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Therapy caps are in effect; exceptions process expired – Therapy caps are in effect after the exceptions process expired last week, and therapy fee screens will remain unchanged for January and February 2010. The President has signed the Department of Defense Appropriations Act of 2010 which provides for a zero percent (0%) update to the 2010 Medicare Physician & Therapy Fee Schedule for a two-month period, January 1, 2010 through February 28, 2010. There is a limit of \$1,860 for combined physical and speech pathology therapy, and \$1,860 for occupational therapy in 2010, CMS recently disclosed. The Senate healthcare reform bill would extend the exceptions process through the end of 2010. The House package would extend it through 2011. ([Back to top](#)).

Department agencies release PASRR FAQs, add training – The Ohio Department of Job and Family Services, Department of Aging, Department of Mental Health, and Department of Developmental Disabilities released a [frequently asked questions document](#) (FAQ) relating to the new PASRR process that went into effect late last year. Further questions can be directed to the Academy or directly to the state at BHCS@jfs.ohio.gov. In related news, an [additional PASRR training site](#) has been added in Massillon. ([Back to top](#)).

Feds OK AL waiver expansion – The Center for Medicare and Medicaid Services has approved an increase in the unduplicated assisted living (AL) waiver slots from 3009 in state fiscal year 2010 to 4064 from state fiscal years 2011 to 2014. The Ohio Department of Aging had requested an amendment to its state plan to increase the number of waiver slots to accommodate an expected increase in demand for AL Medicaid services. The entire waiver program, including the PASSPORT, AL, and PACE programs, is still operating under a waitlist because of budget constraints. Heading into 2010, approximately 575 people are waiting for all waiver services with 33 people waiting for AL waiver services. The average wait time for enrollment in November was 12 days. For more information, contact [Chris Murray](#). ([Back to top](#)).

Court rules in favor of state on tobacco fund issue – The 10th District Court ruled in favor of the state in allowing the Ohio General Assembly to use tobacco settlement funds to fund optional Medicaid services. The issue arose during 2008 when the general assembly authorized the Office of Budget and Management to transfer over \$250 million from the Tobacco Use Prevention and Control Endowment Fund to the Department of Job and Family Services for Medicaid and other expenditures. The American Legacy Foundation sued the state saying that the tobacco moneys are in a trust fund

for a specific use and the general assembly cannot divert the funds. The state would use \$130 million of the tobacco funds to pay for optional services under Medicaid, \$92 million for county subsidies for child-welfare services, \$32.2 million to provide health insurance for poor children, and \$3.4 million for breast- and cervical-cancer screenings. Without the funds, the state would face another multi-million dollar shortfall that may result in cuts to services. The American Legacy Foundation already plans on appealing the decision to the Ohio Supreme Court. ([Back to top](#)).

2010 Regional Education programs are here!– Start planning your 2010 continuing education strategy by visiting the **Education Programs** section of the [OANH website](#) for information on a variety of innovative regional education programs slated for the first half of 2010. These courses include:

- Thursday, Feb. 25, 2010 – Physician Sales Boot Camp – Columbus
- Tuesday, March 23, 2010 – Focus on Resident Socialization and Safety: A Toolkit for Dementia Programs – Cleveland
- Wednesday, March 24, 2010 – Focus on Resident Socialization and Safety: A Toolkit for Dementia Programs – Columbus
- Thursday, March 25, 2010 – Focus on Resident Socialization and Safety: A Toolkit for Dementia Programs – Cincinnati
- Thursday, April 8, 2010 – Extreme Census Building – Columbus
- Tuesday, April 20, 2010 – MDS 3.0 – Cincinnati
- Thursday, April 22, 2010 – MDS 3.0 – Columbus
- Wednesday, April 28, 2010 – MDS 3.0 – Cleveland
- June – Fire Safety and Prevention – More information coming soon!

Pencil them in and plan to attend these great programs! Contact [Dawn Kennedy](#) for more information. ([Back to top](#)).

