

Brian Sandoval
Governor



Richard Whitley
Director

State of Nevada
Department of Health and Human Services

2017-2019 Biennial Budget Presentation
Division of Health Care Financing and Policy

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Mission Statement

Purchase and provide quality health care services to low-income Nevadans in the most efficient manner; promote equal access to health care at an affordable cost to the taxpayers of Nevada; restrain the growth of health care costs; and review Medicaid and other State health care programs to maximize potential federal revenue.

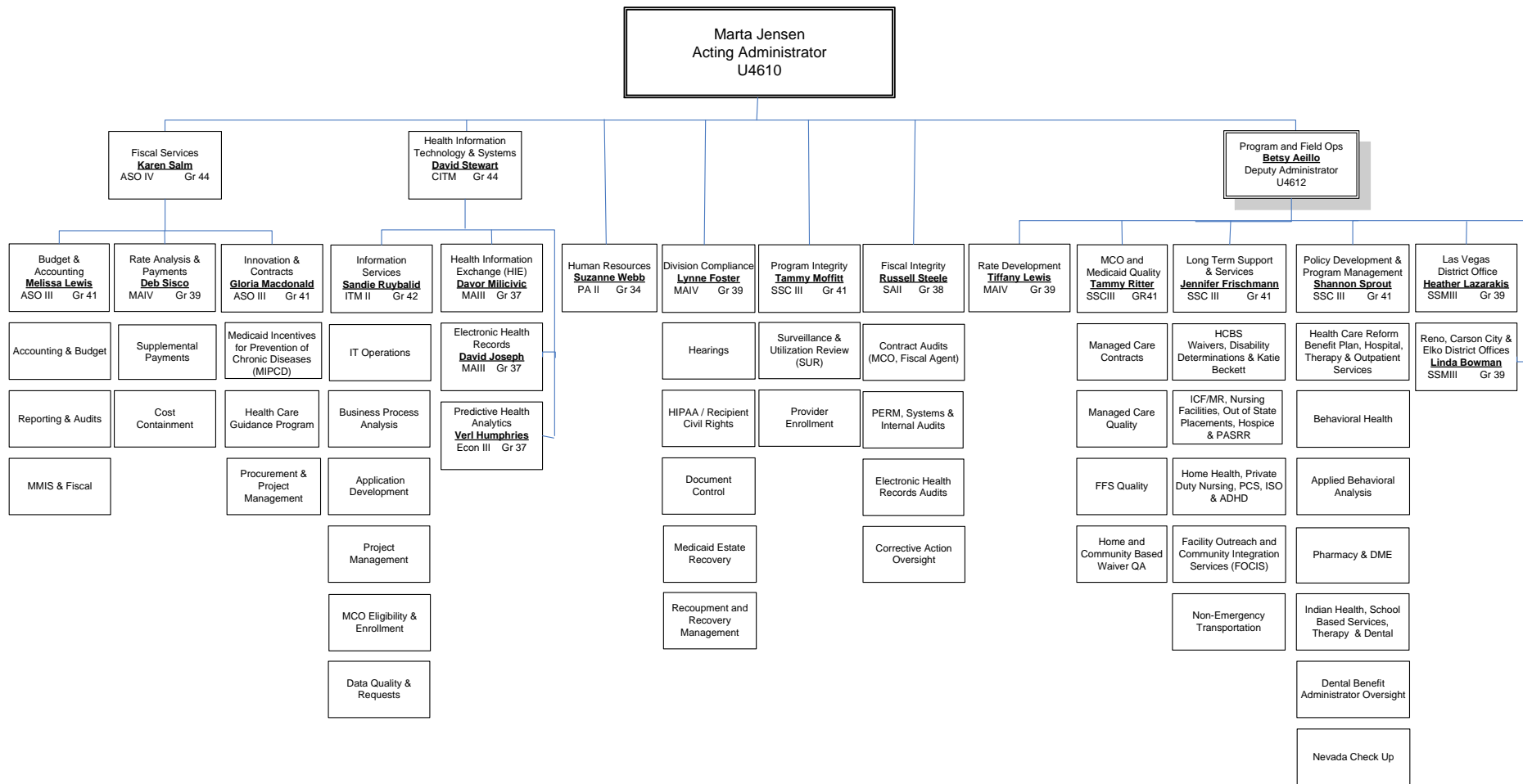
Goals

The Division of Health Care Financing and Policy works in partnership with the [Centers for Medicare & Medicaid Services](#) (CMS) to assist in providing quality medical care for eligible individuals and families with low income and limited resources. Services are provided through a combination of traditional fee-for-service provider networks and managed care organizations.

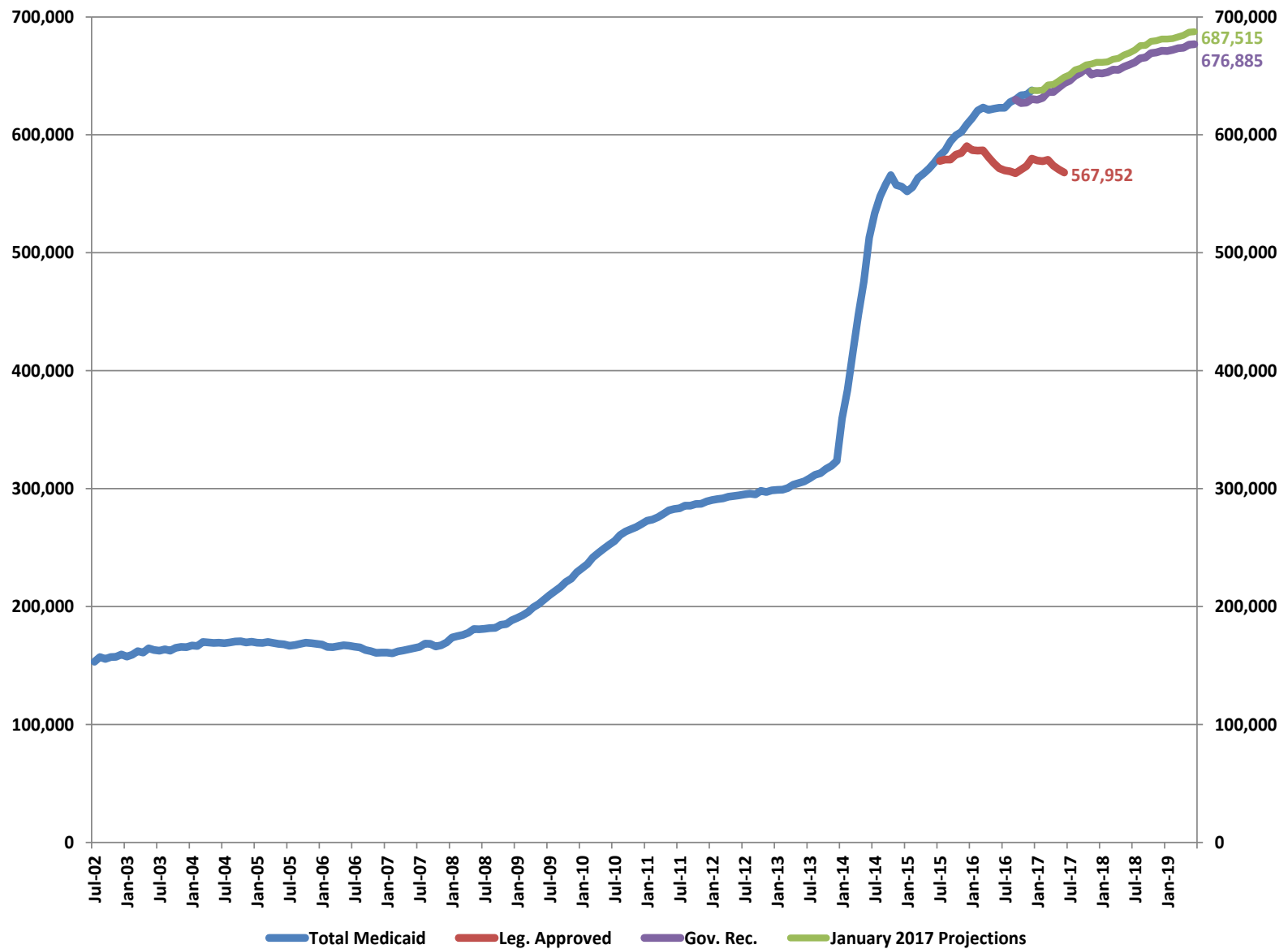
Governor's Priorities and Performance Based Budget Strategic Priority – Educated and Healthy Citizenry:

Health Services - Programs and services that help Nevadans and their communities achieve optimum lifelong health, including physical, mental, and social well-being, through prevention and access to quality, affordable healthcare.

