



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
P.O. BOX 2675
HARRISBURG, PENNSYLVANIA 17105-2675

Estelle B. Richman
Secretary

Telephone 717-787-2600/3600
FAX 717-772-2082

Dear Colleague:

MAR 20 2008

In a November 19, 2007 letter, I provided information about changes being made by the Department of Public Welfare (Department) to the Consolidated and Person/Family Directed Supports Waivers to comply with federal requirements. I promised to keep you informed and would like to give you a brief update at this time. Over the past several months, the Department has worked closely with families, providers, and counties to help design a payment system that will meet federal requirements and minimize disruption to services. During this time we have:

- released a draft version of revised service definitions for public comment;
- distributed a survey to help us gain a better understanding of the current oversight and administrative functions of the counties/administrative entities;
- developed the draft cost report and instructions that are needed so that we can move the new payment system forward;
- conducted onsite reviews of counties/administrative entities; and
- discussed a number of different policy and implementation issues with families, providers and counties.

Deputy Secretary Kevin Casey will be sending you a more detailed report about the new provider payment system within the next few days. We will be asking that you submit any comments on his report and future reports in a shorter than normal timeframe. These shorter time periods are essential to ensuring that we come into compliance with the federal requirements no later than July 1, 2009. Since we have actively engaged families, counties and providers in the development of the new provider payment system, we are asking for your cooperation with those timelines.

By following this process and transitioning to a new provider payment system, we will ensure that Pennsylvania will remain eligible for the critical federal funding we need to preserve the home and community-based waivers. I will continue to work with you through this period of transition so that we end up with a consistent, statewide system that provides individuals and their families the services that they need.

Thank you in advance for your cooperation and participation. If you have questions, please contact the Office of Developmental Programs at 1-888-565-9435.

Sincerely,

Estelle B. Richman