Update from CMS – The Centers for Medicare and Medicaid Services (CMS) recently released the following information of interest to long-term care providers:

- **Survey & Certification Memo**

- [10-10: Critical Access Hospital \(CAH\) Regulatory Changes \(12/31/09\)](#)

On July 31, 2009, CMS issued the final FY 2010 Inpatient Prospective Payment System (IPPS) rule, effective October 1, 2009. The final rule included the following two changes affecting CAHs: (1) Permit continued participation of CAHs located in areas no longer rural, up to September 30, 2011, and (2) Require all CAH-owned clinical laboratories to satisfy provider-based and CAH location requirements, effective October 1, 2010. (Section 2256H of the State Operations Manual is revised to reflect the change.) View the attachment [here](#).

- **New “Regulation Station” Feature**

K48: Incorrect written fire safety plans are a common source of deficiencies during Life Safety Code (LSC) surveys. K48, K154, and K155 are the K tags that correspond to the LSC requirements for written fire safety plans. K48 requires compliance with LSC Sections 18.7.2.2 or 19.7.2.2, which state that a written fire safety plan must cover the eight listed items in those code sections. The following are a few examples of issues that result in deficiencies being cited at K48:

1. The written fire safety plan fails to address the evacuation of the smoke compartment, which was a new requirement to the 2000 Edition of the LSC. Related to this are issues when a plan states residents will be evacuated to another area of the building. Using an undefined term, such as “another area,” does not cover the requirement for evacuation of the smoke compartment, because “another area” may be in the same smoke compartment as the fire.
2. The written fire safety plan instructs staff to determine the size of a fire and act accordingly. Fire plans have been reviewed where staff are instructed to extinguish the fire and not remove residents or activate the fire alarm if, in the staff member’s opinion, the fire is small. A fire plan should not have different actions based on a staff member’s determination of the size of a fire. Upon discovering a fire, a staff member’s first action should be to rescue anyone in immediate danger. While doing so, they should call out a code word alerting other staff members of the fire so they can activate the fire alarm.

These examples do not address all possible reasons for a citation at K48.

- **Reports and Transmittals**

- [Transmittal 56 of the CMS Manual System, Pub. 100-07 State Operations Provider Certification](#) was released on December 30, 2009. This transmittal contains the revisions for the Ambulatory Surgical Center Conditions for Coverage (CfCs) that were revised effective May 18, 2009. New CfCs were added and more detailed guidance is provided for those CfCs that were not revised.
- View the GAO report, [“Nursing Homes: Opportunities Exist to Facilitate the Use of the](#)

[Temporary Management Sanction,” GAO-10-37R, November 20.](#)

- The GAO report “Nursing Homes: Addressing the Factors Underlying Understatement of Serious Care Problems Requires Sustained CMS and State Commitment,” GAO-10-70, November 24 can be accessed at [here](#). The highlights report can be accessed [here](#).
- CMS announced the scheduled release of modifications to the Healthcare Common Procedure Coding System (HCPCS) code set. These changes have been posted to the [HCPCS website](#).

- **Second Annual Multi-State Health IT Collaborative for E-Health Conference**

Registration is now open for the Second Annual Multi-State Health IT Collaborative for E-Health Conference. Visit the [registration website](#) for registration, lodging, and other conference information. Registration for the conference is free; however, you must be registered to attend. Conference participants include state Medicaid and CHIP programs, state Health Information Technology Coordinators, and state-designated entities. The conference will have technical support and participation from the Centers for Medicare & Medicaid Services (CMS), Office of the National Coordinator for Health IT (ONC), the Health Resources and Services Administration (HRSA), the Agency for Healthcare Research and Quality (AHRQ), and nongovernmental stakeholders.