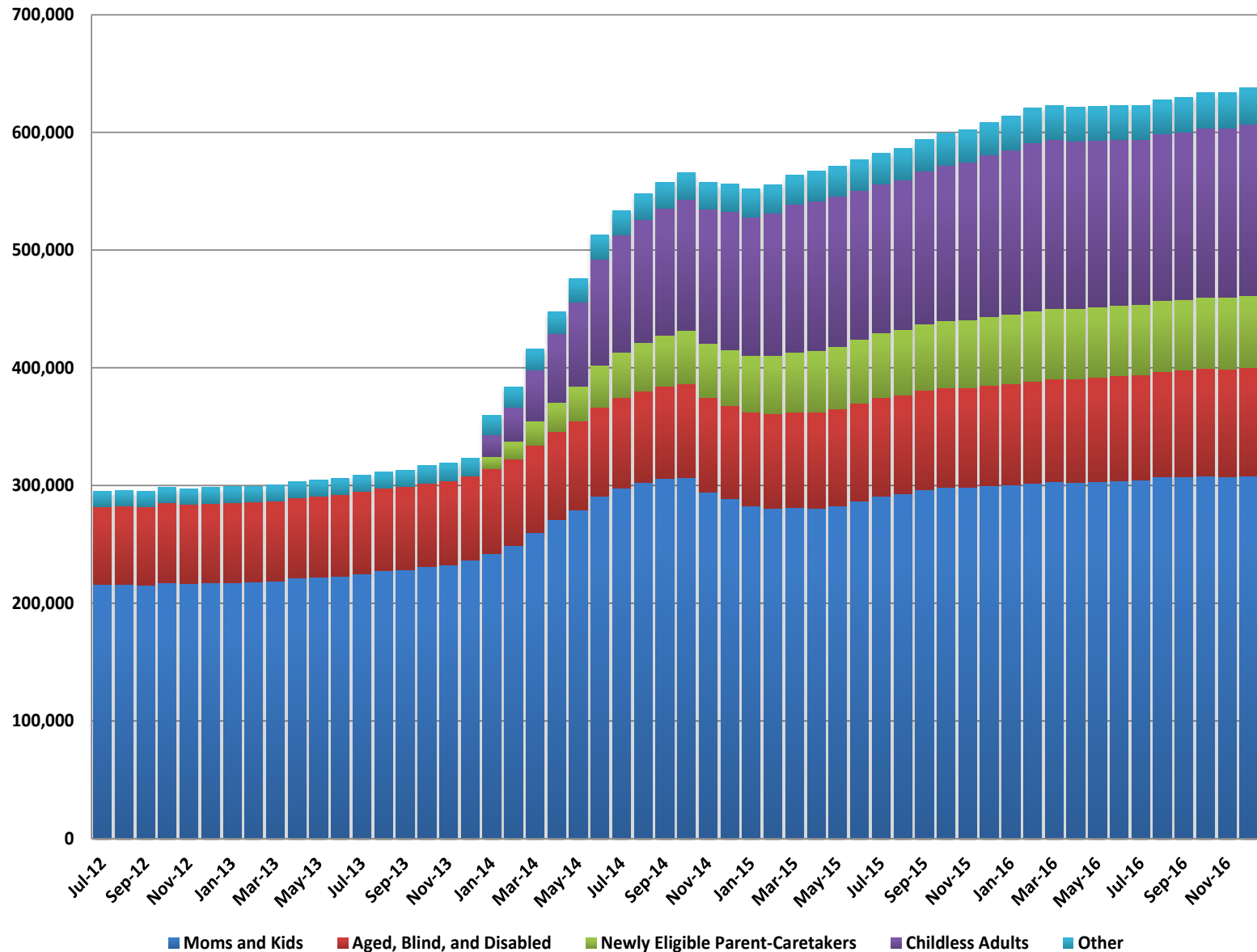
Organizational Chart



Medicaid Caseload



Medicaid Caseload by Population Type



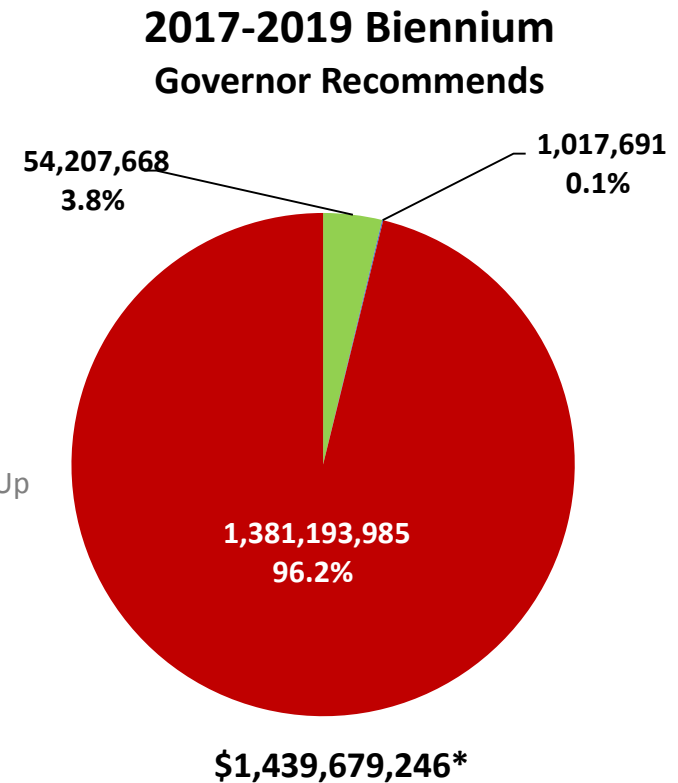
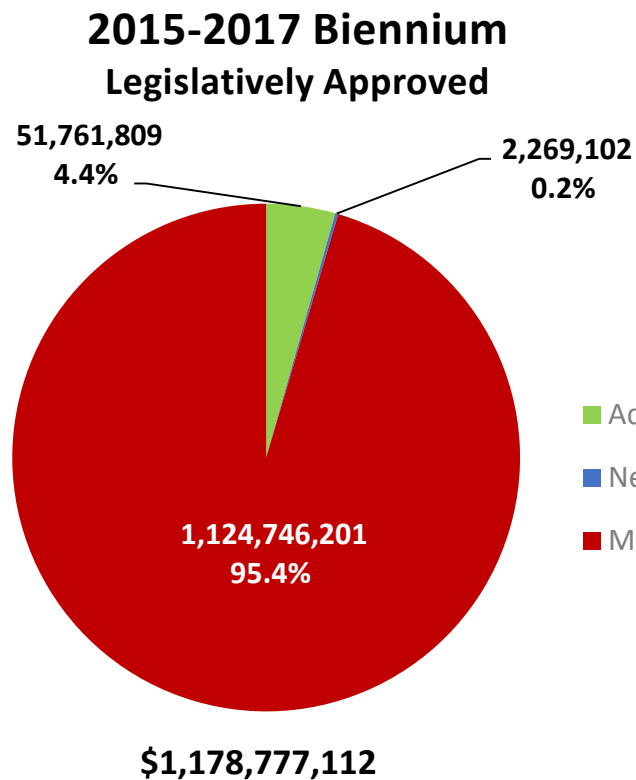
Blended Federal Medical Assistance Percentage (FMAP)

Updated September 2016

State Fiscal Year	FMAP	Enhanced (CHIP) FMAP	ACA Enhanced (CHIP) FMAP	New Eligibles FMAP
FY03	51.79%	66.25%		
	52.53%	66.77%		
FY04	54.30%	68.01%		
	55.34%	68.74%		
FY05	55.66%	68.96%		
FY06	55.05%	68.53%		
FY07	54.14%	67.90%		
FY08	52.96%	67.07%		
FY09	50.66%	65.46%		
	61.11%	72.78%		
FY10	50.12%	65.08%		
	63.93%	74.75%		
FY11	51.25%	65.87%		
	62.05%	70.44%		
FY12	55.05%	68.54%		
FY13	58.86%	71.20%		
FY14	62.26%	73.58%		100.00%
FY15	64.04%	74.83%		100.00%
FY16	64.79%	75.35%	92.60%	100.00%
FY17	64.74%	75.32%	98.32%	97.50%
FY18	65.48%	75.84%	98.84%	94.50%
FY19	65.56%	75.90%	98.90%	93.50%
FY20	64.98%	75.48%	81.23%	91.50%

Note: The green cells reflect a 2.95% increase for the period April 2003 through June 2004. The blue cells reflect the ARRA stimulus adjusted FMAP for October 2008 through December 2010. The FMAP values for FY19 through FY20 are projections.

General Fund Comparison by Budget Account



* E877 Supplemental Appropriation omitted from total.

2017-2019 Biennium Budget Account Summary

BA	Budget Account Name	General Fund	Other Funds	Total	# of FTE	General Fund	Other Funds	Total	# of FTE
3157	Intergovernmental Transfer	-	164,306,632	164,306,632	-	-	165,956,756	165,956,756	-
3158	Medicaid Administration	29,461,880	152,462,253	181,924,133	295.51	28,005,690	143,871,299	171,876,989	295.51
3160	Increased Quality of Nursing Care	-	33,807,326	33,807,326	-	-	35,276,443	35,276,443	-
3178	Nevada Check Up	509,555	50,631,577	51,141,132	-	508,136	52,936,602	53,444,738	-
3243	Nevada Medicaid	659,743,519	2,952,104,464	3,611,847,983	-	721,450,466	3,089,335,882	3,810,786,348	-
TOTAL		689,714,954	3,353,312,252	4,043,027,206	295.51	749,964,292	3,487,376,982	4,237,341,274	295.51

** BA 3158 includes G02 One Shot Appropriations*

Intergovernmental Transfer (IGT) Program

Budget Account 3157

Intergovernmental Transfer (IGT) – BA3157

Account established to receive funds provided by governmental entities to be used as the state share for a variety of supplemental payment programs. Current programs that have a State Net Benefit (SNB) are:

- Disproportionate Share Hospital (DSH),
- Graduate Medical Education (GME),
- Enhanced Managed Care Organization (MCO) Rate, and
- Public Upper Payment Limit (UPL) Programs.

Total State Net Benefit (SFY16 SNB \$43.4 million)
SFY18 - \$49,372,743
SFY19 - \$49,246,127

E277 – Clark County Voluntary Contribution Rate

Increase the voluntary contribution rate from 47.5% to 50%

SFY18 Total Cost - \$3,478,760

State General Funds - \$0

SFY19 Total Cost - \$3,541,291

State General Funds - \$0

Administration

Budget Account 3158

New Positions – BA3158

M501 – Access to Care Reviews and Reporting

Two Management Analyst 2 positions to fulfill new reporting and monitoring requirements for State Medicaid programs.

SFY18 Total Cost - \$458,801

State General Funds - \$229,400

SFY19 Total Cost - \$495,450

State General Funds - \$247,725

M502 – Managed Care Organization (MCO) Quality

Three new Management Analyst positions to comply with quality reporting and monitoring regulations.

SFY18 Total Cost - \$926,376

State General Funds - \$285,688

SFY19 Total Cost - \$273,491

State General Funds - \$136,745

E240 – Division of Aging and Disability Services (ADSD) Claims Review

One new Administrative Assistant position and three new Management Analyst positions to assist the Division of Aging and Disability Services.

SFY18 Total Cost - \$266,480

State General Funds - \$133,240

SFY19 Total Cost - \$337,037

State General Funds - \$168,518

New Positions – BA3158

E227 – Compliance Deputy

New Compliance Deputy position to support DHCFP activities.

SFY18 Total Cost - \$(35,027)

State General Funds - \$(17,513)

SFY19 Total Cost - \$(11,594)

State General Funds - \$(5,797)

E225 – Actuary

New Actuary position to support DHCFP activities.

SFY18 Total Cost - \$67,409

State General Funds - \$33,705

SFY19 Total Cost - \$306

State General Funds - \$153

E226 – Housing Coordinator

New Housing Coordinator position to support Money Follows the Person (MFP) Grant.

SFY18 Total Cost - \$71,213

State General Funds - \$0

SFY19 Total Cost - \$89,540

State General Funds - \$0

G02 – One Shot Appropriation

MMIS Replacement – BA3158

Continuation and completion of Phase III of the Medicaid Management Information System (MMIS) Replacement Project.

Phase III, Design, Development and Implementation (DDI) – Design, development and deploy automated solutions and fiscal agent services to support the Nevada Medicaid program. Begin implementation of Medicaid Information Technology Architecture (MITA) aligned solution(s) compliant with CMS certification criteria. Final deployment is scheduled for SFY18 and CMS certification is scheduled for SFY19.

Estimated Costs Total Computable – Funding is majority 90/10 split with 10% State General Fund.

