



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
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May 7, 2009

Letter to Individuals and Families
Office of Developmental Programs
Fiscal Year 2009-2010 Provider Payment Rates

Dear Individuals and their Families:

Over the next several months, you will be getting letters from me to let you know of some changes that will be occurring for services offered to persons with intellectual disabilities and their families. The topic for this letter is Provider Payment Rates for Fiscal Year 2009-2010 that will be starting July 1, 2009.

Until July 1, 2009, provider payment rates were set by each of the 48 County Mental Health and Mental Retardation Programs. Starting July 1, 2009, the Commonwealth, through the Office of Developmental Programs (ODP), will set the payment rates. ODP has been keeping providers informed about this change so that they have had time to plan.

To help ensure that this change goes smoothly, ODP has put safeguards in place so that providers can continue to serve you. The most important safeguard is called "revenue reconciliation." This means that even though providers will use the new payment rates to bill for services when the services are delivered, they will be getting **at least** the same amount of revenue in the fiscal year that starts on July 1, 2009 as they received the year before plus revenue for new or more services.

As the first step in revenue reconciliation, ODP will be sending each provider its "revenue target" during the first week of June. The revenue target is the amount of funding that the provider is expected to get for the fiscal year and is similar to the allocation that provider currently received from their respective counties. The revenue target can be changed during the year if the provider serves more people or delivers

more services. If the provider disagrees with the revenue target provided by ODP, ODP will work with the provider to get agreement on the revenue target.

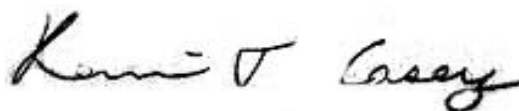
In addition to revenue reconciliation, ODP has set up a process for providers who find themselves without enough cash to keep their programs going (for example, to make payroll or pay suppliers). In such cases, ODP will make a "special" payment to the provider to ensure the continuation of services while the problem is being fixed.

When the rates are final, providers that disagree with their rates will be able to appeal. We are sending the proposed payment rates to providers so that they can use those rates in planning for services in the Individual Services Plans for the coming year. We will let providers know their final payment rates when the Commonwealth's budget is passed. When the rates are final, if a provider disagrees with its rates, they will be able to appeal.

During this time of change, it is important for you to have information that you can count on to be correct. If you have questions about any changes, please feel free to contact the Office of Developmental Programs Customer Service toll free number at 1-888-565-9435. In addition, the Partnership makes available training and technical assistance, developed and provided by people with disabilities and families. If you would like to learn more about the changes by attending a training/networking session, please contact the Partnership at 1-866-865-6170 or visit the website at: www.the trainingpartnership.org.

We will continue to send you updates because we want you to have the best information about the upcoming changes.

Sincerely,

A handwritten signature in black ink that reads "Kevin T. Casey". The signature is written in a cursive style with a large initial 'K' and a stylized 'C'.

Kevin T. Casey