- **Public Comment on Regulations Encouraged**

CMS and the Office of the National Coordinator for Health Information Technology (ONC) encourage public comment on two regulations recently issued that lay a foundation for improving quality, efficiency and safety through meaningful use of certified electronic health record (EHR) technology. The regulations will help implement the EHR incentive programs enacted under the American Recovery and Reinvestment Act of 2009 (Recovery Act). A proposed rule issued by CMS outlines proposed provisions governing the EHR incentive programs, including defining the central concept of “meaningful use” of EHR technology. An interim final regulation (IFR) issued by ONC sets initial standards, implementation specifications, and certification criteria for EHR technology. Both regulations are open to public comment. The CMS proposed rule and fact sheets may be viewed by [clicking here](#). ONC’s interim final rule [may be viewed here](#). In early 2010 ONC intends to issue a notice of proposed rulemaking related to the certification of health information technology

- **CMS Approved New Issues for RACB Website**

CGI has posted important information to its [website](#) outlining [new issues approved by CMS](#). For questions, contact the RACB call center at 877-316-RACB or by email at RACB@cgi.com. [\(Back to top\)](#).

U.S. health spending increases at slowest rate – Nominal health spending in the United States grew 4.4 percent in 2008, to \$2.3 trillion or \$7,681 per person. This was the slowest rate of growth since the Centers for Medicare & Medicaid Services started officially tracking expenditures in 1960. Despite slower growth, however, health care spending continued to outpace overall nominal economic growth, which grew by 2.6 percent in 2008 as measured by the Gross Domestic Product (GDP). Health spending as a share of the nation’s GDP continued to climb, reaching 16.2 percent in 2008, up 0.3 percentage points from 2007. Larger increases in the health spending share of GDP generally occur during or just after periods of economic recession. The economic downturn significantly impacted health spending as more Americans could not afford to spend their limited resources on health care and instead went without care. This led to slower growth in personal health care paid by private sources of funds, which increased only 2.8 percent in 2008. Health spending was also impacted by the American Recovery and Reinvestment Act of 2009 (ARRA), which provided a temporary 27-month increase in Federal Medical Assistance Percentages (FMAP) used to determine the federal Medicaid payments to states. The legislation led to approximately \$7 billion of Medicaid spending shifting from states to the federal government for the last quarter of 2008.

Other statistics on the growth of health care spending in the new report include:

- Hospital spending in 2008 grew 4.5 percent to \$718.4 billion, compared to 5.9 percent in 2007, the slowest rate of increase since 1998.
- Physician and clinical services’ spending increased 5.0 percent in 2008, a deceleration from 5.8 percent in 2007.
- Retail prescription drug spending growth also decelerated to 3.2 percent in 2008 as per capita use of prescription medications declined slightly, mainly due to impacts of the recession, a low number of new product introductions, and safety and efficacy concerns.
- Spending growth for both nursing home and home health services decelerated in 2008. For nursing homes, spending grew 4.6 percent in 2008 compared to 5.8 percent in 2007.
- Total health care spending by public programs, such as Medicare and Medicaid, grew 6.5 percent in 2008, the same rate as in 2007.
- Health care spending by private sources of funds grew only 2.6 percent in 2008 compared to 5.6

percent in 2007.

- Private health insurance premiums grew 3.1 percent in 2008, a deceleration from 4.4 percent in 2007.

To read the complete report, [click here](#). ([Back to top](#)).

Become a 2010 Premier Partner! – The Academy is now accepting applications for our 2010 Premier Partners program. The Premier Partners program is a marketing-based partnership between the Academy and interested OANH Associate Members. Premier Partners gain instant visibility and recognition as a supporter of the Academy through high-level marketing and exposure to the membership. If you are interested in becoming a 2010 Premier Partner, [click here](#) for more information. ([Back to top](#)).

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New year, new contacts? – If your facility/company made recent changes to your contact information, please let the Academy know so the membership database can be updated. Go to <http://www.oanh.org/files/muf.pdf> for the membership update form and fax it to the Academy office. If a new contact needs to be added to the Academy distribution list, please email [Christina O'Neal](#) the individual's name, title and email. ([Back to top](#)).