

**Illinois Department of Healthcare and Family Services
Nursing Home Rate Review Workgroup Meeting
September 23, 2010**

401 South Clinton, Chicago, Illinois and 201 S. Grand Avenue East, Springfield

Members Present

Julie Hamos, Chair, Director, Department of Healthcare and Family Services
Pat Comstock, Health Care Council of Illinois
Teresa Garate, Assistant Director, Department of Public Health
Arnie Kanter, Barton Healthcare
Dave Lowitzski, Service Employees International Union
Phyllis Mitzen, Health and Medicine Policy Research Group, MFP Client Advocate
Kirk Riva, Life Services Network of Illinois
Dave Vinkler, AARP

Members Absent

Michelle R.B. Saddler, Director, Department of Human Services
Wendy Meltzer, Illinois Citizens for Better Care

Governor's Office

Jessica Bruskin
Amy Lulich

General Assembly Staff

Melissa Black, Senate Democrat Staff
J'nell Blanco, House Democrat Staff
John Slocum, House Republican Staff

State Agency Staff

William Bell, Department of Public Health
Krista Butler, Guardianship and Advocacy Commission
Janice Cherry, Department of Healthcare and Family Services
Kelly Cunningham, Department of Healthcare and Family Services
Theresa Eagleson, Department of Healthcare and Family Services
Frank Kopel, Department of Healthcare and Family Services
Barb Ginder, Department of Healthcare and Family Services
Rudi Hancock, Department of Financial and Professional Regulation
Lorrie Rickman Jones, Department of Human Services, Division of Mental Health
Dennis R. Smith, Department of Healthcare and Family Services
Dawn Wells, Department of Healthcare and Family Services

Providers, Provider Associations, Advocates and Interested Parties

Rev. Elaine Bellis, Community Renewal Society
Stephanie Buck, Illinois Pioneer Coalition

Ann Ford, Illinois Network of Centers for Independent Living
Susan Gardiner, Illinois Council on Long Term Care
Becky Haldorson, Illinois Pioneer Coalition
Matt Hartman, Health Care Council of Illinois
Jim Hunter, eHealth Data Solutions
Cheryl Jansen, Equip for Equality
Mark Mroz, MADO Health Care
Margaret Niederer, Volunteer Nursing Home Resident Advocate
Kristen Pavle, Health and Medicine Policy Research Group
Andrea Perry, Royal Management Corporation/Lexington Health Care
Violet L. Radwill
Steven Serikaku, Community Renewal Society
Terry Steczo, County Nursing Homes
Kevin Stoneking, The Clayburg – Fulton County Nursing Home
Terry Sullivan, Health Care Council of Illinois
Kevin Taylor, Health Care Council of Illinois
Matt Werner, Matt Werner Consulting for Life Services Network
Greg Will, Service Employees International Union
Tom Wilson, Access Living

1. Opening Remarks/Review and Approval of September 8, 2010 Minutes

The fourth meeting of the Nursing Home Rate Review Workgroup was called to order at 10:35am by Workgroup Chair, Julie Hamos. Minutes from the September 8 workgroup meeting were disseminated and approved.

2. Discussion of Information from Previous Meetings

Chair Hamos invited attendees to discuss information shared at previous meetings. Topics discussed included:

- The importance of ensuring that nursing facility reimbursement supports and incentivizes quality outcomes;
- Illinois' current three component system nursing home rate reimbursement system and the development/implementation of the state's current system for calculating the nursing component;
- Pros and cons of utilization of the Resource Utilization Group (RUG) payment methodology;
- The importance of ensuring that quality measures are evidence-based and verifiable;
- History of the QUIP program implemented in Illinois from 1985 - 1991 to incentivize quality in nursing homes;
- Concerns about the staffing infrastructure in IDPH and its ability to engage in additional survey-related activities; and
- Legislative intent of the staffing ratios in the legislation.

3. Framing of the Required Report

Various approaches to meeting the November 1, 2010 required report deadline were discussed and debated. A significant impediment to the development of any plan is the absence of quality Minimum Data Set (MDS) resident assessment data after October 1, 2010, when the new MDS 3.0 assessment tool rolls out, and reluctance to add more funding to the system without this data. Experts predict that it may take several months before data submitted utilizing the new assessment instrument is reliable and verifiable.

If it is decided that some money is needed sooner, the group discussed a potential two-phase approach to the report. Phase One could involve the development and adoption of quality indicators and incentives, as well as a plan to strengthen the staffing infrastructure at IDPH. Potential funding sources (e.g. a small increase in existing nursing facility provider assessment or other funding source) would need to be identified. Phase Two could incorporate analysis of MDS 3.0 clinical data, as well as make recommendations regarding the appropriate level and type of staffing requirements within nursing facilities. Potential funding sources would also be identified, such as a larger expansion of the nursing facility provider assessment.

4. Next Steps

Chair Hamos proposed that the next meeting be devoted to additional discussion regarding the report framework. Additionally, the Health Care Council of Illinois will present the results of their recent survey regarding the public's opinion of nursing homes. The meeting adjourned at 12:45pm.

5. Next Meeting

The next meeting is scheduled for October 6, 2010 from 10:30 am – 12:30pm at the same locations within the Bloom Building in Springfield and the Clinton Building in Chicago.