

# MINUTES OF THE MEDICAID PROVIDERS RATE REVIEW ADVISORY COMMITTEE

The Colorado Department of Health Care
Policy and Financing
303 East 17th Avenue, 7th Floor Conference Room

Friday, February 19, 2016 9:00 AM – 12:00 PM

# 1. MPRRAC Members Present (in person or via phone)

Rebecca Craig, Gigi Darricades, Rob DeHerrera, Bruce Densley, Tim Dienst, Jennifer Dunn, Sue Flynn, Lisa Foster, Deborah Hart, David Lamb, Dixie Melton, Carol Morrow, Wilson Pace, Jeff Perkins, Tom Rose, Tia Sauceda, Art Schut, David Smart, Barbara Wilkins-Crowder, Murray Willis, and Jody Wright

#### 2. Meeting Minutes

Minutes of the December 4, 2015 meeting were approved by the members.

# 3. Guiding Principles

The Chair of the Committee, Jeff Perkins, led a conversation about the importance of establishing Guiding Principles, and what these principles should include. The mission of the Committee is to review rates in a five year, recurring cycle and provide advice to the Joint Budget Committee (JBC) and the Department through reports submitted from the department. Two reports will be submitted to the JBC each year which will include committee input. The first report is due in May of each year and is based on the review of data provided to the committee by the department. The second report is due in November of each year and will include Committee recommendations based on the data provided by the department. The Chair of the Committee stated that the Committee has no legislative or legal authority but a moral authority. To be effective and have a significant influence on the budget process the committee will need to cooperate, focus, and come up with rational recommendations as members of the committee rather than as individual stakeholders. Open and transparent dialogue is welcome.

# 4. Laboratory Services

Department staff gave a data presentation of <u>Laboratory Services</u> detailing

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expenditures, service description, demographics, utilization statistics, access metrics, and potential quality sources.

# **5. Private Duty Nursing Services (PDN)**

Department staff gave a data presentation of <u>Private Duty Nursing Services</u> detailing expenditures, service description, demographics, utilization statistics, access metrics, and potential quality sources.

# 6. Home Health Services (HH)

Department staff gave a data presentation of <u>Home Health Services</u> detailing expenditures, service description, demographics, utilization statistics, access metrics, and potential quality sources.

#### 7. Public Comment

The Department noted that it has received a rate increase proposal from a laboratory services company concerning rate increase for a specific genetic test. The request will be provided to advisory members and posted on the department website.

Ryan Zieger commented that low Medicaid reimbursement rates for PDN services do not allow home health agencies to pay market rates for RNs. He also voiced concerns that the reimbursement rate of \$45.00/hour is too low to address the growing nursing shortage, the fact that good RNs cost more, and the reluctance of new health home agencies to enter the field because of difficulty finding new RNs.

Felicia Foster (MPRRAC Member) commented that the LPN rate also needs to be increased (referring to an increase in RN rate in 2015).

Ellen Caruso commented that rates should cover the cost that agencies and therapists charge to provide their services. She additionally stated that home health agencies with class A licenses in reality compete with home and personal care agencies with class B licenses. She also offered to provide the Department with information regarding Medicare low-utilization rate adjustment (LUPA) as a potential rate for comparison in home health services.

# 8. Meeting Adjourned