

November 20, 2012

Sharon L. Summers
Policy, Program and Development Unit
Division of Medicaid and Medical Assistance
1901 North DuPont Highway
P. O. Box 906
New Castle, DE 19720-0906

RE: DMMA Proposed Intermediate Care Facilities for Individuals with Mental Retardation (ICF/MR) and Long Term Care Facility Reimbursement Regulation [16 DE Reg. 517 (November 1, 2012)]

Dear Ms. Summers:

The Governor's Advisory Council for Exceptional Citizens (GACEC) has reviewed the Division of Medicaid and Medical Assistance proposal to amend its Medicaid State Plan by changing the payment methodologies for non-public ICF/MRs. The GACEC would like to share the following observations.

First, it seems that the State "rolled back" payment rates for non-public facilities in 2009 to the rate in effect on December 31, 2008. It is now proposing to exempt private ICF/MRs from that "roll back" for services rendered after August 1, 2012. The State projects that this will result in "leveraging" of federal funds. For example, DMMA anticipates the change will result in \$51,723 in increased State payments and \$194,200 in federal payments in SFY14. At 518. Council is aware of only one private ICF/MR in Delaware, the Mary Campbell Center. It would apparently benefit from the proposed change.

Second, other long-term care facilities subject to the "roll back" will receive additional funds based on a "Quality Assessment Rate Adjustment. That adjustment is authorized by Senate Bill No. 227 signed by the Governor on June 28, 2012. The Councils commented on the subsequent regulation defining eligibility for the adjustment. See 16 DE Reg. 38 (July 1, 2012) (proposed); and 16 DE Reg. 309 (September 1, 2012) (final).

Given the enactment of Senate Bill No. 227, and the leveraging of federal funds, Council **endorses** the proposed change since we believe that providing more funds to facilities may result in higher quality of care and an incentive to accept "Medicaid" patients. However, we would like to qualify our endorsement by stating that we hope adequate measures will be taken to ensure that the extra payments do not undermine the "movement" towards promoting community-based service options.

Thank you for your time and consideration of our comments and observations. Please feel free

to contact me or Wendy Strauss should you have any questions.

Sincerely,

Terri A. Hancharick
Chairperson

TAH:kpc