

STATEMENTS OF POLICY

Title 55—PUBLIC WELFARE

DEPARTMENT OF PUBLIC WELFARE

[55 PA. CODE CH. 4300]

Administrative Entity and Provider Contracts

Scope

This statement of policy applies to administrative entity (AE) directors and administrators and providers of mental retardation services.

Purpose

The purpose of this statement of policy is to interpret the Department of Public Welfare's (Department) regulations regarding standard language requirements in AE and provider contracts, both for waiver and nonwaiver funding.

Background

Historically, the Department required AEs to develop contracts for waiver and nonwaiver services as per applicable Commonwealth and local requirements. Beginning in Fiscal Year 2006-2007, the Department began requiring AEs to utilize a standard AE/Waiver Provider contract when contracting with waiver providers. This standard contract has been approved to achieve consistency across this Commonwealth required by the Centers for Medicare and Medicaid Services.

Discussion

The Department developed standard contract language for AEs to use in Waiver Provider contracts. This standardized contract language must be used verbatim. AEs may not alter the standard AE/Waiver Provider contract in any way. Both waiver and nonwaiver funding are governed by Chapter 4300 (relating to county mental health and mental retardation fiscal manual).

Specific questions have arisen under Chapter 4300 regarding title to real property in which services are provided. Section 4300.87 (relating to occupancy) and its multiple provisions concerning the financing of real property contemplate that title to real property, subject to both waiver and nonwaiver funding under Chapter 4300, will remain with the provider.

Accordingly, the Department will not fund contracts in violation of Chapter 4300. Where this language exists in current AE/Nonwaiver Provider contracts, it must be removed from contracts with an effective date of July 1, 2007, and thereafter.

Effective Date

This statement of policy is effective July 1, 2007.

Contact Person

Comments and questions regarding this statement of policy should be directed to Kelly Svalbonas, Policy Supervisor, Office of Developmental Programs, Bureau of Quality Improvement and Policy, Division of Policy and Training, (717) 783-1003, ksvalbonas@state.pa.us.

(*Editor's Note:* Title 55 of the *Pennsylvania Code* is amended by adding a statement of policy in § 4300.87a to read as set forth in Annex A.)

ESTELLE B. RICHMAN,
Secretary

Fiscal Note: 14-BUL-073. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 55. PUBLIC WELFARE

PART VI. MENTAL HEALTH/MENTAL RETARDATION MANUAL

Subpart C. ADMINISTRATION AND FISCAL MANAGEMENT

CHAPTER 4300. COUNTY MENTAL HEALTH AND MENTAL RETARDATION FISCAL MANUAL CONTRACTED AGENCY ALLOWABLE COST STANDARDS

§ 4300.87a. Title to real estate—statement of policy.

Title to real estate, in which services are provided, whether under the waiver or nonwaiver program, must provide that title to real estate is to remain with the provider. The provider's withdrawal or termination from the program is not to affect title.

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