



Idaho State Senate

SENATOR ABBY LEE

March 8, 2021

Senator Mark Harris, Co-Chair, Joint Legislative Oversight Committee
Representative Illana Rubel, Co-Chair, Joint Legislative Oversight Committee

Dear Co-Chairs,

The Idaho Department of Health & Welfare, Division of Medicaid, has conducted provider payment studies over the past few years. Although some of these rate reviews have been completed, the Medicaid Division is continually challenged in its ability to provide a systemic and systemic plan for provider payment review. The following chart was provided last year by the Medicaid Division as an outline of available and planned studies:

Proposed Rate Review

<u>Provider Type</u>	<u>Last Rate Adjustment</u>	<u>Rate/ Methodology Review</u>
Medicaid Only Providers (Yearly)	2013	Methodology Creation SFY2020
Rural Services	2007	Methodology Creation SFY2020
Intermediate Care Facilities (ICF)	7/1/2019	Methodology Review in SFY2021
Nursing Facilities (NF)	7/1/2019	Methodology Review in SFY2021
Hospitals	10/1/2019	Methodology Review in SFY2021
Private Duty Nursing (PDN)	7/1/2019	Rate Review SFY2021
Home Delivered Meals	2006	Rate Review SFY2021
Developmental Disability Agencies (DDA - Adult)	7/1/2013	Cost Survey in SFY2021
Targeted Service Coordination Agency (TSC)	4/1/2013	Cost Survey in SFY2022
Personal Assistance Agencies (PAA)	1/1/2018	Cost Survey in SFY2023
Residential Habilitation Agency (ResHab)	7/1/2018	Cost Survey in SFY2023

(graphic emailed by Idaho Medicaid Division Director Matt Wimmer to Senator Abby Lee, Feb. 2020)

Although the Department is currently planning its own review and methodology development, a concurrent study by the Office of Performance & Evaluation could ultimately assist the Department in developing a sustainable rubric and evaluation method to consistently evaluate, predict, and more adequately plan for provider rate reviews. Therefore, I request JLOC approve an OPE study to examine how the Division of Medicaid conducts provider rate reviews, which may include the following:

- Review of existing provider payment studies within the Division of Medicaid
- Evaluation of the current/ proposed methodology the Division of Medicaid uses/will use to review provider payment adjustments
- Recommendations on best practices and/or methodology for provider payment review

Developing a systemic and systematic method, as well as an annual schedule for provider rate reviews, would also be beneficial in assisting the Joint Finance Legislative Committee in budgeting for provider rate adjustments. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink that reads "Abby Lee".

Senator Abby Lee