The purpose of this Local Commissioner's Memorandum is to inform local districts of the progress by the Department of Social Services toward the development of a uniform cost based methodology for determining personal care rates.

Chapter 53 of the Laws of 1990 required the Department of Social Services (SDSS) to develop a plan for a personal care rates methodology in consultation with personal care providers and local departments of social services. For the past several months staff from the Division of Medical Assistance and Office of Audit and Quality Control have been meeting with a Personal Care Rate Advisory Committee, comprised of representatives from the personal care industry, local departments of social services, and the Department of Health. The primary focus of these initial meetings has been the development of a uniform cost reporting format which can be used by all personal care vendor agencies in reporting their actual costs.

Initially, it is the Department's intention that all personal care providers outside of New York City will be provided with the new cost report. The agencies will be required to report costs for the 1990 calendar year. During 1992 the Department, in consultation with the Advisory Committee, will continue to develop the methodology which, after regulatory promulgation, will provide the basis for rates.
Local districts continue to be responsible for contracting with personal care agencies for the provision of personal care services in the usual manner. However, with the exception of New York City, districts will no longer be responsible for negotiating personal care rates with providers. Local districts will be provided a list of approved rates by this Department for inclusion in each of their provider's contracts. For those districts who wish to have contracts in place prior to 1992 rate promulgation, we recommend that the contract include a provision for amendment to the rate, retroactive to January 1, 1992.

Any questions pertaining to this memorandum should be directed to Christopher Rush, Assistant Director, Bureau of Long Term Care at (518)473-5507.

Jo-Ann A. Costantino
Deputy Commissioner
Division of Medical Assistance