

Table of Contents

State/Territory Name: North Dakota

State Plan Amendment (SPA) #: 26-0001

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 & HUMAN SERVICES

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



Financial Management Group

April 24, 2026

Krista Fremming, Interim Director
Medical Services Division
ND Department of Health and Human Services
600 East Boulevard Avenue Dept 325
Bismarck ND 58505-0250

RE: TN 26-0001

Dear Director Fremming

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed North Dakota state plan amendment (SPA) to Attachment 4.19-D ND-26-0001 which was submitted to CMS on January 30, 2026. This plan amendment proposes to amend the State Plan to update the resident classification requirements and to implement an inflationary increase for Nursing Facility Services.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 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, 2026. 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 Sudev Varma at via email at sudev.varma@cms.hhs.gov

Sincerely,



Rory Howe
Director
Financial Management Group

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

1. TRANSMITTAL NUMBER <u>2 6 — 0 0 0 1</u>	2. STATE <u>ND</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

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

4. PROPOSED EFFECTIVE DATE
January 1, 2026

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447, Subpart C, 42 CFR 447.252

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2026 \$ 7,648,500
b. FFY 2027 \$ 10,582,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 4.19-D, Subsection 1, page 46;
Attachment 4.19-D, Subsection 1, page 61;
Attachment 4.19-D, Subsection 1, page 61a;
Attachment 4.19-D, Subsection 1, page 62**

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

**Attachment 4.19-D, Subsection 1, page 46 (TN 25-0001);
Attachment 4.19-D, Subsection 1, page 61 (TN 21-0022);
Attachment 4.19-D, Subsection 1, page 61a (TN 12-006);
Attachment 4.19-D, Subsection 1, pages 62-66 (TN 12-006)**

9. SUBJECT OF AMENDMENT

Amends the State Plan to update the resident classification requirements and to implement an inflationary increase for Nursing Fac

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:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Krista Fremming, Interim Director Medical Services Division ND Department of Health and Human Services 600 East Boulevard Avenue Dept 325 Bismarck ND 58505-0250
12. TYPED NAME Krista Fremming	
13. TITLE Interim Medical Services Director	
14. DATE SUBMITTED January 30, 2026	

FOR CMS USE ONLY

16. DATE RECEIVED January 30, 2026	17. DATE APPROVED April 24, 2026
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2026	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director of the Financial Management Group

22. REMARKS

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

1. An adjustment factor shall 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, 2020 the adjustment factor is 2 percent.
3. For the rate year beginning January 1, 2021 the adjustment factor is 2.5 percent.
4. For the rate year beginning January 1, 2022, the adjustment factor is 4.5 percent.
5. For the rate year beginning January 1, 2023, the maximum adjustment factor is 3.75 percent.
6. For the rate year beginning January 1, 2024, the maximum adjustment factor is 3.2 percent.
7. For the rate year beginning January 1, 2025, the maximum adjustment factor is 3 percent.
8. For the rate year beginning January 1, 2026, the maximum adjustment factor is 3.2 percent.

Section 32 – Classifications

1. A facility shall complete a resident assessment for any resident occupying a licensed facility bed, except a respite care resident.
2. A resident must be classified based on the resident assessment. If a resident assessment is not performed in accordance with subsection 3, except for a respite care resident, the resident must be included in the default classification, until the next required resident assessment is performed in accordance with subsection 3. A resident, except for a respite care resident, who has not been classified, must be billed at the default classification established rate. The case-mix weight for establishing the rate for is .64. Days for a respite care resident who is not classified must be given a weight of one when determining standardized resident days. Therapeutic, hospital, or institutional leave days that are resident days must be given a weight of .64 when determining standardized resident days.
3. Resident assessments must be completed as follows:
 - a. The facility shall assess the resident within the first fourteen days after any admission or return from an acute hospital stay. The day of admission or return is counted as day one. The assessment reference date must be between day seven and day fourteen.
 - b. The facility shall assess the resident quarterly after any admission or return from an acute hospital stay. The quarterly assessment period ends on the day of the third subsequent month corresponding to the day of admission or return from an acute hospital stay, except if that month does not have a corresponding date, the quarterly assessment period ends on the first day of the next month. The assessment reference period begins seven days prior to the ending date of a quarterly assessment period. The assessment reference date (A2300) on the MDS must be within the assessment reference period.

4. The resident classification is based on resident characteristics and health status recorded on the resident assessment instrument, including clinical complexity, functional status, need for restorative services, cognitive impairment, and comorbidities. The classification is determined using a hierarchical method.
5. Effective January 1, 2026, the Speech Language Pathology (SLP) component, The Nursing component, and the Non-Therapy Ancillaries (NTA) component of the Patient Driven Payment Model are combined into one classification per resident assessment. The SLP case mix index is valued at twenty percent, the Nursing case mix index is valued at sixty percent, and the NTA case mix index is valued at twenty percent. The calculation results in one case mix index per classification.

State: North Dakota

Attachment 4.19-D
Sub-section 1

5. Vacated

TN No: 26-0001
Supersedes
TN No: 12-006

Approval Date April 24, 2026
62

Effective Date: 01-01-2026