SFY18 Total Cost - \$18,291,605	State General Funds - \$2,658,832
SFY19 Total Cost - \$5,526,681	State General Funds - \$601,070

Waiver Caseload Growth – BA3158

M202 – Individuals with Intellectual Disabilities (IID) Waiver Slots

SFY 2018 – 96 Slots SFY 2019 – 110 Slots Total – 206 Slots

SFY18 Total Cost - \$8,981

State General Funds - \$2,245

SFY19 Total Cost - \$31,581

State General Funds - \$7,895

M203 – Frail/Elderly (FE) Waiver Slots

SFY 2018 – 116 Slots SFY 2019 – 131 Slots Total – 247 Slots

SFY18 Total Cost - \$11,317

State General Funds - \$2,829

SFY19 Total Cost - \$40,459

State General Funds - \$10,115

M204 – Physically Disabled (PD) Waiver Slots

SFY 2018 – 24 Slots SFY 2019 – 36 Slots Total – 60 Slots

SFY18 Total Cost - \$1,769

State General Funds - \$442

SFY19 Total Cost - \$9,462

State General Funds - \$2,366

Waiver Waitlist Reduction – BA3158

M540 – Individuals with Intellectual Disabilities (IID) Waiver Slots

SFY 2018 – 106 Slots SFY 2019 – 105 Slots Total – 211 Slots

SFY18 Total Cost - \$11,799

State General Funds - \$2,950

SFY19 Total Cost - \$33,581

State General Funds - \$8,395

M513 – Frail/Elderly (FE) Waiver Slots

SFY 2018 – 78 Slots SFY 2019 – 77 Slots Total – 155 Slots

SFY18 Total Cost - \$8,655

State General Funds - \$2,164

SFY19 Total Cost - \$24,660

State General Funds - \$6,165

M514 – Physically Disabled (PD) Waiver Slots

SFY 2018 – 26 Slots SFY 2019 – 27 Slots Total – 53 Slots

SFY18 Total Cost - \$2,954

State General Funds - \$738

SFY19 Total Cost - \$8,398

State General Funds - \$8,398

Administration Increases – BA3158

M101 – Increases for Inflation

Agency Specific Inflation Rate Increases.

SFY18 Total Cost - (\$92,828)

State General Funds - \$502,553

SFY19 Total Cost - (\$656,414)

State General Funds - \$ 1,588,647

M200 – Increases for Caseload

Total Medicaid and Nevada Check Up caseload is projected to increase from the legislatively approved caseload of 587,984 to 679,043 at the end of SFY17, an increase of 91,059.

SFY18 Total Cost - \$3,955,999

State General Funds - \$1,136,029

SFY19 Total Cost - \$3,955,999

State General Funds - \$1,136,018

M201 – Increases for Caseload

Total Medicaid and Nevada Check Up caseload is projected to increase from 679,043 at the end of SFY17 to 693,287 in SFY18 and 710,006 in SFY19. This is an increase of 14,244 (2.10 percent) in SFY18 and 30,963 (4.56 percent) in SFY19.

SFY18 Total Cost - (\$1,161,283)

State General Funds - (\$201,125)

SFY19 Total Cost - \$464,879

State General Funds - \$241,106

Administration – BA3158

E671 – IT Administration

One grade increase for IT personnel.

SFY18 Total Cost - \$61,259

State General Funds - \$30,629

SFY19 Total Cost - \$63,085

State General Funds - \$31,542

E710 – Computer Hardware Replacement

Replacement per EITS schedule.

SFY18 Total Cost - \$305,266

State General Funds - \$152,633

SFY19 Total Cost - \$172,091

State General Funds - \$86,046

E720 – New Equipment

Replacement per schedule.

SFY18 Total Cost - \$54,924

State General Funds - \$27,462

SFY19 Total Cost - \$39,744

State General Funds - \$19,873

E800 – Payments to Sister Agencies

SFY18 Total Cost - \$(1,153,213)

State General Funds - \$109,853

SFY19 Total Cost - \$(296,435)

State General Funds - \$109,852

Increased Quality of Nursing Care

Budget Account 3160

Increased Quality of Nursing Care – BA3160

The 2003 Legislature instituted a Long Term Care (LTC) provider tax on freestanding long term care facilities to increase the quality of long term nursing care in Nevada. The tax rate is based on 6% of net patient revenues. The proceeds of the tax are used to make monthly supplemental payments to skilled nursing facilities caring for Medicaid recipients.

SFY18

- Projected Provider Tax - \$33,789,687
- Projected Total Computable Supplemental Payment - \$96,956,631

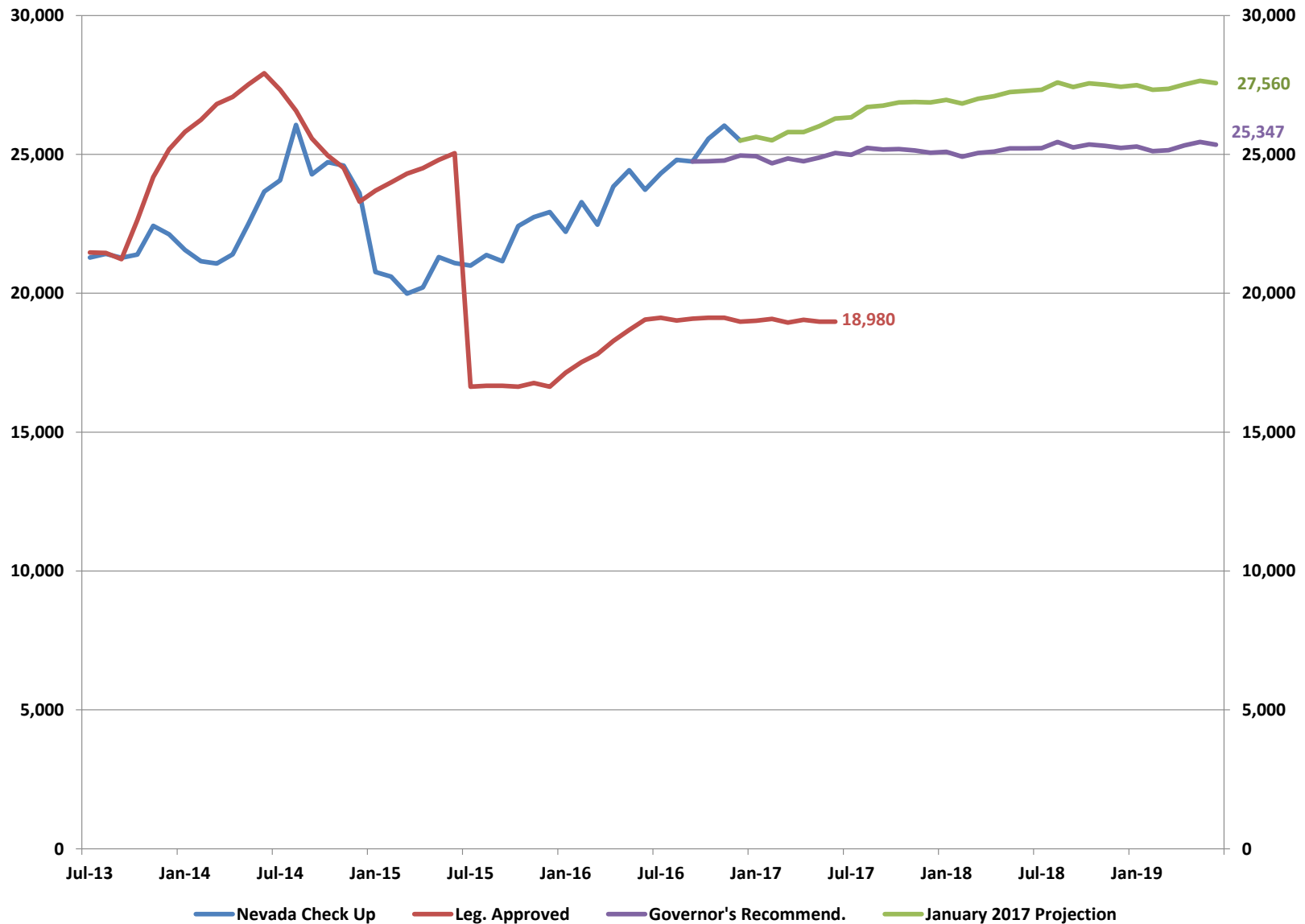
SFY19

- Projected Provider Tax - \$35,258,801
- Projected Total Computable Supplemental Payment - \$101,404,921

Nevada Check Up Program

Budget Account 3178

Nevada Check Up Caseload – BA3178



Nevada Check Up Caseload – BA3178

M200 – Increases for Caseload

Caseload is projected to increase from the legislatively approved caseload of 18,980 to 25,048 at the end of SFY17, an increase of 6,068 (31.97 percent).

SFY18 Total Cost - \$3,912,784

State General Funds - \$41,265

SFY19 Total Cost - \$3,912,784

State General Funds - \$38,880

M201 – Increases for Caseload

Caseload is projected to increase from 25,048 at the end of SFY17 to 25,216 in SFY18 and 25,347 in SFY19. This is an increase of 168 (0.67 percent) in SFY18 and 299 (1.19 percent) in SFY19.

SFY18 Total Cost - \$846,760

State General Funds - \$9,821

SFY19 Total Cost - \$1,175,969

State General Funds - \$12,933

Nevada Check Up Increases – BA3178

M101 – Increases

Mandatory increases for Nevada Check Up, Managed Care Organizations, Federally Qualified Health Centers, Rural Health Centers as well as inflations for prescription drugs.

SFY18 Total Cost - \$2,644,235

State General Funds - \$30,673

SFY19 Total Cost - \$4,604,445

State General Funds - \$50,648

E290 – Pediatric Surgery Rate Increase

15% rate increase for pediatric surgery services.

SFY18 Total Cost - \$22,719

State General Funds - \$263

SFY19 Total Cost - \$23,255

State General Funds - \$256

Nevada Medicaid

Budget Account 3243

Medicaid Caseload – BA3243

M200 – Increases for Caseload

Caseload is projected to increase from 632,641 at the end of fiscal year 2016 to 684,215 at the end of fiscal year 2019, an increase of 51,574.

SFY18 Total Cost - \$478,379,038	State General Funds - \$70,555,807
SFY19 Total Cost - \$574,792,188	State General Funds - \$102,279,149

Rate Increases – BA3243

M101 – Agency Specific Inflation Rate Increases 2018 and 2019

2.59% each fiscal year for Managed Care Organizations. 3.6% in 2018 and 4.0% in 2019 for Pharmacy, Hospice, Rural Health Centers, and Federally Qualified Health Centers and 6.96% for Indian Health Services each fiscal year.

SFY18 Total Cost - \$95,072,611

State General Funds - \$27,264,222

SFY19 Total Cost - \$167,344,765

State General Funds - \$45,467,522

M528 – Individuals with Intellectual Disabilities (IID) Waiver Supported Living Arrangement Rates

Federal funding to support a behavioral complex rate in ADSD budget.

SFY18 Total Cost - \$946,448

State General Funds - \$0

SFY19 Total Cost - \$947,640

State General Funds - \$0

E290 – Pediatric Surgery Rates

15% rate increase for pediatric surgery services.

SFY18 Total Cost - \$845,067

State General Funds - \$215,392

SFY19 Total Cost - \$945,458

State General Funds - \$240,758

Rate Increases – BA3243

E275 – Adult Day Health Care Rates

5% rate increase for Adult Day Health Care services.

SFY18 Total Cost - \$729,066

State General Funds - \$250,215

SFY19 Total Cost - \$742,708

State General Funds - \$254,359

E276 – Assisted Living Rates

15% rate increase for Assisted Living services, and the addition of a level 4 for the behaviorally complex patients.

SFY18 Total Cost - \$3,140,593

State General Funds - \$1,084,133

SFY19 Total Cost - \$3,140,593

State General Funds - \$1,081,620

E285 – Skilled Nursing Facility & Swing Bed Rates

10% rate increase for Skilled Nursing Facilities and Swing Bed services.

