



PAR Mail 2008-127

April 11, 2008

To: PAR Members and Associates

From: Shirley Walker, President and CEO

PAR Comments on ODP's Prospective Payment System (PPS)

Quality of Services is at Stake

PAR submitted comments today on the Office of Developmental Program's (ODP's) Prospective Payment System (PPS) including the March 28, 2008 "Cost Report Instructions for the Mental Retardation Program" and the underlying cost reports.

ODP only allowed a short comment period on these important changes critical to the financial stability of Pennsylvania's entire system serving people with intellectual disabilities and, on April 2nd, PAR quickly convened a group of member CEOs and CFOs to review and discuss ODP's PPS policies. PAR's comments reflect their collective advice and input as well as feedback from other members who submitted written comments.

PAR's comments focus on five main issues:

- Margin
- Long-term Vacancies
- Real Estate
- System for Allocating Costs Between Direct, Indirect, and Administrative
- Limits on Employee Compensation

Also included as "Attachment A" to PAR's comments is PAR's white paper entitled: *PAR Cost Report and Fiscal Policy Recommendations; PAR Real Estate Reimbursement Methodology; PAR ODP Participation in Leadership Compensation; PAR: The Case for An*

Adequate Capital Base and Capacity. This white paper serves as a supplement to our targeted comments on ODP cost reports.

PAR argues that:

Consistent with this white paper, it is essential that ODP fiscal policy, rate setting, cost reports and reimbursement be considered in their totality-- they must form a coherent fiscal policy that assures that the private sector has access to the resources and capital base essential to fulfill its daunting responsibilities and commitments to the 60,000 persons it supports and their families.

PAR Mail 08-103 and PAR Mail 08-109 contain the cost report and instruction documents issued by ODP.

If you submitted comments to ODP, please also email a copy of your comments to PAR at steve@par.net.

PAR's comments and white paper are in the embedded document below and are also available on www.par.net.



Comments
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