

## **Table of Contents**

**State/Territory Name: NE**

**State Plan Amendment (SPA) #: 25-0016**

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



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**Financial Management Group**

December 17, 2025

Drew Gonshorowski, Director  
Division of Medicaid and Long Term Care  
Nebraska Department of Health and Human Services  
301 Centennial Mall South  
Lincoln, NE 68509

RE: TN 25-0016

Dear Mr. Gonshorowski:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Nebraska state plan amendment (SPA) to Attachment 4.19-D, which was submitted to CMS on September 29, 2025. This plan amendment proposes change to the intermediate care facility for individuals with developmental disabilities inflation factor for state fiscal year 2026.

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 July 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any questions, please contact Fredrick Sebree at [Fredrick.sebree@cms.hhs.gov](mailto:Fredrick.sebree@cms.hhs.gov).

Sincerely,



Rory Howe  
Director

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 6

2. STATE

N E

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL  
SECURITY ACT ☒ XIX ☐ XXITO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN  
SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION  
CFR 447 subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ -48,117

b. FFY 2026 \$ -187,182

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
Att. 4.19-D, Pg 678. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR  
ATTACHMENT (If Applicable)

Att. 4.19-D, Pg 67

9. SUBJECT OF AMENDMENT

State Fiscal Year 2026 Intermediate Care Facility for Individuals with Developmental Disabilities Inflation Factor

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:

Governor has waived review

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Drew Gonshorowski

13. TITLE

Director, Division of Medicaid &amp; Long-Term Care

14. DATE SUBMITTED

September 29, 2025

15. RETURN TO

Dawn Kastens

Division of Medicaid &amp; Long-Term Care

Nebraska Department of Health and Human Services

301 Centennial Mall South

Lincoln, NE 68509

**FOR CMS USE ONLY**

16. DATE RECEIVED

9/29/2025

17. DATE APPROVED

December 17, 2025

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

7/1/2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, FMG

22. REMARKS

ICF/IIDs with 4-15 beds:

The Non-Personnel Operating Cost Component of the Final Rate is the allowable non-personnel operating cost per day as computed for the ICF/IID provider's most recent cost report period.

ICF/IID Fixed Cost Component: This component includes the interest, depreciation, amortization, long-term rent/lease payments, personal property tax, real estate tax, gross revenue tax, and other fixed costs. The fixed cost component is the allowable fixed cost per day as computed for the facility's most recent cost report period.

ICF/IID Ancillary Cost Component: The ancillary cost component of the rate is the allowable ancillary cost per day as computed for the facility's most recent report period.

ICF/IID Inflation Factor: The Inflation Factor is determined from spending projections computed using:

1. Audited cost and census data following the initial desk audits;
2. Budget directives from the Nebraska Legislature; and
3. Effective for the rate period beginning July 1, 2015 and for subsequent rate periods, proceeds from the ICF/DD Reimbursement Protection Fund.

For the Rate Period of July 1, 2025, through June 30, 2026, the inflation factor is positive 24.85%.

ICF/IID Revenue Tax Cost Component:ICF/IIDs with 16 or more beds:

Under the ICF/DD Reimbursement Protection Act, the ICF/IID revenue tax per diem is computed as the prior report period net revenue times the applicable tax percentages(s) divided by the prior report period facility resident days. The Tax Cost Component shall be prorated when the revenue tax is based on less than a full fiscal year's data.

ICF/IIDs with 4-15 beds:

Under the ICF/DD Reimbursement Protection Act, the ICF/IID revenue tax per diem is computed as the prior report period net revenue times the applicable tax percentage(s) divided by the prior report period facility resident days. The Tax Cost Component shall be prorated when the revenue tax is based on less than a full year's data.

ICF/IID Exception Process: An individual facility may request, on an exception basis, the Director of the Division of Medicaid and Long-Term Care to consider specific facility circumstance(s), which warrant an exception to the facility's rate computed for its Fixed Cost Component. An exception may only be requested if the facility's total fixed costs (total costs, not per diem rate), as compared to the immediately prior report period, have increased by ten percent or more. In addition, the facility's request must include:

1. Specific identification of the increased cost(s) that have caused the facility's total fixed costs to increase by 10 percent or more, with justification for the reasonableness and necessity of the increase;
2. Whether the cost increase(s) are an ongoing or a one-time occurrence in the cost of operating the facility; and
3. If applicable, preventive management action that was implemented to control past and future cause(s) of identified cost increases(s).

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TN #. NE 25-0016

Supersedes

Approval Date December 17, 2025 Effective 7/1/2025

TN #. NE 24-0021