SFY18 Total Cost - \$11,956,865

State General Funds - \$2,663,113

SFY19 Total Cost - \$12,246,221

State General Funds - \$2,726,006

New Services – BA3243

M504 – Home Health & Durable Medical Equipment (DME) Services

Expansion of CMS' definition of Medical Supplies, Equipment, and Appliances to include "suitable for use in any non-institutional setting in which normal life activities take place". Additional face-to-face visit to be completed allowing for a recipient to obtain medical justification for an item up to 30 days after the item has been supplied.

SFY18 Total Cost - \$4,633,151

State General Funds - \$1,510,829

SFY19 Total Cost - \$5,516,044

State General Funds - \$1,797,890

M506 – Transgender Services

Expanded services associated with the coverage of hormone suppression, hormone therapy, and psychotherapy to include gender reassignment surgery for the transgender population.

SFY18 Total Cost - \$620,454

State General Funds - \$181,802

SFY19 Total Cost - \$635,470

State General Funds - \$186,802

New Services – BA3243

E281 – Medical Nutrition Therapy (MTN)

Addition of MTN services through the use of Registered Dietitians.

SFY18 Total Cost - \$3,011,078 State General Funds - \$696,248

SFY19 Total Cost - \$3,108,753 State General Funds - \$726,391

E282 – Adult Podiatry

Addition of Adult Podiatry services.

SFY18 Total Cost - \$269,034 State General Funds - \$71,335

SFY19 Total Cost - \$277,761 State General Funds - \$74,253

Waiver Caseload Growth – BA3243

M202 – Individuals with Intellectual Disabilities (IID) Waiver Slots

SFY 2018 – 96 Slots

SFY 2019 – 110 Slots

Total – 206 Slots

SFY18 Total Cost - \$1,739,358

State General Funds - \$147,442

SFY19 Total Cost - \$6,121,990

State General Funds - \$517,746

M203 – Frail/Elderly (FE) Waiver Slots

SFY 2018 – 116 Slots

SFY 2019 – 131 Slots

Total – 247 Slots

SFY18 Total Cost - \$2,530,385

State General Funds - \$873,489

SFY19 Total Cost - \$9,039,438

State General Funds - \$3,113,182

M204 – Physically Disabled (PD) Waiver Slots

SFY 2018 – 24 Slots

SFY 2019 – 36 Slots

Total – 60 Slots

SFY18 Total Cost - \$125,144

State General Funds - \$43,200

SFY19 Total Cost - \$672,081

State General Funds - \$231,465

Waiver Waitlist Reduction – BA3243

M540 – Individuals with Intellectual Disabilities (IID) Waiver Slots

SFY 2018 – 106 Slots

SFY 2019 – 105 Slots

Total – 211 Slots

SFY18 Total Cost - \$2,286,652

State General Funds - \$193,835

SFY19 Total Cost - \$6,510,469

State General Funds - \$550,601

M513 – Frail/Elderly (FE) Waiver Slots

SFY 2018 – 78 Slots

SFY 2019 – 77 Slots

Total – 155 Slots

SFY18 Total Cost - \$1,935,503

State General Funds - \$668,136

SFY19 Total Cost - \$5,508,738

State General Funds - \$1,897,209

M514 – Physically Disabled (PD) Waiver Slots

SFY 2018 – 26 Slots

SFY 2019 – 27 Slots

Total – 53 Slots

SFY18 Total Cost - \$209,612

State General Funds - \$ 72,358

SFY19 Total Cost - \$596,588

State General Funds - \$205,465

Efficiencies in Government – BA3243

E225 – ADSD Nevada Early Intervention Services

Service model change where the state operated program provides eligibility, service coordination and service authorization, and contracted providers provide the therapy costs included in the Individualized Family Service Plan. (Companion to ADSD cost savings decision unit)

SFY18 Total Cost - \$6,482,937

State General Funds - \$2,237,910

SFY19 Total Cost - \$8,027,097

State General Funds - \$2,764,533

E228 – ADSD Autism Treatment Assistance Program Services

Increased utilization of services provided are eligible for Medicaid reimbursement. (Companion to ADSD cost savings decision unit)

SFY18 Total Cost - \$2,808,954

State General Funds - \$969,651

SFY19 Total Cost - \$3,651,641

State General Funds - \$1,257,625

E277 – Clark County Voluntary Contribution Rate

Increase the voluntary contribution rate from 47.5% to 50%. State General Funds are offset by Intergovernmental Transfer.

SFY18 Total Cost - \$0

State General Funds - \$0

SFY19 Total Cost - \$0

State General Funds - \$0

Bill Draft Request Summary

Budget BDR Summary			
BDR #	NRS	Description	Impact
17A4031587	422	Allow the Division to assess each health care provider group a fee to improve the quality and access to health care services in Nevada.	Loss of maximization of federal funds to support additional supplemental payment programs.

