PUBLIC NOTICE

Pursuant to 42 C.F.R. § 447.205, the Georgia Department of Community Health is required to give public notice of any significant proposed change in its methods and standards for setting payment rates for services.

NURSING FACILITY SERVICES

Effective for nursing facility services provided on January 1, 2012 and after, and subject to payment at fee-for-service rates, the Department, in response to federally mandated changes in the assessment of nursing facility residents, is proposing an alternative method of adjusting the nursing facility incentive payment related to residents' cognitive impairment and the overall Case Mix Index (CMI) scores used in the calculation of quarterly nursing facility reimbursement rates. Prior to CMS' requirement that states convert from the Minimum Data Set (MDS) 2.0 to MDS 3.0 assessment instrument effective October 1, 2010, the Cognitive Performance Scale (CPS) was used to determine an add-on incentive for those nursing facilities with significant populations of cognitively impaired residents.

With the implementation of the new assessment instrument the cognitive impairment score (CPS) was no longer the primary determinant of residents' cognitive impairment level. Another cognitive assessment instrument, the Brief Interview for Mental Status (BIMS), is now required by CMS using resident interview whenever possible. CMS developed a crosswalk mechanism using various data elements from MDS 3.0 to approximate clinical CPS scores in the previous assessment (MDS 2.0), however the crosswalk was not developed for rate-setting purposes. After extensive analysis, it was determined that by using a BIMS score of less than or equal to five (5) the Department is able to approximate the per diems and incentive payments made in recent quarters. While determined to provide the closest approximation to the previous calculation method, using BIMS </= 5 resulted in a slight overall increase in nursing facility payments.

The conversion from MDS 2.0 to MDS 3.0 also resulted in new CMI scores used in the calculation of nursing facility reimbursement rates. Part of the nursing facility rate calculation requires a facility's Routine Services net per diem be divided by its overall CMI score and then multiplied by its current quarterly CMI score. Since a facility's overall CMI score is based on 2006 data taken from MDS 2.0, an adjustment was made to correlate this score to current CMI scores based on MDS 3.0. This CMI adjustment takes a facility's current overall CMI score based on MDS 3.0 data from the quarter ending 3/31/2011 and divides it by the facility's average overall CMI score based on MDS 2.0 data from the four quarters ending 12/31/2009, 3/31/2010, 6/30/2010, and 9/30/2010. The resulting percentage is then multiplied by the facility's overall 2006 CMI score, resulting in an adjusted 2006 overall CMI score. This adjustment resulted in a slight overall increase in nursing facility payments.

In addition, we are proposing an increase in the nursing facility provider fee in an amount sufficient to fund the cost associated with updating the nursing facility cost reports from the current 2006 reports to 2009 cost reports. This change will better reflect the cost structure of nursing homes. The adjustment to the nursing home provider fee and the additional cost of updating nursing home

cost reports will offset and will not result in an additional budget impact over and above the changes described above.

These changes are estimated to increase nursing facility expenditures for the balance of SFY 2012 as follows:

Program	Total Funds	State Funds
Aged, Blind, and Disabled	$1,004,532	$341,541

This public notice is available for review at each county Department of Family and Children Services office. An opportunity for public comment will be held on **December 28, 2011**, at **1:00 p.m**., at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Individuals who are disabled and need assistance to participate during this meeting should call (404) 656-4479. Citizens wishing to comment in writing on any of the proposed changes should do so on or before **December 28, 2011**, to the Board of Community Health, Post Office Box 1966, Atlanta, Georgia 30303.

Comments submitted will be available for review by the public at the Department of Community Health, Monday – Friday, 9:00 a.m. to 4:30 p.m., in Room 4074, 2 Peachtree Street, N.W., Atlanta, Georgia 30303. Comments from written and public testimony will be provided to the Board of Community Health prior to the **January 12, 2012,** Board meeting. The Board will vote on the proposed changes at the Board meeting to be held at 10:30 a.m. at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room.

NOTICE IS HEREBY GIVEN THIS 8th DAY OF DECEMBER, 2011
David A. Cook, Commissioner