

## **Table of Contents**

**State/Territory Name: North Dakota**

**State Plan Amendment (SPA) #: 21-0001**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

April 7, 2021

Caprice Knapp  
Director  
ND Department of Human Services  
600 East Boulevard Avenue, Dept. 325  
Bismarck, ND 58505-0250

Re: North Dakota 21-0001

Dear Ms. Knapp:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 21-0001. Effective for services on or after January 1, 2021, this amendment implements a 2.5 percent inflationary increase for nursing facility (NF) services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 21-0001 is approved effective January 1, 2021. The CMS-179 and the amended plan pages are attached.

If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

A solid black rectangular box used to redact the signature of the sender.

For  
Rory Howe  
Acting Director



**Section 24 – Adjustment Factors for Direct Care, Other Direct Care and Indirect Care Costs**

1. An appropriate economic change index may be used for purposes of adjusting historical costs for direct care, other direct care, and indirect care and for purposes of adjusting limitations of direct care costs, other direct care costs, and indirect care costs, but may not be used to adjust property costs.
2. For the rate year beginning January 1, 2009 the appropriate economic change index is five percent.
3. For the rate year beginning January 1, 2010 the appropriate economic change index is six percent.
4. For the rate year beginning January 1, 2011 the appropriate economic change index is six percent.
5. For the rate year beginning January 1, 2012 the appropriate economic change index is three percent.
6. For the rate year beginning January 1, 2013 the appropriate economic change index is three percent.
7. For the rate year beginning January 1, 2014 the appropriate economic change index is three percent.
8. For the rate year beginning January 1, 2015 the appropriate economic change index is three percent.
9. For the rate year beginning January 1, 2016 the appropriate economic change index is three percent.
10. For the rate year beginning January 1, 2020 the appropriate economic change index is two percent.
11. For the rate year beginning January 1, 2021 the appropriate economic change index is 2.5 percent.

**Section 25 - Rate Limits and Incentives**

1. Limits - All facilities except those nongeriatric facilities for individuals with physical disabilities or units within a nursing facility providing geropsychiatric services described in Section 5 - Exclusions must be used to establish a limit rate for the Direct Care, Other Direct Care, and Indirect Care cost categories. The base year is the report year ended June 30, 2017. Base year costs may not be adjusted in any manner or for any reason not provided for in this section.
  - a. The limit rate for each of the cost categories will be established as follows:
    - (1) Historical costs for the report year ended June 30, 2017, as adjusted must be used to establish rates for all facilities in the Direct Care, Other Direct Care and Indirect Care cost categories. The rates as established must be ranked from low to high for each cost category.
    - (2) For rates effective January 1, 2021, the limit rate for each cost category is:
      - (a) For the Direct Care cost category, \$204.84;
      - (b) For the Other Direct Care cost category, \$29.84; and
      - (c) For the Indirect Care cost category, \$84.51.