Appendix

Acronyms

ABA – Applied Behavioral Analysis

ACA – The Affordable Care Act

CMS – Centers for Medicare and Medicaid

EPSDT – Early Periodic Screening, Diagnostic, and Treatment

FE – Frail/Elderly

FMAP – Federal Medical Assistance Percentage

HCBS – Home and Community-Based Services

HHS – U.S. Department of Health and Human Services

IID – Individuals with Intellectual Disabilities

LTSS – Long-Term Supports and Services

MCO – Managed Care Organization

MITA – Medicaid Information Technology Architecture

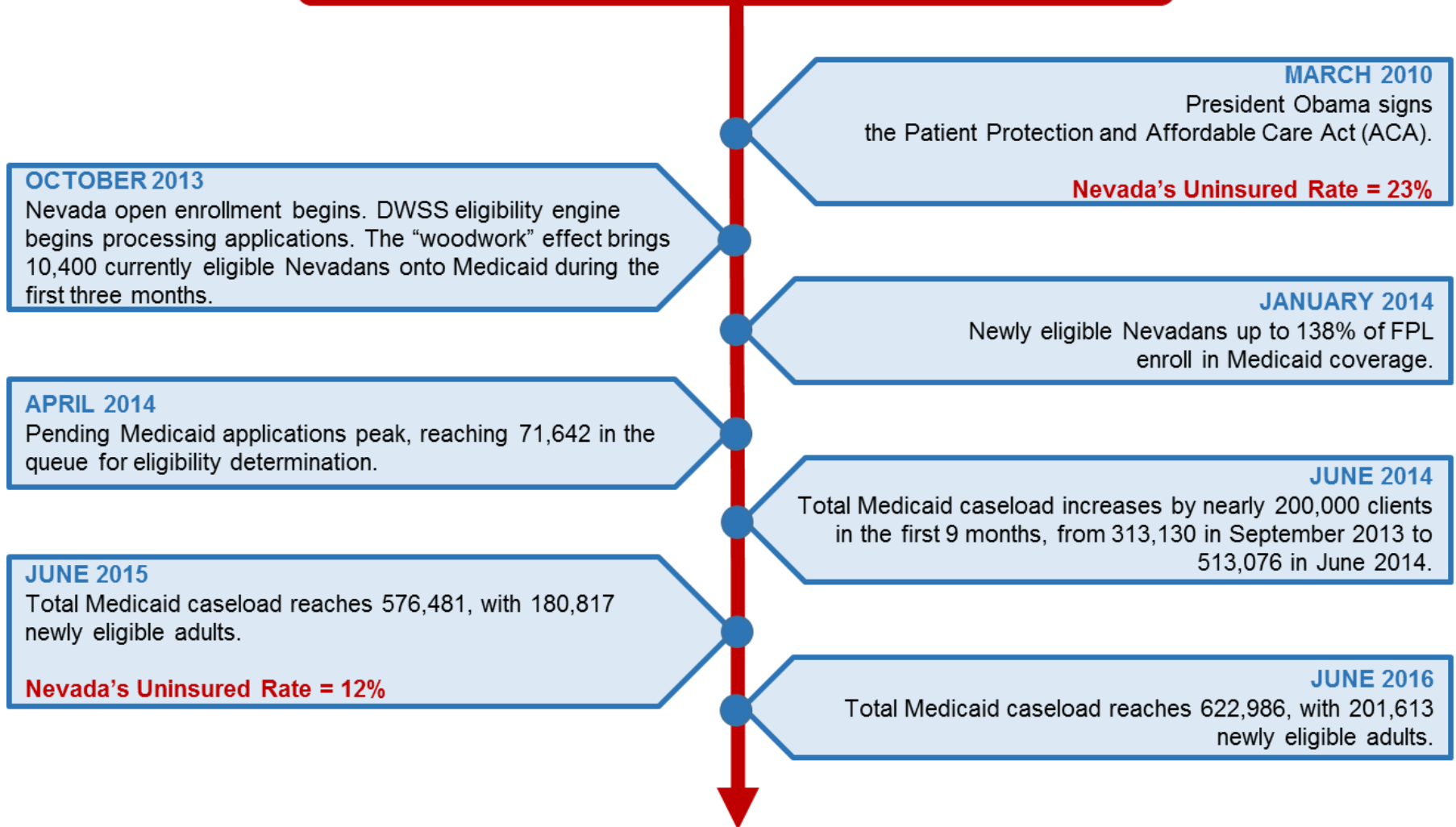
MLTSS – Managed LTSS

NET – Non-emergency transportation

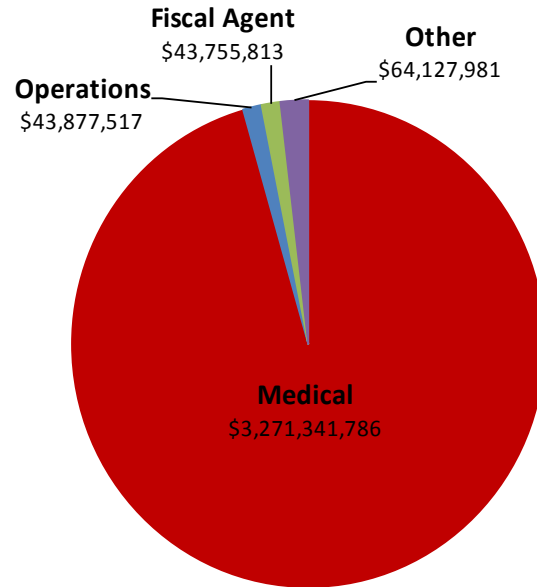
PD – Physically Disabled

SNB – State Net Benefit

Affordable Care Act (ACA) Timeline



SFY16 Total Computable Spend by Type

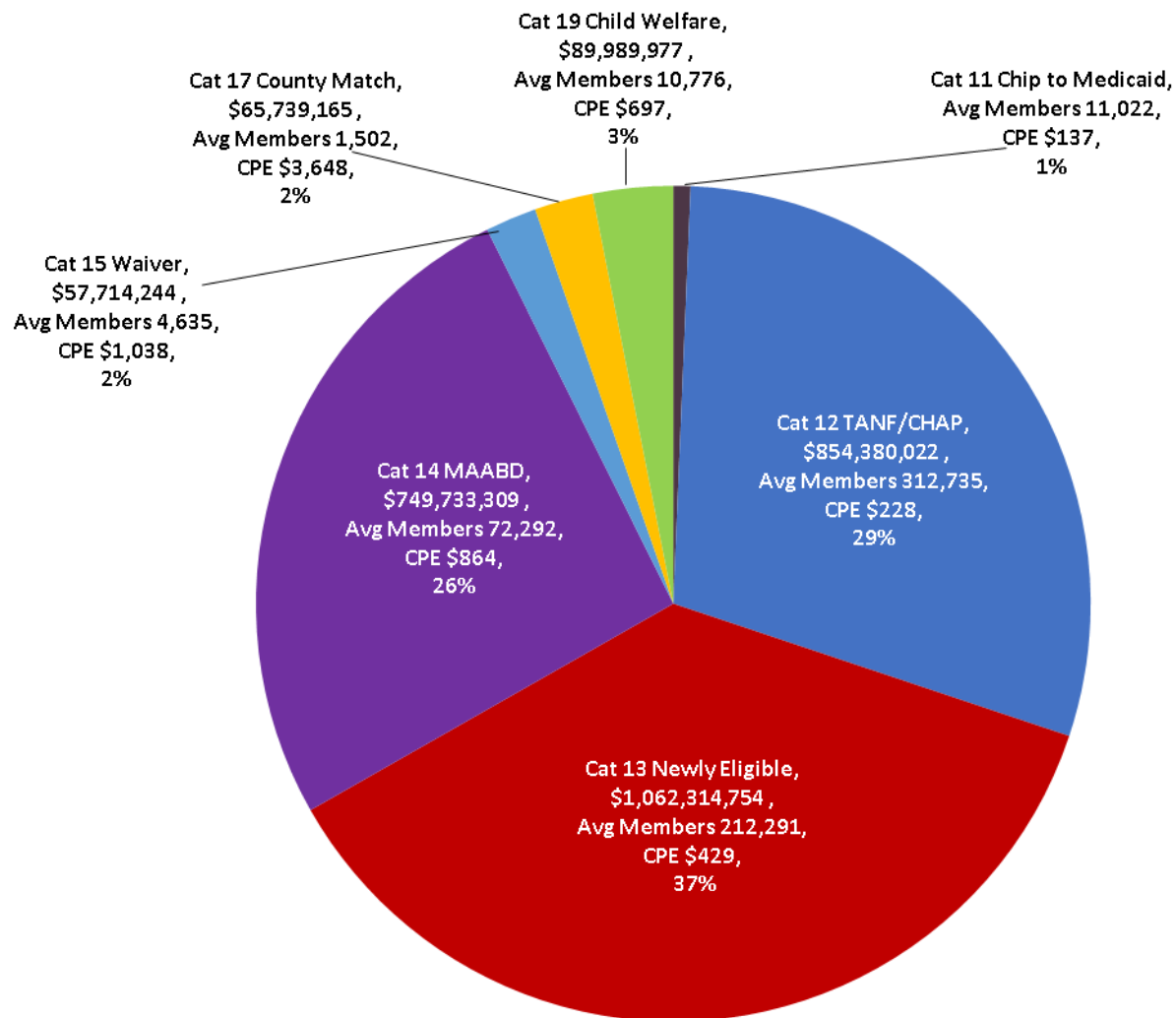


Total Computable Spend: \$3,423,103,097

ADMIN OTHER
\$64,127,981
(Majority of these
funds are pass
through of federal
dollars to sister &
state agencies for
administrative
services)

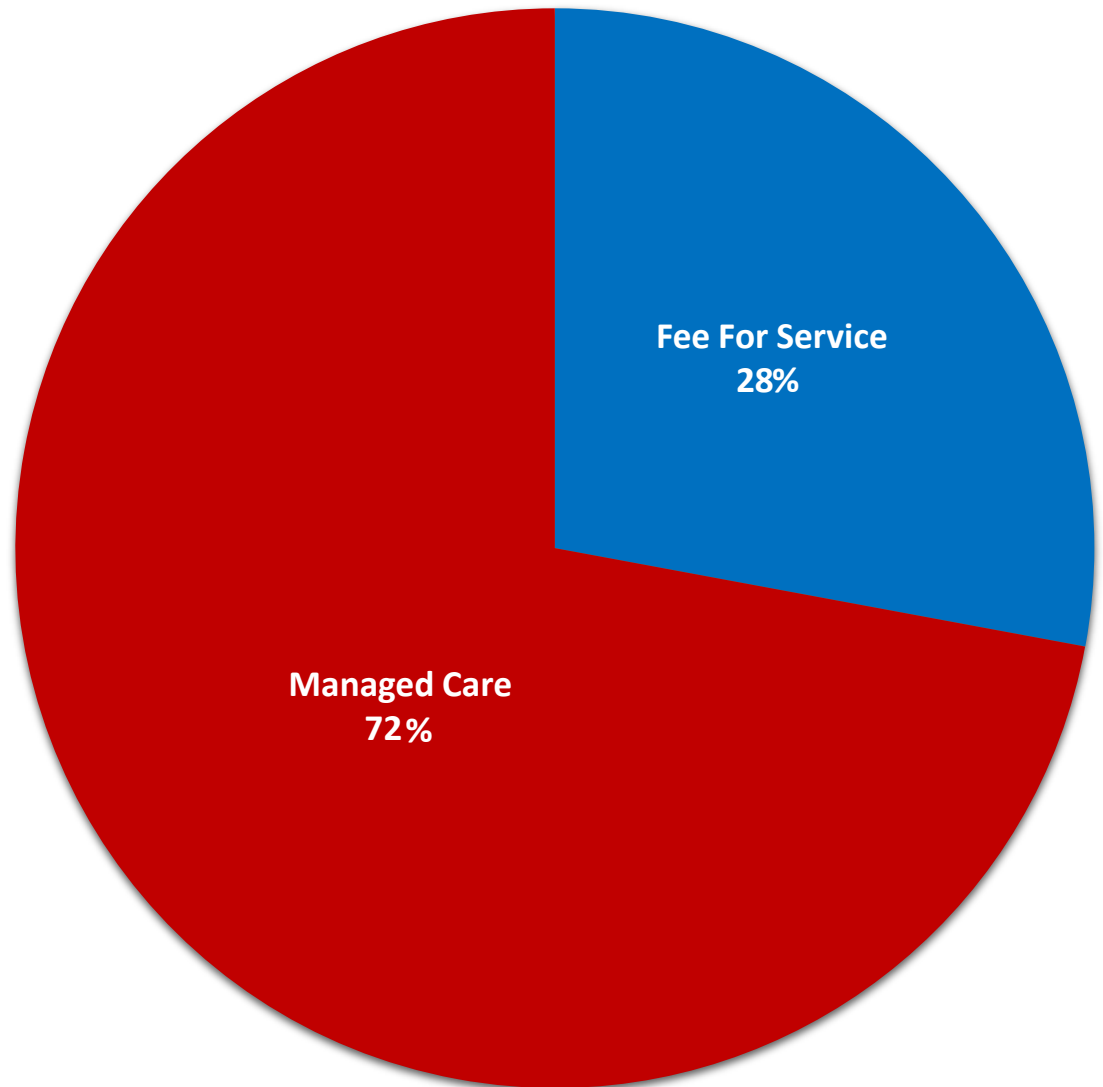
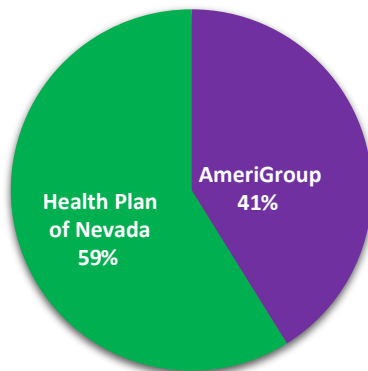
Medical (Medicaid and Nevada Check Up)	\$3,271,341,786	95.57%
DHCFP Operations	\$43,877,517	1.28%
DHCFP Fiscal Agent	\$43,755,813	1.28%
Public and Behavioral Health	\$1,542,423	0.05%
Division of Welfare and Supportive Services	\$49,956,597	1.46%
Division of Aging Admin	\$10,449,053	0.31%
Local Governments/Administrative Claiming	\$900,259	0.03%
Division of Child and Family Services	\$1,026,342	0.03%
Directors Office	\$204,410	0.01%
Department of Administration	\$28,097	0.00%
Transfer to Legislative Council Bureau	\$20,800	0.00%
TOTAL	\$3,423,103,097	100.00%

