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Public Notice of Prospective Reimbursement Plan for Nursing Facility and HIV Nursing Facility Services Reimbursement Rates Methodology

June 30, 2022

Pursuant to Sections 1902(a)13(A) of the Social Security Act and 42 Code of Federal Regulations (CFR) 447.205, which mandate that proposed changes in statewide Medicaid payment methods and standards for setting Medicaid payment rates be published and made available for review and comment, this is to advise that:

1. The Missouri Department of Social Services provides notice of the following:

To ensure efficiency, economy, quality of care, and access, the Missouri Medicaid State Plan (Prospective Reimbursement Plan for Nursing Facility Services section and Prospective Reimbursement Plan for HIV Nursing Facility Services section) is being amended under State Plan Amendment (SPA) Transmittal Number 22-0025. The current State regulation is also being changed by preparing a new Proposed Rule, State regulation 13 CSR 70-10.020 Prospective Reimbursement Plan for Nursing Facility and HIV Nursing Facility Services. The MO HealthNet Division (MHD) is modifying the reimbursement plan for nursing facility and HIV nursing facility services to provide for the transformation of MO HealthNet nursing facility reimbursement rates by establishing a new reimbursement methodology, effective for dates of service beginning July 1, 2022. The primary changes from the current reimbursement include updating the cost base for the rates (i.e., rebasing), applying an acuity adjustment or Case Mix Index (CMI) to patient care costs, and providing quality based incentives or Value Based Purchasing (VBP) add-ons to the rate when the facility meets specified quality measures. The Draft Proposed Rule that is attached to the Public Notice provides all the details for the new reimbursement methodology and covers the same material in SPA 22-0025. The reimbursement change is contingent upon approval by the Centers for Medicare & Medicaid Services (CMS).

The reimbursement change results in a fiscal impact to nursing facility reimbursement and hospice reimbursement. Hospice reimbursement is impacted because reimbursement for hospice nursing home room and board services is based on the nursing facility per diem rate.

Interpretive services are available by calling the Participant Services Unit at 1-800-392-2161.
Prevodilačke usluge su dostupne pozivom odjela koji učestvuje u ovom servisu na broj 1-800-392-2161.
Servicios Interpretativos están disponibles llamando a la unidad de servicios de los participantes al 1-800-392-2161.

AUXILIARY AIDS AND SERVICES ARE AVAILABLE UPON REQUEST TO INDIVIDUALS WITH DISABILITIES

TDD / TTY: 800-735-2966

RELAY MISSOURI: 711

Missouri Department of Social Services is an Equal Opportunity Employer/Program.

Following is the estimated fiscal impact of the proposed amendment:

- Total annual increase in expenditures is approximately \$215.6 million
- Increase to nursing facility reimbursement is approximately \$200.0 million, composed of \$68.1 million state funds and \$131.9 million federal funds
 - This includes the fiscal impact of continuing the SFY 2022 nursing facility per diem increase of \$10.18 which is approximately \$81.4 million, composed of \$27.7.0 million state funds and \$53.7 million federal funds
- Increase to hospice nursing home room and board is approximately \$15.6 million, composed of \$5.3 million state funds and \$10.3 million federal funds
 - This includes the fiscal impact of continuing the SFY 2022 nursing facility per diem increase of \$10.18 which is approximately \$6.8 million, composed of \$2.3 million state funds and \$4.5 million federal funds

2. Comments may be sent by regular mail, express or overnight mail, in person or by courier within thirty (30) days after publication of this notice and must be sent or delivered to the following address:

MO HealthNet Division
615 Howerton Ct., 2nd Floor
Jefferson City, MO 65109
Attention: Rebecca Rucker

Comments may also be emailed to Ask.MHD@dss.mo.gov. Please use “Public Comment for Global Per Diem Adjustments to Nursing Facility and HIV Nursing Facility Reimbursement Rates” in the subject line. Comments must be received by **July 30, 2022**.

3. A copy of the proposed reimbursement methodology is available for public review by going to any Family Support Division Office or by contacting the Department of Social Services, MO HealthNet Division at Ask.MHD@dss.mo.gov. These documents also may be viewed online at <https://dss.mo.gov/mhd/alerts~public-notices.htm>
4. No public hearing will be held.