

**CITY OF PHILADELPHIA
DEPARTMENT OF BEHAVIORAL HEALTH AND MENTAL RETARDATION
SERVICES**

March 10, 2006

MEMORANDUM

TO :Executive Directors of All Agencies Providing Services To Individuals With Mental Retardation

:Fiscal Directors of All Agencies Providing Services To Individuals With Mental Retardation

FROM :Arthur C. Evans Jr., Ph.D., Director,
Department of Behavioral Health and Mental Retardation Services

SUBJECT: FISCAL YEAR 2007 (FY07) MENTAL RETARDATION BUDGET PROCESS

The FY07 MR budget process detailed in this package reflects a move in reimbursement practice from traditional program funding to fee for service with cost settlement for all direct services. This movement is a result of the systematic changes being implemented by the Pennsylvania Office of Mental Retardation (OMR) as a result of ongoing discussions between OMR and the Federal Center for Medicaid Services (CMS).

Attached please find the budget policies, directives and general instructions that are to be used in preparing your agency's FY07 MR planning budget. Copies of the supplemental forms and/or instructions are attached to this e-mail. The FY07 budget process will include a combination of forms and instructions from the OMR LISTSERV and a few supplemental forms from our office that will tie together these documents in a manner that allows our office to manage available resources during this transition period.

FY06 Contract Work Statements (CWS) and FY07 Planning Allocations will be mailed to your agency within the next week. Agencies are required to budget to overall allocation and those budgets in excess of the dollars allocated will be returned for resubmission within allocation.

Agencies should be aware that OMR has required our office to have rates in HCSIS no later than June 30, 2006. In order to do this, a minimal review of your budget will be completed in the months of April and May, and a more thorough review will occur in the early part of the fiscal year. The due date for budget submissions is April 7, 2006. In order to comply with the deadlines established by OMR, budgets must be submitted in a timely manner. There will be no extensions granted. It is my expectation that contracts will be available for signature by providers by early-June 2006.

Technical questions such as form preparation should be addressed to the following fiscal staff:

Anna Maria Albadine	Anna.Maria.Albadine@phila.gov	215-685-5505
Maria O'Connor	Maria.Oconnor@phila.gov	215-685-5508
Jack Sinnott	Jack.Sinnott@phila.gov	215-685-5369

Policy questions regarding direct services should be addressed to ra-ratesetting@pa.us which is the box set up by OMR to deal with global questions from providers.

Information sessions are scheduled for March 22, 2006, at 701 Market Street, 5th Floor. There will be a 9:30 am session and a 1:30 pm session. Please call to register the names of those who will attend in order to facilitate your entry to our floor. Call Tom Sessions at 215-685-5927 to register.

An original and three (3) copies of the budget(s) must be mailed or hand delivered to the DBH/MRS no later than Friday, April 7, 2006. This document should include all OMR forms and MRS forms. In addition the office is requiring that a CD be provided with all forms included. The disk must be mailed or hand delivered to the office due to HIPPA requirements. If mailing the budget information, please use a CD mailer to protect the disk.

Cover letters accompanying the budget should be attached to all copies.

Hand deliveries may be made to the 10th floor Fiscal Office or to the 7th floor reception desk.

Please mail these packages to:

Mr. Louis A. Sannutti
DBH/MRS Fiscal Administrator
Department of Behavioral Health/Mental Retardation Service
1101 Market Street, 10th floor
Philadelphia, PA 19107-2907

MJC/F:ieb

Enclosures