SFY16 FFS Medicaid Cost by Budget Category



Medicaid Caseload Breakdown

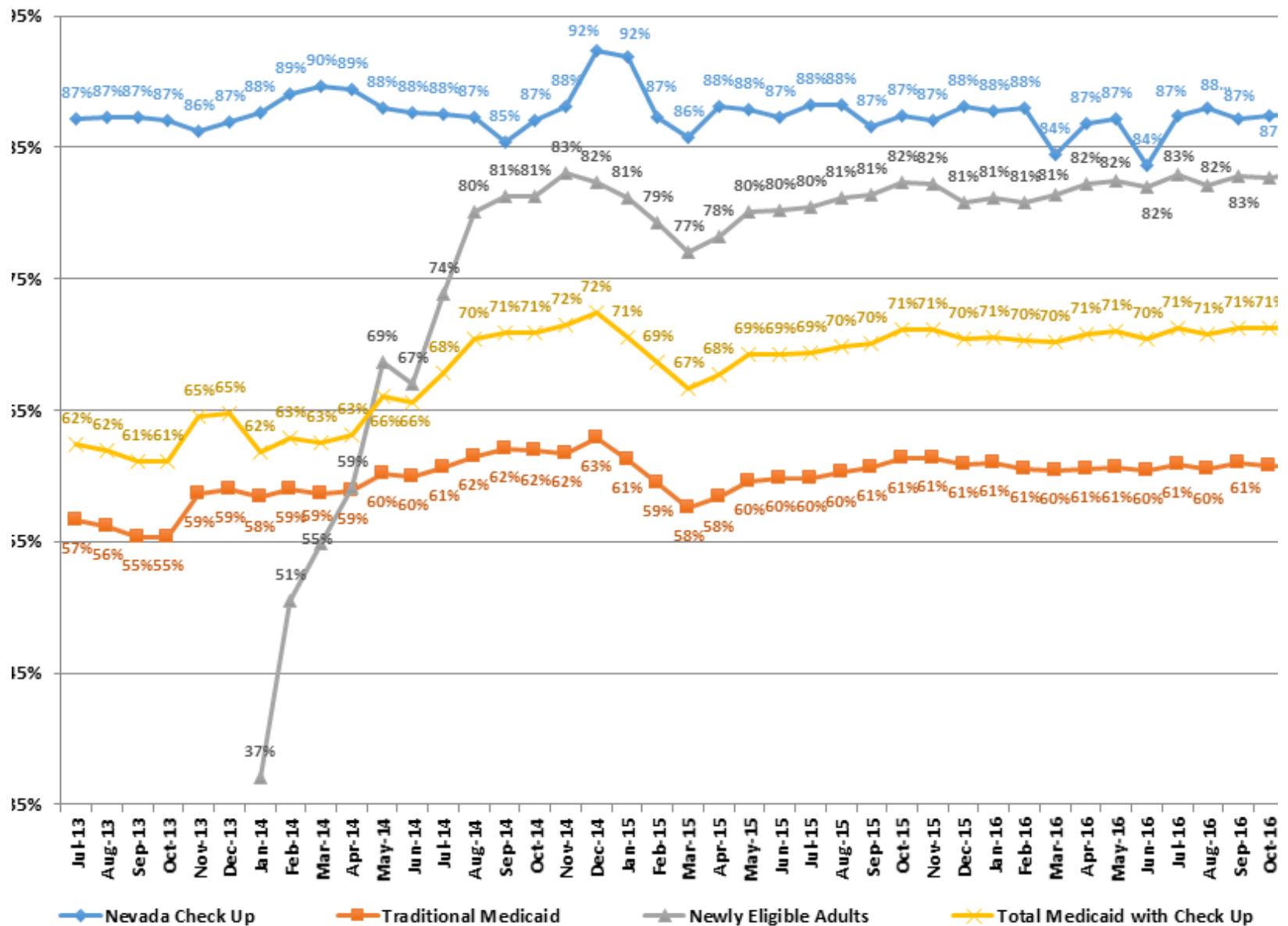
Managed Care Breakdown



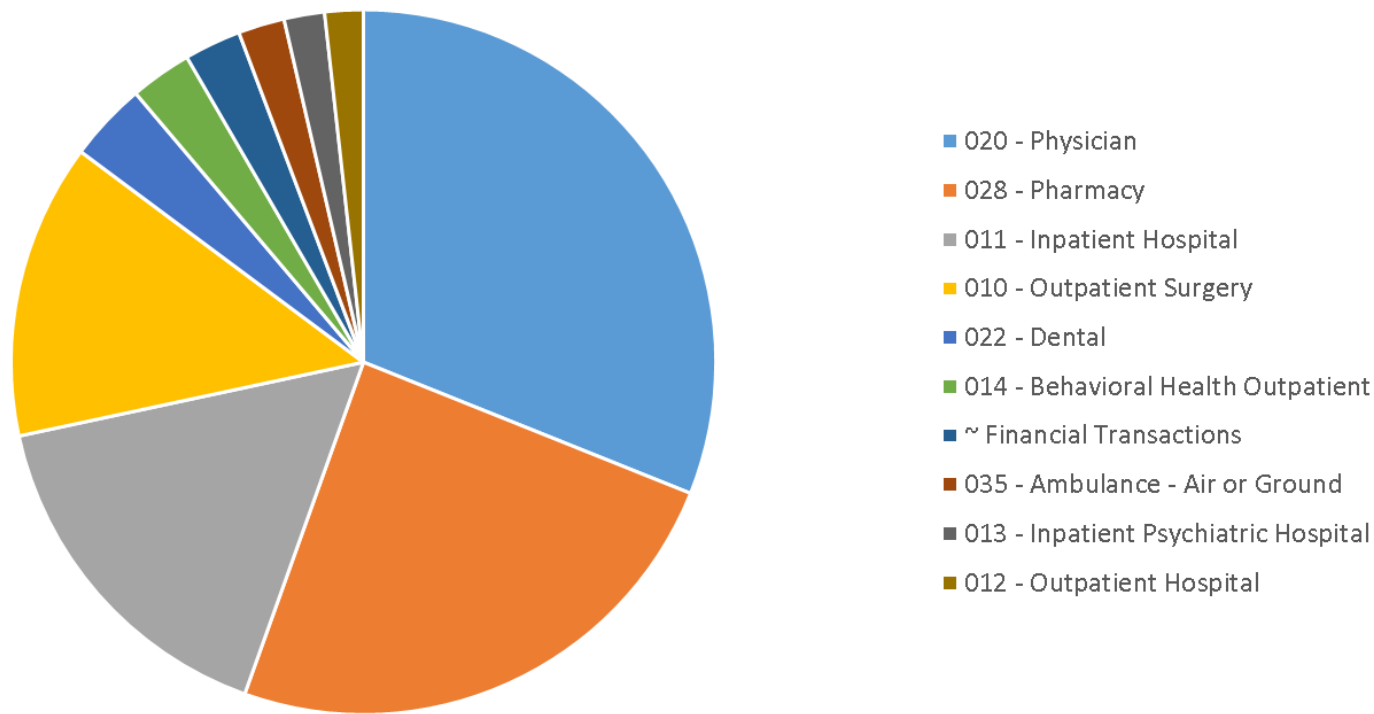
DECEMBER 2016 MEMBERS

Managed Care:	462,122
FFS:	<u>175,379</u>
TOTAL:	637,501

Percent in Managed Care by Client Type

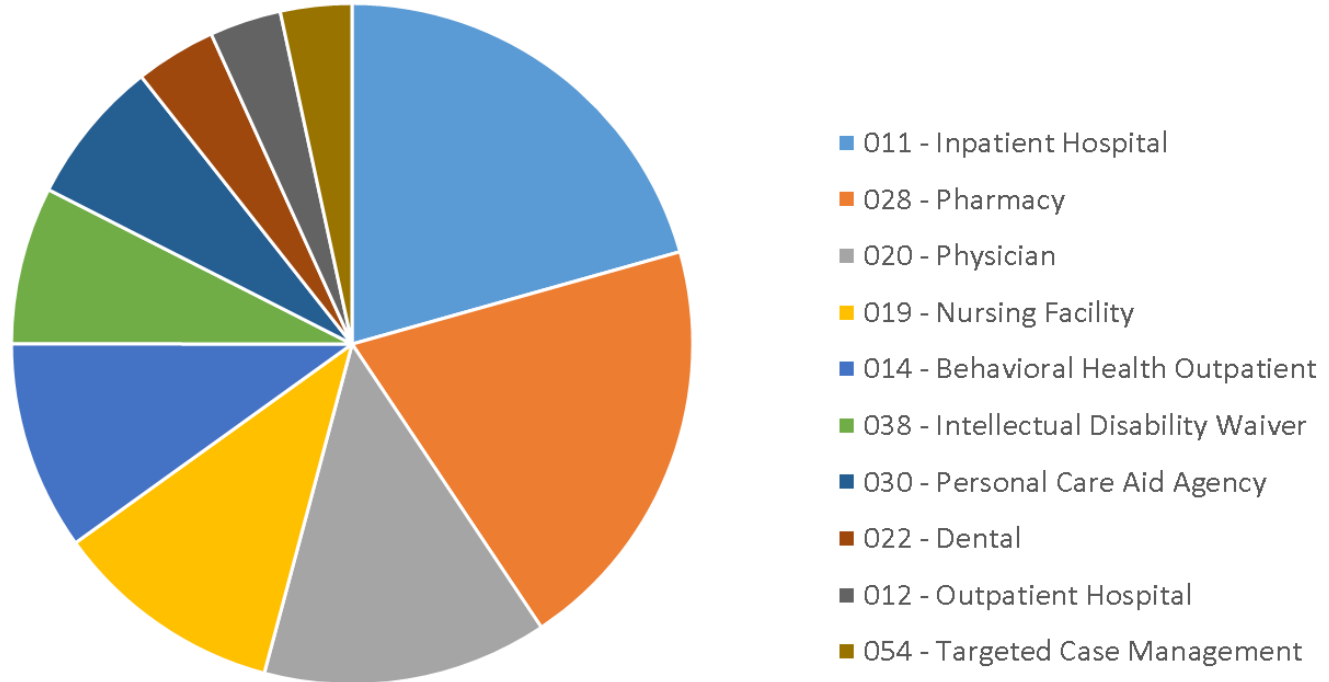


SFY16 MCO Top 10 Services by Expenditures



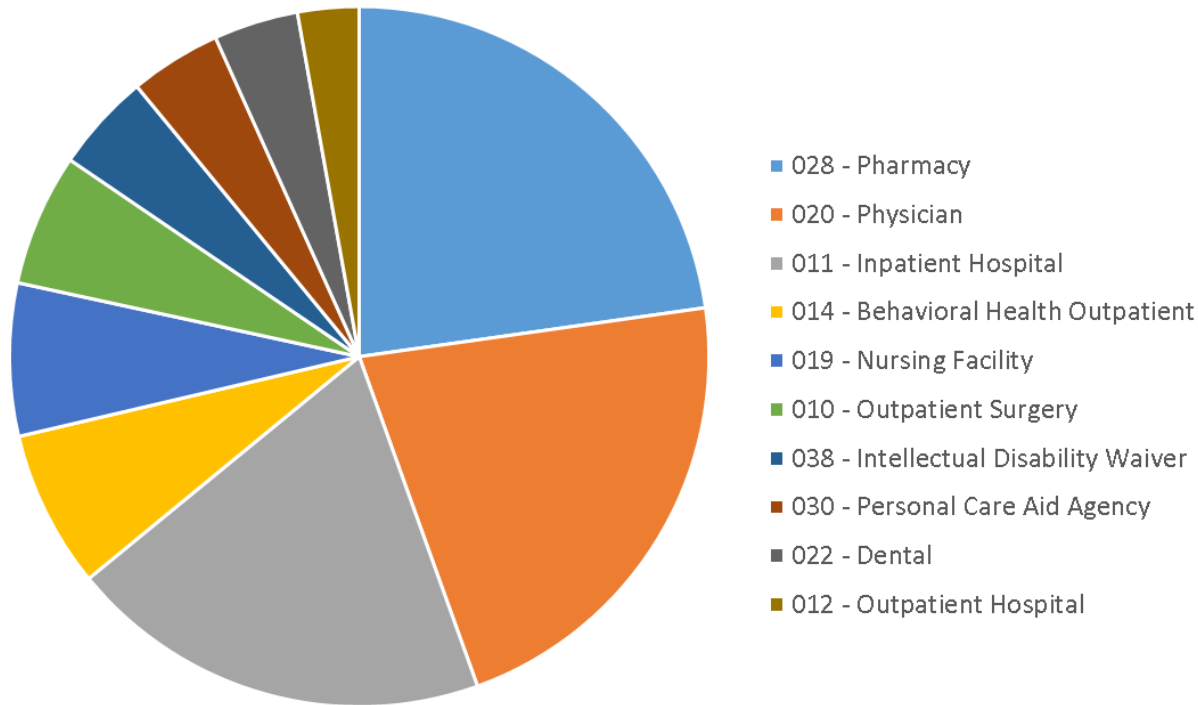
Provider Type	Sum of Net Payment	% of Expenditures
020 - Physician	\$ 287,758,759.55	27.15%
028 - Pharmacy	\$ 226,022,619.20	21.32%
011 - Inpatient Hospital	\$ 149,730,850.67	14.12%
010 - Outpatient Surgery	\$ 125,488,044.10	11.84%
022 - Dental	\$ 33,561,244.08	3.17%
014 - Behavioral Health Outpatient	\$ 26,257,119.66	2.48%
~ Financial Transactions	\$ 24,102,805.23	2.27%
035 - Ambulance - Air or Ground	\$ 19,693,899.34	1.86%
013 - Inpatient Psychiatric Hospital	\$ 17,197,950.07	1.62%
012 - Outpatient Hospital	\$ 16,374,207.93	1.54%

