

**Testimony
Department of Human Services
Long-Term Care Committee
Representative Gary Kreidt, Chairman
September 28, 2010**

Chairman Kreidt, members of the Long-Term Care Committee, I am LeeAnn Thiel, Administrator of Medicaid Payment and Reimbursement Services of the Medical Services Division for the Department of Human Services. I am here today to provide the status of the implementation of the Minimum Data Set (MDS) 3.0.

In 1996 the Centers for Medicare and Medicaid (CMS) developed and implemented a Resident Assessment Instrument (RAI) which provided clinical data on all residents of nursing facilities and was mandated for use by all nursing facilities nationwide in the late 90s.

Within the RAI there is a data subset referred to as the Minimum Data Set (MDS) which is used to establish a resident's case-mix classification. The MDS data is used by Medicare to establish a Medicare payment rate when an individual is in a Medicare benefit period and by the Department to establish a classification used to determine the per day payment rate for all individuals residing in a nursing facility who are not in a Medicare benefit period.

CMS has mandated that the MDS 3.0 replace version 2.0 effective October 1, 2010. The dependence upon the MDS data for establishment of payment classifications results in the Department following suit to update to version 3.0.

We are scheduled and ready to go live with MDS 3.0 on October 1, 2010.

In our March 10, 2010 testimony before this committee we indicated that two modifications to the classification code will be implemented with MDS 3.0. We have updated the administrative rules to include intravenous feedings only when provided within the nursing facility and to recognize a distinct classification period for therapies when the initiation or discontinuation of therapies results in a change in a resident's classification as a result of consideration of the resident's therapy data.

I would be happy to answer any questions you may have.