

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: NEVADA

Assurances - 4.19D

Page 1

PAYMENT FOR NURSING FACILITIES  
ASSURANCES AND RELATED INFORMATION

A. State Assurances and Findings. The State assures that it has made the following findings:

1. 447.253(b)(1)(i) - The State pays for long-term care facility services through the use of rates that are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations and quality and safety standards.
2. With respect to nursing facility services -
  - a. 447.253(b)(1)(iii)(A) – Except for preadmission screening for individuals with mental illness and mental retardation under 42 CFR 483.20 (f), the methods and standards used to determine payment rates take into account the costs of complying with the requirements of 42 CFR Part 483 Subpart B.
  - b. 447.253(b)(1)(iii)(B) - The methods and standards used to determine payment rates provide for an appropriate reduction to take into account the lower costs (if any) of the facility for nursing care under a waiver of the requirements in 42 CFR 483.30 (c) to provide licensed nurses on a 24-hour basis.
  - c. 447.253(b)(1)(iii)(C) - The State has established procedures under which the data and methodology used to establish payment rates are made available to the public.
3. 447.253(b)(2) - The proposed rate will not exceed the upper payment limits as specified in 42 CFR 447.272:
  - a. 447.272(a) – Aggregate payments made to nursing facilities when considered separately, will not exceed the amount that can reasonably be estimated would have been paid for under Medicare Payment principles. (There are no state-operated nursing facilities to which this assurance is applicable.)
  - b. 447.272(b) – Aggregate payments to ICFs/MR will not exceed the amount that can reasonably be estimated would have been paid for under Medicare payment principles. And, aggregate payments to state-operated facilities (that is ICFs/MR) - when considered separately will not exceed the amount that can reasonably be estimated would have been paid for under Medicare payment principles.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: NEVADA

Assurances - 4.19D

Page 2

B. State Assurances. The State makes the following additional assurances:

1. For nursing facilities and ICFs/MR

a. 447.253(d)(1) – When there has been a sale or transfer of the assets of a NF or ICF/MR on or after July 18, 1984, but before October 1, 1985, the State's methods and standards provide that payment rates can reasonably be expected not to increase in the aggregate, solely as a result of a change in ownership, more than payments would increase under Medicare under 42 CFR 413.130, 413.134, 413.153 and 413.157 insofar as these sections affect payment for depreciation, interest on capital indebtedness, return on equity (if applicable), acquisition costs for which payments were previously made to prior owners and the recapture of depreciation.

b. 447.253(d)(2) – When there has been a sale or transfer of the assets of a NF or ICF/MR on or after October 1, 1985, the State's methods and standards provide that the valuation of capital assets for purposes of determining payment rates will not increase (as measured from the date of acquisition by the seller to the date of the change of ownership) solely as a result of a change of ownership, by more than the lesser of:

(i) 1/2 of the percentage increase (as measured from the date of acquisition by the seller to the date of the change of ownership) in the Dodge construction index applied in the aggregate with respect to those facilities that have undergone a change of ownership during the fiscal year; or

(ii) 1/2 of the percentage increase (as measured from the date of acquisition by the seller to the date of the change of ownership) in the Consumer Price Index for All Urban Consumers (CPI-U) United State city average) applied in the aggregate with respect to those facilities that have undergone a change of ownership during the fiscal year.

2. 447.253(e) – The State provides for an appeals or exception procedure that allows individual providers an opportunity to submit additional evidence and receive prompt administrative review, with respect to such issues as the State determines appropriate, of payment rates.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: NEVADA

Assurances 4.19-D

Page 3

3. 447.253(f) – The State requires the filing of uniform cost reports by each participating provider.
4. 447.253(g) – The State provides for periodic audits of the financial and statistical records of participating providers.
5. 447.253(h) The State has complied with the public notice requirements of 42 CFR 447.205

Notice published on: May 22, 1995

6. 447.253(i) – The State pays for long term care services using rates determined in accordance with the methods and standards specified in the approved state plan.

C. Related Information

1. 447.255(a)

Estimated average proposed payment rate **for ICFs/MR** as a result of this amendment: \$190

Average payment rate **for ICFs/MR** for the immediately preceding rate period: \$186

Amount of change: \$4      Percent of change: 2.15%

Estimated average proposed payment rate **for nursing facilities** as a result of July 1, 1995 rebasing of rates: \$82.94 (There is no change in the rate attributed to the amendment.)

Average payment rate in effect **for nursing facilities** for immediately preceding rate period: \$79.33

Amount of change: \$3.61      Percent of change: 4.55%

2. 447.255(b) – The estimated short term and long-term effect in the estimated average rate on:
  - (a) The availability of services on a statewide and geographic area basis: NONE
  - (b) The type of care furnished: NONE
  - (c) The extent of provider participation: NONE

---

TN No.: 95-10

Approval Date: May 16, 1996

Effective Date: July 1, 1995

Supersedes

TN No.: 95-02