

FROM: Tom McAlvanah
DATE: 8/18/2020
RE: OPWDD Call Notes

Kate Marlay briefly provided an update on the Appendix K renewal. CMS has asked for a number of technical adjustments to the agreement proposed by OPW. It is Kate's belief that approval is imminent. Stay tuned there.

As we all were aware that this State's financial condition, with a \$14.5B deficit, has been tenuous for these many months. As many of us had been anticipating some additional action, the Division of Budget has issued a directive to State agencies, including OPWDD, that all services funded through State-only dollars will be subject to a 20% withhold on pending and future payments. This does not affect payments for any Medicaid services. A Memorandum will be issued listing those services that are part of Local Assistance contracts and rates. Providers will continue to submit their vouchers for payments as usual, but you only receive 80% of the anticipated reimbursement. The memorandum with services affected will be forthcoming in the next day or so.

OPWDD will be setting up a dedicated Mailbox to receive specific questions from providers within 24 hours after the Memorandum is issued.

The effective date is in July, again affecting all pending and future payments in non-Medicaid state rates and contracts.

The estimated State Aid saved is approximately \$15M a quarter. The savings are based on historical spend in the listed service areas. This withhold will remain up in effect until there is a Federal relief package for the States, should that even be forthcoming.