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

June 30, 2023

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 and HIV Nursing Facility Services section) is being amended under State Plan Amendment (SPA) Transmittal Number 23-0015. The current State regulation, 13 CSR 70-10.016, Global Per Diem Adjustments to Nursing Facility and HIV Nursing Facility Reimbursement Rates, is also being amended. Effective for dates of service beginning July 1, 2023, the MO HealthNet Division (MHD) is modifying the reimbursement plan for nursing facility and HIV nursing facility services to correspond with the appropriation granted in the State Fiscal Year (SFY) 2024 budget passed by the General Assembly and approved by the Governor. All nursing facilities will receive a per diem rate increase of \$10.00 per day. The Value Based Purchasing (VBP) per diem adjustments are also being increased by \$0.87 for facilities that qualify for the VBP incentive payment. The reimbursement rate for hospital based nursing facilities with less than 1,000 Medicaid patient days that do not submit a cost report is being revised to remove the working capital allowance and change the patient care incentive to 4.75%. The proposed Draft SPA 23-0015 is attached to the Public Notice. 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.

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

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Following is the estimated fiscal impact of the proposed amendment:

- Total annual increase in expenditures is approximately \$93.1 million
  - Increase to nursing facility reimbursement is approximately \$86.2 million, composed of \$34.7 million state funds and \$51.5 million federal funds
    - Per diem increase of \$10.00 per day for all nursing facilities is approximately \$79.3 million, composed of \$31.9 million state funds and \$47.4 million federal funds
    - Per diem increase of \$0.87 per day for VBP adjustments is approximately \$6.9 million, composed of \$2.8 million state funds and \$4.1 million federal funds
  - Increase to hospice nursing home room and board is approximately \$6.9 million, composed of \$2.3 million state funds and \$4.6 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](mailto: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, 2023**.
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](mailto: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.