SFY16 FFS Top 10 Services by Expenditures



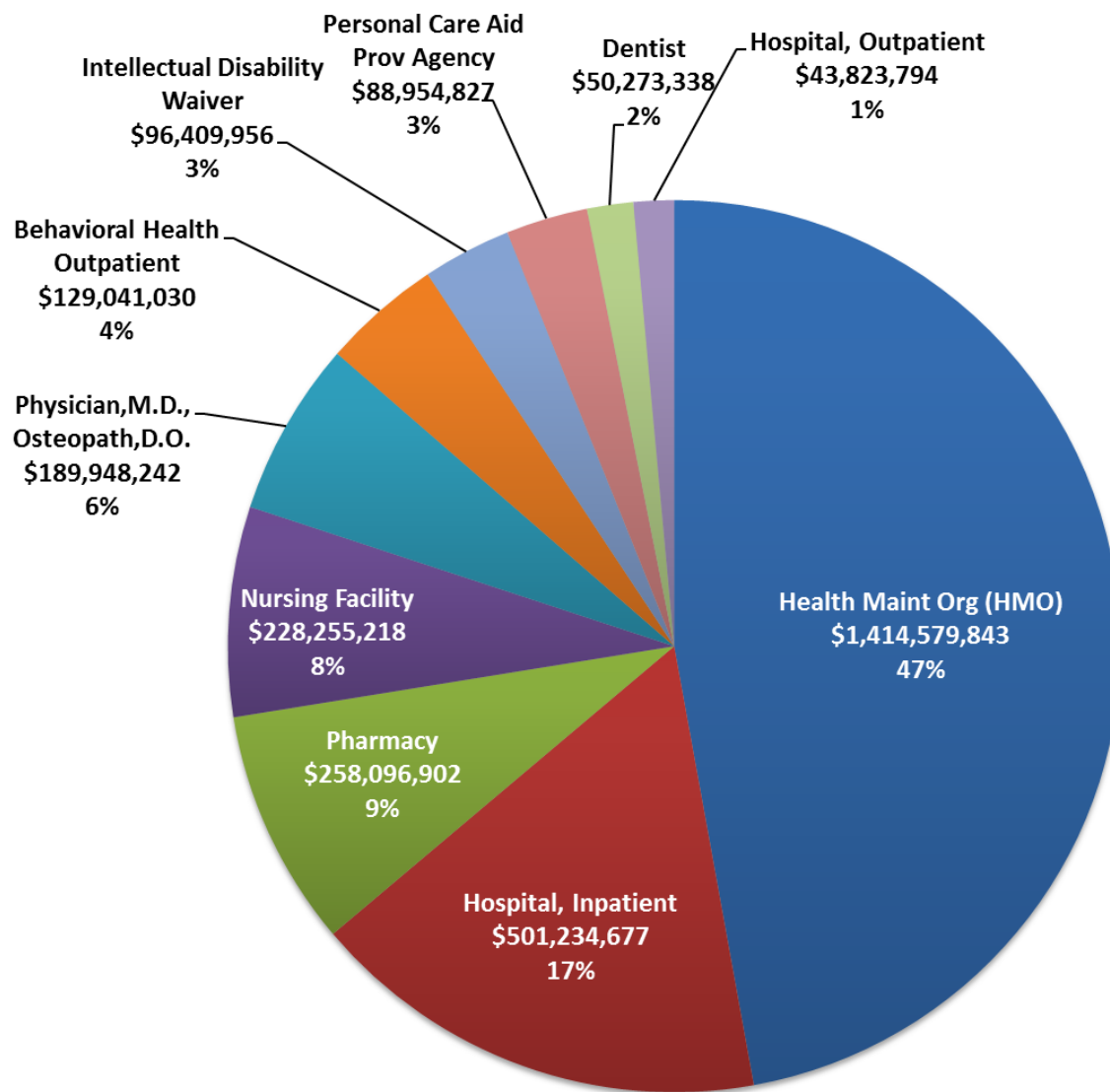
Provider Type	Sum of Net Payment	% of Expenditures
011 - Inpatient Hospital	\$ 266,342,463.96	16%
028 - Pharmacy	\$ 258,129,046.94	16%
020 - Physician	\$ 174,672,277.26	11%
019 - Nursing Facility	\$ 141,130,587.78	9%
014 - Behavioral Health Outpatient	\$ 128,286,366.64	8%
038 - Intellectual Disability Waiver	\$ 96,409,603.88	6%
030 - Personal Care Aid Agency	\$ 88,926,190.74	5%
022 - Dental	\$ 49,528,587.79	3%
012 - Outpatient Hospital	\$ 43,871,730.07	3%
054 - Targeted Case Management	\$ 43,756,145.25	3%

SFY16 MCO/FFS Top 10 Services by Expenditures

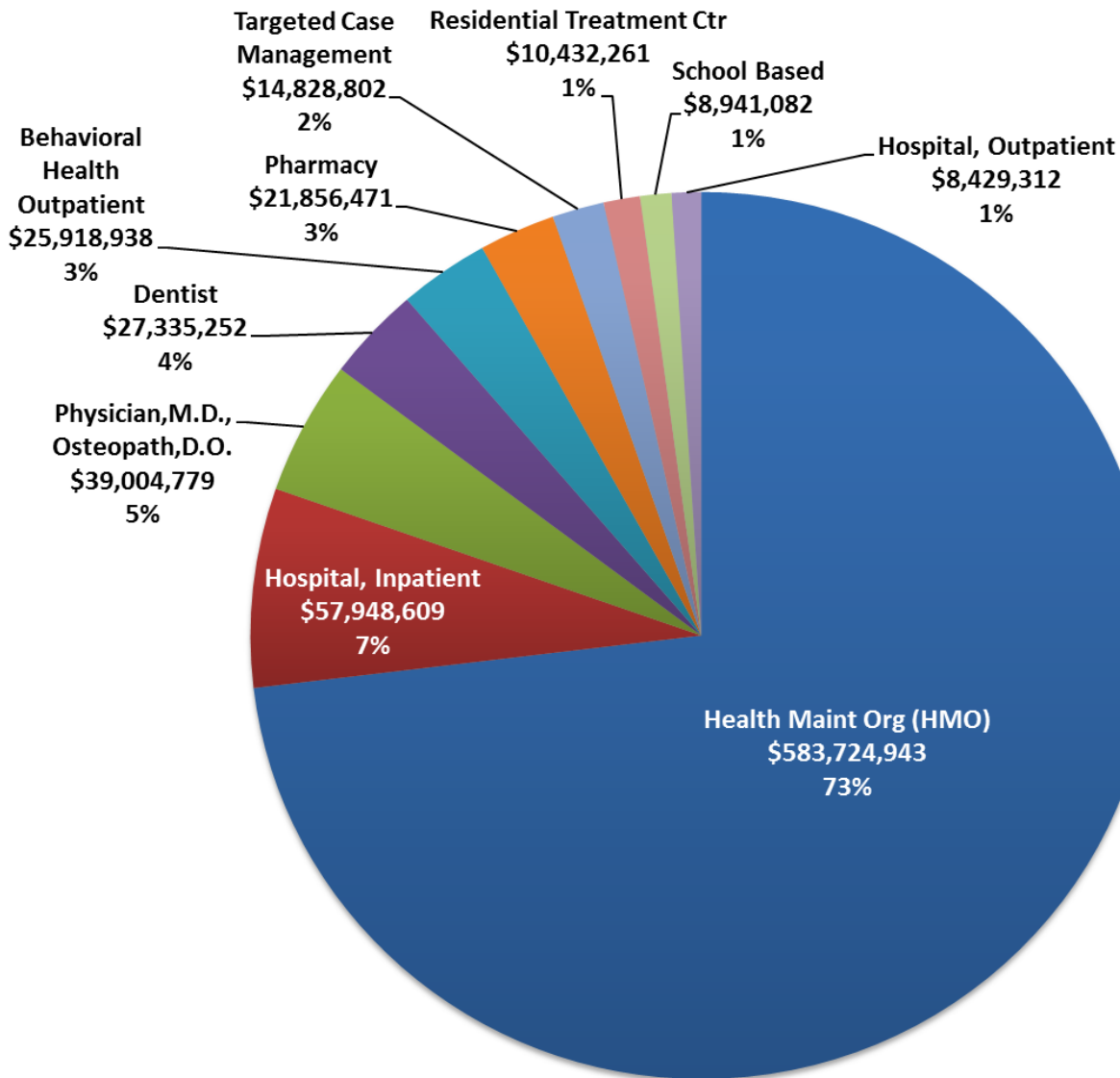


Provider Type	Sum of Net Payment	% of Expenditures
028 - Pharmacy	\$ 484,151,666.14	18.09%
020 - Physician	\$ 462,431,036.81	17.27%
011 - Inpatient Hospital	\$ 416,073,314.63	15.54%
014 - Behavioral Health Outpatient	\$ 154,543,486.30	5.77%
019 - Nursing Facility	\$ 149,926,859.92	5.60%
010 - Outpatient Surgery	\$ 129,956,016.15	4.85%
038 - Intellectual Disability Waiver	\$ 96,409,603.88	3.60%
030 - Personal Care Aid Agency	\$ 89,831,535.19	3.36%
022 - Dental	\$ 83,089,831.87	3.10%
012 - Outpatient Hospital	\$ 60,245,938.00	2.25%

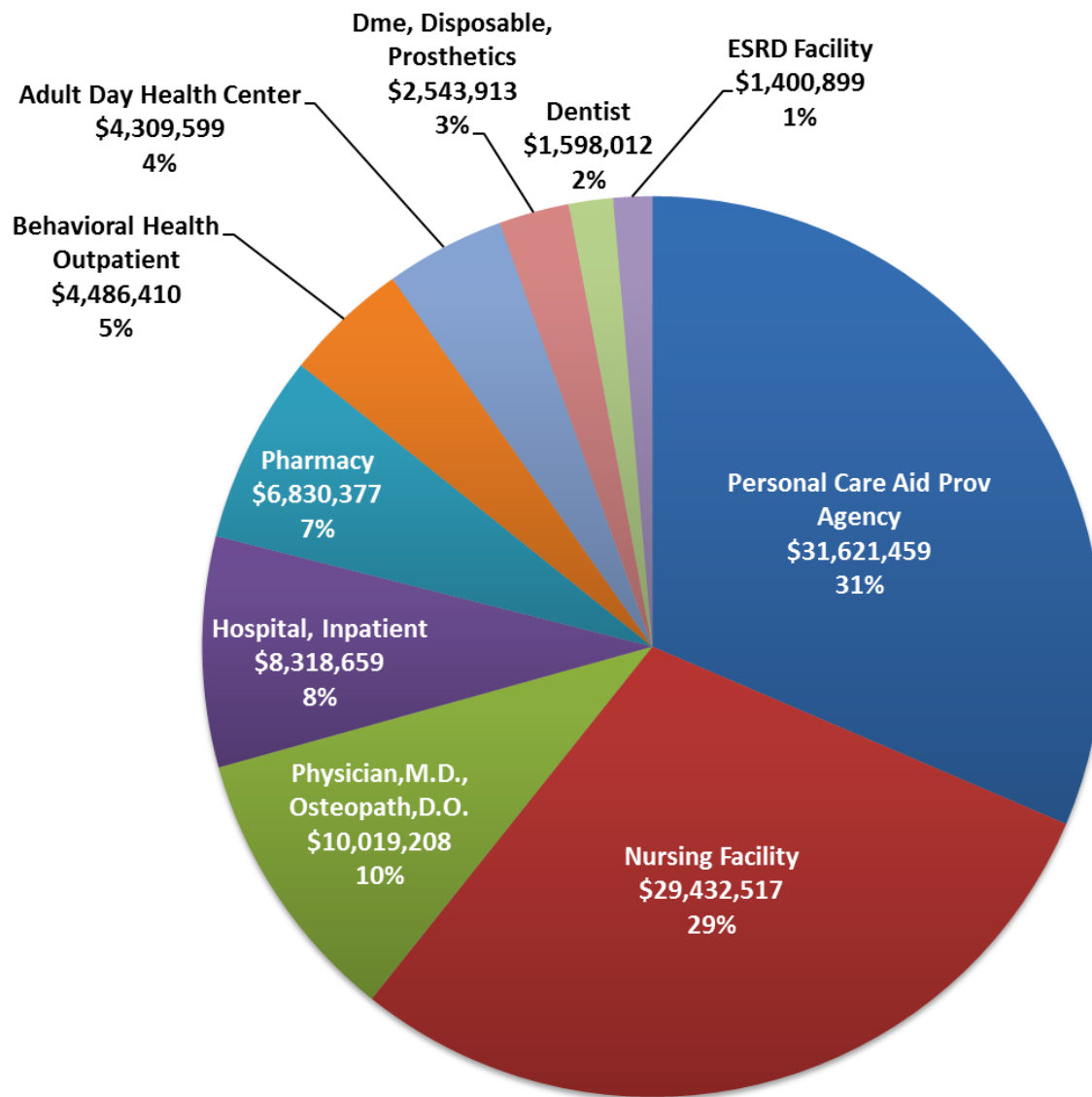
SFY16 Top 10 Medicaid Services by Expenditures



