

CFR Penalty Amendments Summary Section 635-4.4

Major Changes:

- 1) Earlier imposition of the penalty.
- 2) Elimination of advance notification to providers.
- 3) Shorter time frames for requesting a waiver of the penalty.
- 4) Expanded applicability of the penalty provisions to **all** HCBS Waiver services.

Definitions:

Complete CFR Submission – The CFR Submission and Financial Statements uploaded to the indicated website and the signature pages (CFR i & ii) e-mailed to OPWDD.

rate.setting@opwdd.ny.gov

Extension Request – The request submitted through the indicated website for an additional 30 days beyond the original due date for submitting the CFR.

Original due date – 120 days after the end of the CFR reporting period.

Revised due date – 150 day after the end of the CFR period. This only applies if a 30 day extension has been appropriately requested.

Waiver – OPWDD will consider temporarily waiving the imposition of the penalty if the provider requests a waiver, in writing, within the required timeframes and OPWDD approves the request. These requests will only be considered when unforeseeable circumstances exist that are beyond the provider's control and OPWDD determines such circumstances make the submission by the due date impossible. If the Waiver is approved, OPWDD will provide a date on which the penalty will be imposed if the Complete CFR Submission has not been received.

When Penalties will be imposed:

The following will only apply if OPWDD has not received a Complete CFR Submission

If the extension request isn't submitted, the penalty will be imposed 120 days after the end of the CFR Period.

If the extension request has been appropriately submitted, the penalty will be imposed 150 days after the end of the CFR Period.

If a Waiver has been granted, the penalty will be imposed the day after the date indicated in the Waiver approval.

Note: The regulations also include special requirements for calendar year 2014 cost reports.

How Penalties will be imposed:

A 2% reduction of the reimbursement for the impacted programs will be established in the payment system. There will be a lag between the required date of the reduction and the date the reduction is established in the payment system. The value of the reimbursement between the required date and the date the reduction was established in the payment system will be determined. A recoupment of 2% of this value will be set-up to cover the reduction for that interim period.