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State/Territory Name: North Dakota

State Plan Amendment (SPA): ND-25-0002

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 & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

April 8, 2025

Sarah Aker
Executive Director
ND Department of Health and Human Services
600 East Boulevard Avenue Dept 325
Bismarck ND, 58505-0250

RE: North Dakota State Plan Amendment Transmittal Number ND-25-0002

Dear Director Aker:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed North Dakota state plan amendment (SPA) to Attachment 4.19-D ND-25-0002, which was submitted to CMS on January 17, 2025. This plan amendment updates the distribution methodology for the nursing facility incentive program.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of January 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Robert Bromwell at (410)-786-5914 or via email at robert.bromwell@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 5 — 0 0 0 2

2. STATE

ND

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT



XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447, Subpart C, 42 CFR 447.252

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 0
b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-D, Subsection 1, page 67a

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-D, Subsection 1, page 67a (TN 24-0002)

9. SUBJECT OF AMENDMENT

Amends the State Plan to update the calculation of the daily incentive rate for the nursing facility incentive program.

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

Sarah Aker, Director
Medical Services Division

AGENCY OFFICIAL

12. TYPED NAME
Sarah Aker

13. TITLE
Medical Services Director

14. DATE SUBMITTED
January 17, 2025

15. RETURN TO

Sarah Aker, Executive Director
Medical Services Division
ND Department of Health and Human Services
600 East Boulevard Avenue Dept 325
Bismarck ND 58505-0250

FOR CMS USE ONLY

16. DATE RECEIVED
January 17, 2025

17. DATE APPROVED
April 8, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS

Section 34 – Nursing Facility Incentive Program

North Dakota Medicaid-certified nursing facilities with Medicaid paid days and with at least ten months of operation in the prior federal fiscal year may be eligible for a Nursing Facility Incentive Program supplemental payment. A nursing facility that has announced that they are closing will not be eligible for the supplemental payment.

Nursing facilities performance in quality measures will be assessed annually over the prior federal fiscal year. Each nursing facility will be awarded a total sum of points based on selected quality measures that are all from publicly reported data and then placed in one of four tiers.

The quality measures are available on the North Dakota Department of Health and Human Services website at the following address:

<https://www.hhs.nd.gov/healthcare/medicaid/provider/long-term-care/nfip>

Effective January 1, 2025, the daily incentive rate per Medicaid day will be calculated by weighting the number of Medicaid days in tiers one, two, and three with respective values of one hundred percent, eighty-five percent, and sixty percent. The total weighted days will then be divided into eight million dollars resulting in a weighted daily incentive rate. The incentive payment will be calculated by multiplying the weighted daily incentive rate times by each nursing facility's eligible Medicaid paid days for the prior federal fiscal year.

For incentive payments made prior to June 30, 2024: the total funds will be four million dollars and the time period of the eligible nursing facility Medicaid paid days will be April 1, 2023 to September 30, 2023.

Incentive payments will be distributed as follows:

- Nursing facilities in tier 1 will receive 100% of their incentive payment.
- Nursing facilities in tier 2 will receive 85% of their incentive payment.
- Nursing facilities in tier 3 will receive 60% of their incentive payment.
- Nursing facilities in tier 4 are not eligible for an incentive payment.

Incentive payments will be made annually by June 30 following the end of the federal fiscal year. Incentive payments will not exceed the total funds.

Complete details including data sources and details on the four tiers are available on the North Dakota Department of Health and Human Services website at the following address: <https://www.hhs.nd.gov/healthcare/medicaid/provider/long-term-care/nfip>

This supplemental payment is for state governmental, nonstate governmental and private ownership categories. The supplemental payment established in accordance with this provision may not exceed the difference between the nursing facility Medicaid

TN No. 25-0002
Supersedes
TN No. 24-0002

Approval Date 04-08-2025

Effective Date: 01-01-2025

STATE: North Dakota

Attachment 4.19-D
Sub-section 1

expenditures and the Medicare upper payment limit, in the aggregate, for nursing facility services, as defined in 42 CFR 447.272.

TN No. 25-0002
Supersedes
TN No. 24-0002

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