have had a reasonable time to review the data for the two proposed models.