

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

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H. Intermediate Care Facilities for ~~the Mentally Retarded~~ Individuals with Intellectual Disabilities (ICFs/~~IIDMR~~):

1. ICFs/~~IIDMR~~ (state-operated):
 - a. ICFs/~~IIDMR~~, excluding non-state-operated ICFs/~~IIDMR~~, are reimbursed under Medicare principles of retrospective reimbursement described in 42 CFR 413 and further specified in **CMS Provider Reimbursement Manual, Part 1, 15-1, and 15-2. HCFA Publication 15.**
 - b. In no case may payment exceed audited allowable costs.
 - c. Interim rates will be based upon the most recent audited cost reports for the current state fiscal year. The interim rate for the initial year of operation will be based upon cost and utilization projections.
 - d. Each facility is paid an interim rate subject to settlement in accordance with **subsections "a." through "c." above.**

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2. ICFs/~~IIDMR~~ (non-state-operated):

- a. ~~**Prospective Payment Rate:** Non-state-operated ICFs/~~IIDMR~~-Small (“small” is defined as facilities having six beds or less) will be paid a prospective payment rate for basic service costs, other than day training costs and property costs, on a per patient day basis. Day training costs and property costs, excluded from the basic prospective rate, will be reimbursed under Medicare principles of retrospective reimbursement as described in paragraph 1 above, effective September 1, 2020.~~

~~1. — 1. The initial basic prospective payment rate per patient day will be the average of costs (excluding residential staff wages and benefits) of the four private ICFs/MR Small operating a full year, from 1993 audited cost reports. Costs will be indexed to the common time period of December 31, 1993. Residential staff wages and benefits cost is calculated, and added to the average, at the rate of \$11 per hour for 6.4 full time equivalents. The initial rate period is one year from July 1, 1995 through June 30, 1996. Therefore, the rate will be adjusted for inflation for the period June 30, 1993 – December 31, 1995 (the midpoint of the cost report period to the midpoint of the rate period) by the percentage change in the Consumer Price Index – All Urban and Clerical Workers (CPI), for calendar year 1993 times 2.5. The initial rate will be effective for private ICFs/MR Small on July 1, 1995. In no case may payment exceed audited allowable costs.~~

~~2. — 2. Rates in effect March 31, 2002, will be continued without adjustment. When rebasing, costs will be indexed to a common point in time, arrayed from highest to lowest, and the cost of the 60th percentile facility selected. The rate will further be adjusted for inflation by the CPI. Only audited cost reports of private facilities completed by March 31st of the same year will be used. Cost reports must be submitted according to timeframes detailed in Medicaid Services Manual Chapter 700. Cost reports submitted by providers are audited by the Division of Health Care Financing and Policy’s contracted auditing firm. Any costs that do not meet standards of reasonableness per industry standards will be excluded from the reimbursement calculation described below. Standards of reasonableness are defined by 42 CFR 413 and are further specified in CMS Provider Reimbursement Manual, Part 1, 15-1 and 15-2.~~

~~3. — 3. In addition, the rate will be adjusted for increased costs of services over basic inflation resulting from new federal or state guidelines. Interim rates will be determined using the most recent audited cost reports for the current state fiscal~~

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year. The interim rate for the initial year of operation will be based on cost and utilization projections.

4. Interim rates for each ICF/IID Facility will be calculated by dividing the total allowable program costs by the total program days as reported in the most recently available audited cost report.

5. In general, underpayments will be paid to the provider in a lump sum upon discovery. Overpayments will either be recouped promptly or a negative balance will be set up for the provider. However, other solutions acceptable to both parties may be substituted.

6. The federal share of any overpayment is refunded to the federal government in accordance with 42 CFR 433 Subpart F.

~~4.~~ 5. Day training costs must be approved by the ~~Division of Mental Health Developmental Services (MHDS)~~ Nevada Aging and Disability Services Division (ADSD). These approvals must be obtained annually on all patients and anytime there is an increase in service cost.

~~5. — Property costs consist of a property lease (or in the case of an owned facility, interest and depreciation) as well as depreciation of equipment, property insurance and property taxes.~~

b. ~~Prospective Payment Rate:~~ Non-state-operated ICFs/~~IIDMR~~-Large (“large” is defined as facilities having more than six beds) will be paid an all-inclusive prospective per diem rate equal to the interim rate in effect at December 31, 2003.

1. ~~The aforementioned These~~ all-inclusive rates will be effective for services rendered after December 31, 2003, until the rates are rebased as directed by the Department of Health and Human Services.

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