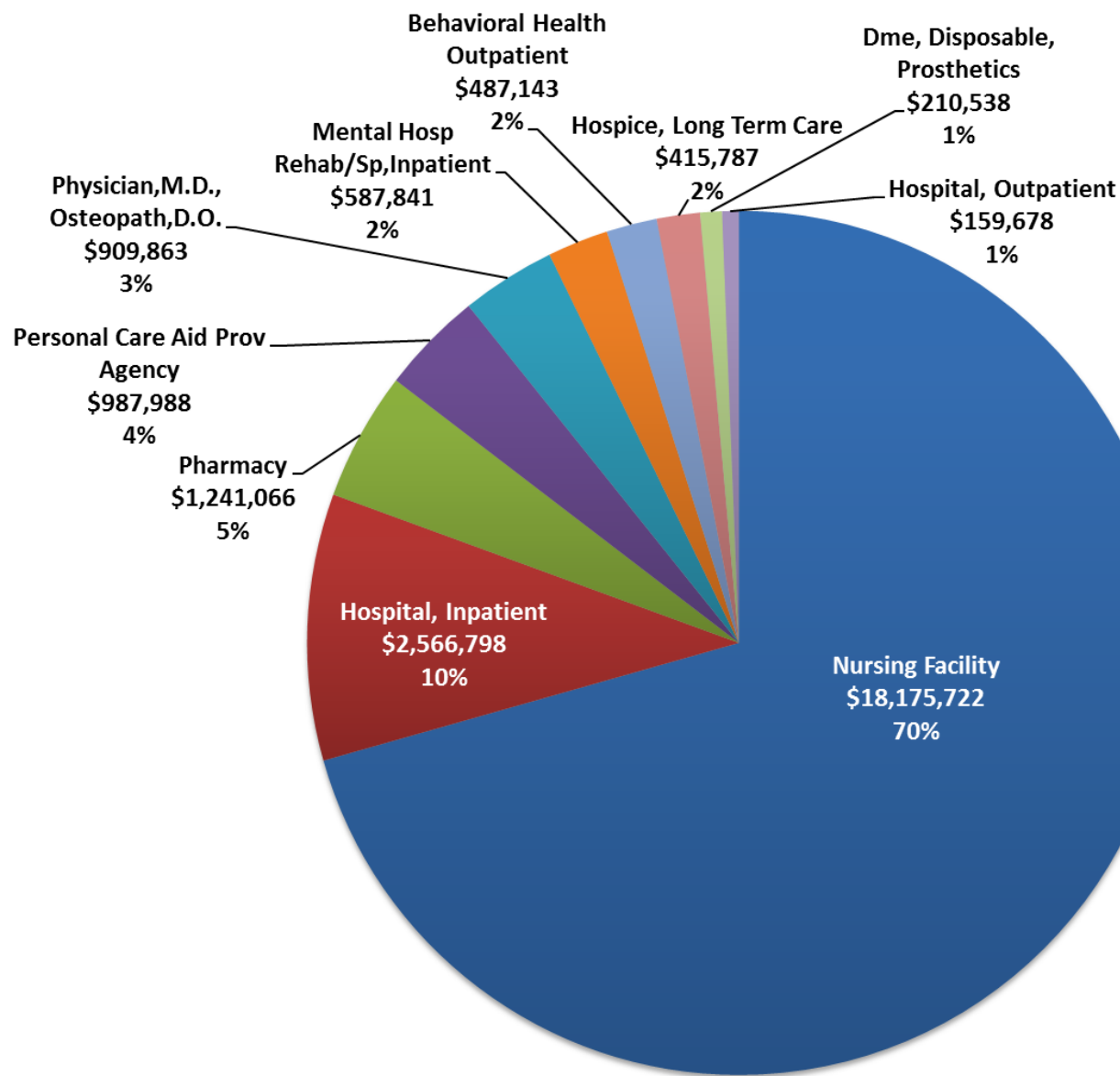
SFY16 Top 10 Services by Expenditures – FFS Traditional Medicaid Population



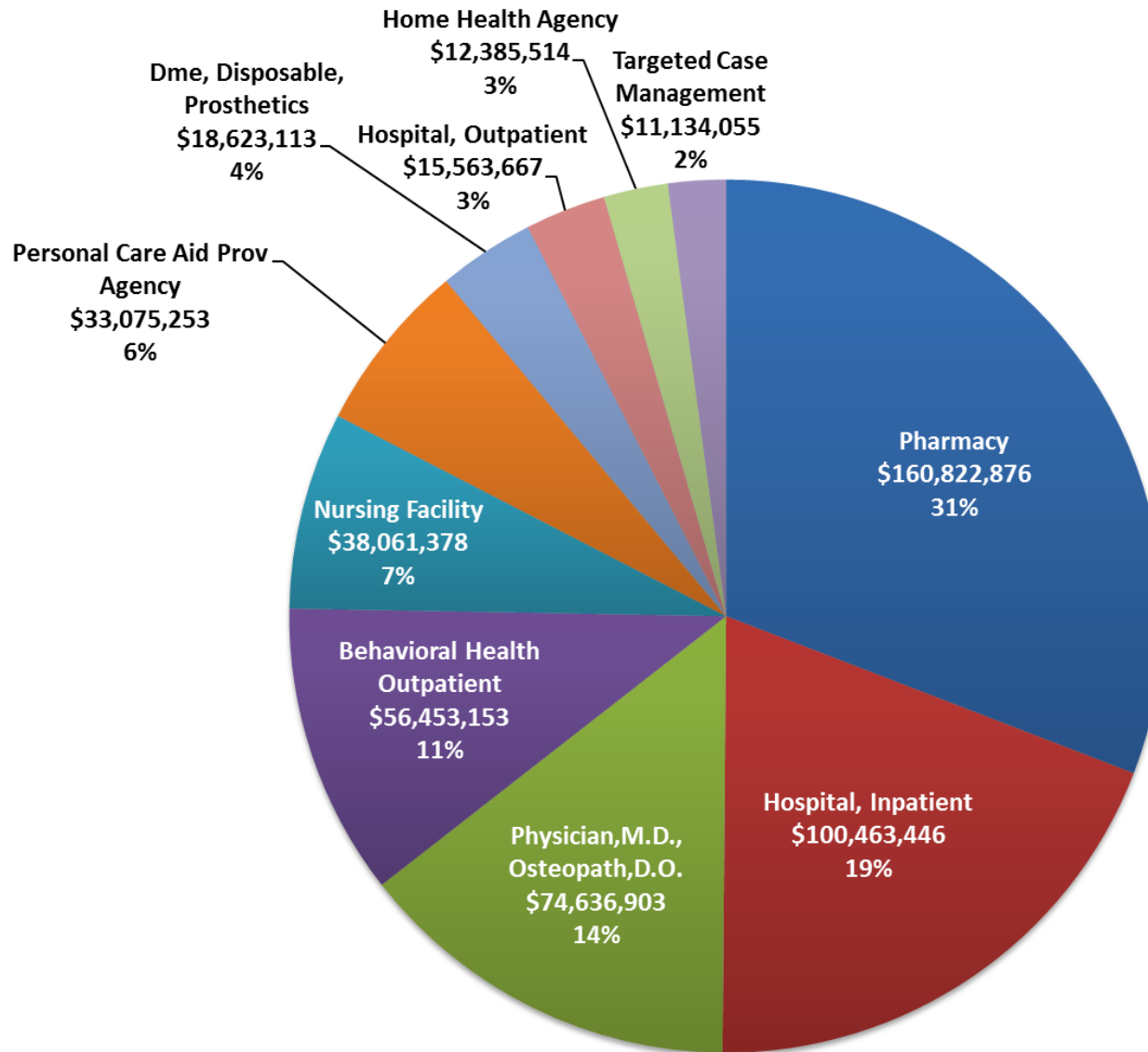
SFY16 Top 10 FFS Services by Expenditures – Aged Population



SFY16 Top 10 Services by Expenditures – Blind Population



SFY16 Top 10 Services by Expenditures – Disabled Population



Medicaid Rates

- Provider reimbursement rates are reviewed on a five year rolling basis, some more frequently, due to State Plan language, provider or legislative requests.
- Provider rates are also reviewed during agency budget build and recommendations are put forward based on the analysis.
- Physician rates are reviewed annually and the findings are reported by February 1st of each year pursuant to NRS 232.354.
- Rate reviews do not necessarily result in a rate increase as it may require additional State General fund appropriations from Legislature.

Medicaid Rate Methodologies

- **Utilize the CMS Fee Schedule**

Rates based on a set year CMS conversion factor and the associated value units assigned by individual procedure code. A percentage of the full rate is paid based on the methodologies listed in the State Plan (Examples include Physician or Nurse Practitioner).

- **Establish a Per Diem Rate**

Rates are set based on Medicaid allowable costs as defined in Federal Regulations (Examples include Free Standing Psychiatric Facilities or Skilled Nursing Facilities).

- **Utilize Cost Settlement**

Select Provider Types such as Critical Access Hospitals (CAH) are cost settled. Providers receive an interim rate based on the previous year's costs.

- **Development of LTSS Rates**

The 2001 Legislative Session enacted A.B. 513 that created a Provider Rates Task Force. Rates for waiver providers were recommended by the Provider Rates Task Force and were adopted by the DHCFP August 15, 2002.

- **Negotiated Rate**

Negotiated rates are sometimes necessary in special situations such as access to care or difficult placement. Both facility specific and patient specific rates can be negotiated.