



Nursing Facility Provider Fee Advisory Board Meeting Minutes

303 East 17th Avenue, Conference Room 11 C

January 20, 2016

1. Call to Order

Matt Haynes called the meeting to order at 01:05 p.m.

2. Roll Call

There were sufficient members for a quorum.

A. Members Present

Paul Landry, Lonnie Hilzer, Arlene Miles, Josh Fant, John Brammeier, Doug Farmer, Janet Snipes

B. Members on the Phone

Cindy Bunting, Lori Nelson

C. Members Excused

Greg Traxler, Chris Stenger, Dan Stenerson

D. Staff Present

Matt Haynes, Marnie Montano

3. Approval of Minutes

The minutes from the November 18, 2015 meeting were approved.

4. Across the Board 3% and Re-base

- Two issues
 1. Variability and the inaccuracy of using a 7/1 interim rate because it's unaudited. If the interim rate comes in lower than the allowable growth per facility that facility essentially gets re-based
 2. Current distribution of cost is on the allowable growth side, and that is based on 6/30/08.
- We know that there are potential errors that may re-base a facility



- We know that distribution of cost based on 6/30/08 is not reflective of distribution of cost currently
- Does this warrant action?
- We think that the principles are sound and we should be reflective of costs and possibly re-base every year
- Most nursing homes can't afford fluctuations from one year to the next
- We want to mitigate winners and losers
- For the true up those who are over it brings them back down to the audited rate and those who are under use the percentage
- If you are over you are getting 100% of your audited rate where if you are under you are not getting the 100%
- To get everyone growing at the same percentage over their audited rate we couldn't make that happen on the back end but we can on the front end by rebasing to a percentage of the audited rate and then growing everyone 3% each year thereafter
- Conceptually basing anything on 2008 isn't valid anymore
- This could create a lot of chaos, those rates are part of their structure
- We know who has a much higher cost than 6/30/08
- Can we bring the spread in closer without changing the whole system to balance out the extremes
- Errors in cost report preparation are common and sometimes they will make an impact and sometimes they won't. This can happen to any facility at any time
- Have the potential to lose the integrity of all of the as filed cost reports if they are not used for anything
- If we keep the same distribution that exists right now we can inflate 3% and still true-up what the audited rate is
- Big concern about changing the distribution and needs some more thought
- Definitely want to see about getting away from an interim rate
 - Will improve accuracy and predictability going forward
 - Will look at flat 3% growth without rebasing for the Feb. PFAB meeting

5. Pay for Performance Update

- Application has been up on the website
- Want to make sure we are using the correct composite tool
- We know that the CMS regulations are increasing, we want to stay ahead
- This program is getting national recognition
- Possibility of making changes to how much we are paying per tier and increasing that for FY 17-18
- The program does grow 3% every year
- Much rather pay for doing things that bring better quality to your residents than just paying for costs
- Spending \$50 million dollars just on cost over the allowable growth, spending \$6.8 million on pay for performance



6. Public Comment

No public comments

7. Action Items

No action items

8. The meeting was adjourned at 02:56 p.m.

Next meeting will be on February 17, 2016 at 1:00 p.m.

Reasonable accommodations will be provided upon request for persons with disabilities. Please notify the Matt Haynes at 303-866-3698 or matt.haynes@state.co.us or the 504/ADA Coordinator hcpf504ada@state.co.us at least one week prior to the meeting.

