

## **Table of Contents**

**State/Territory Name: Nevada**

**State Plan Amendment (SPA) #: 23-0003**

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



---

**Financial Management Group**

June 22, 2023

Stacie Weeks, Administrator  
Department of Health and Human Services  
Division of Health Care Financing and Policy  
1100 East William Street, Suite 101  
Carson City, NV 89701

RE: Nevada State Plan Amendment (SPA) 23-0003

Dear Director Weeks:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number 23-0003. This amendment revises your Disproportionate Share Hospital payment methodology.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We have found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved them with an effective date of January 20, 2023. We are enclosing the CMS-179 and the amended approved plan pages.

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

Sincerely,



Rory Howe  
Director

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <u>2 3 0 0 0 3</u>	2. STATE <u>NV</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 <p style="text-align: center; color: blue;">January 20, 2023</p>	
5. FEDERAL STATUTE/REGULATION CITATION State plan under title XIX of the Social Security Act; CFR 447.271 447.272 Section 1923 of the Social Security Act	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY <u>2022</u> \$ <u>3,095,273</u> <u>-\$12,458,919</u> b FFY <u>2023</u> \$ <u>9,285,818</u> <u>-\$41,005,926</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Nevada State Plan, Attachment 4.19-A, Pages 21-23, Page 32a.i <p style="text-align: center; color: red;">22-23</p>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) State Plan Attachment 4.19-A, Pages 21-23 <u>22-23</u>  State Plan Attachment 4.19-A, Page 32a.i	

9. SUBJECT OF AMENDMENT

Changes affecting the calculation and distribution of Disproportionate Share Hospital (DSH) funds are necessary to prevent over-payments within the year.

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT                       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

11. SIGNATURE STATE OFFICIAL 	15. RETURN TO Sandie Ruybalid, Deputy Administrator DHCFP/Medicaid 1100 East William Street, Suite 101 Carson City, NV 89701
12. TYPED NAME RICHARD WHITLEY	
13. TITLE DIRECTOR, DHHS	
14. DATE SUBMITTED March 31, 2023	

**FOR CMS USE ONLY**

16. DATE RECEIVED March 31, 2023	17. DATE APPROVED June 22, 2023
-------------------------------------	------------------------------------

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL January 20, 2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, FMG

22. REMARKS

Pen and ink change approved by the State and processed by CMS on the following fields:

Budget Impact: The impact for FFY 2022 is -\$12,458,919 and FFY 2023 is -\$41,005,926  
 Page Number of the Plan Section: Pages 22-23 and Page 32a.i  
 Page Number of the Superseded Plan Section: Pages 22-23 and Page 32a.i

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

Attachment 4.19-A

Page 22

- ii. have at least two obstetricians with staff privileges at the hospital who have agreed to provide obstetric services to individuals entitled to such services under State Medicaid plan. In the case of a hospital located in a rural area (that is, an area outside of a Metropolitan Statistical Area, as defined by the Executive Office of Management and Budget) the term “obstetrician” includes any physician with staff privileges at the hospital to perform non-emergency obstetric procedures. This does not apply to a hospital in which:
    - (a) the inpatients are predominantly individuals under 18 years of age; or
    - (b) non-emergency obstetric services were not offered as of December 22, 1987.
  - iii. not be an institution for mental disease or other mental health facility subject to the limitation on DSH expenditures under Section 4721 of the Balanced Budget Act of 1997.
2. Subject to the provisions of subparagraph 1c above, a hospital will qualify for DSH payments if it is:
- a. a public hospital (i.e., hospital owned or operated by a Nevada hospital district, county or other unit of local government); or
  - b. in Nevada counties, which do not have a public hospital, the private hospital which provided the greatest number of Medicaid inpatient days in the previous year; or
  - c. a private hospital – located in a Nevada county which has a public hospital, if the public hospital has a MIUR greater than the average for all the hospitals receiving Medicaid payment in the State.
- B. Distribution Pools: For the DSH state plan rate years beginning July 1, 2022, and July 1, 2023, hospitals qualified under Paragraph “A” above will be grouped into distribution pools on the following basis:
- 1. Distribution pools are established as follows:
    - a. All public hospitals qualifying under Paragraph A above and in counties whose population is 700,000 or more, the total annual disproportionate share payments will be 32.46% of the total Amount for Distribution as specified in B.2 for the State Fiscal Year.
    - b. All private hospitals qualifying under paragraph A above and in counties whose population is 700,000 or more, the total annual disproportionate

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

Attachment 4.19-A  
Page 23

share payments will be 9.49% of the total Amount for Distribution as specified in B.2 for the State Fiscal Year.

- c. All private hospitals qualifying under Paragraph A above and in counties whose population is 100,000 or more but less than 700,000, the total annual disproportionate share payments will be 32.90% of the total Amount for Distribution as specified in B.2 for the State Fiscal Year.
  - d. All public hospitals qualifying under Paragraph A above and in counties whose population is less than 100,000, the total annual disproportionate share payments will be 5.90% of the total Amount for Distribution as specified in B.2 for the State Fiscal Year.
  - e. All private hospitals qualifying under Paragraph A above and in counties whose population is less than 100,000, the total annual disproportionate share payments will be 19.25% of the total Amount for Distribution as specified in B.2 for the State Fiscal Year.
  - f. Note: There is no public hospital in counties whose population is 100,000 or more but less than 700,000.
2. Amount for Distribution: For the DSH state plan rate year of July 1, 2022 to June 30, 2023, the total computable payment will be \$18,317,765.95. The total amount distributed to an individual hospital may not, under any circumstance, exceed the total uncompensated care costs (DSH limit) for that facility.
  3. Total annual uncompensated care costs equal the cost of providing services to Medicaid inpatients, Medicaid outpatients and uninsured patients, less the sum of:  
  
Regular Medicaid FFS rate payments (excluding DSH payments);  
Medicaid managed care organization payments;  
Supplemental/enhanced Medicaid payments;  
Uninsured revenues; and  
Federal Section 1011 payments for uncompensated services to eligible aliens with no source of coverage.
  4. An "uninsured patient" is defined as an individual without health insurance or other source of third-party coverage (except coverage from State or local programs

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

Attachment 4.19-A

Page 32a.i

- b) If the uncompensated care limit of DSH Distribution Pool D per the Medicaid State Plan Attachment 4.19-A, Page 23 for the same time period beginning July 1 as above is less than the maximum amount of DSH payment available to the Distribution Pool, the supplemental payment as calculated in this section above for the individual hospitals in the DSH Distribution Pool will be reduced by the amount necessary to allow the Distribution Pool to receive the maximum DSH payment allowable. In no event will the adjustment for each individual hospital reduce the supplemental payment as calculated in Section A to less than \$0.
2. For the purpose of the reduction discussed in Paragraph B.1.b above, the Supplemental Payment for NSGO Hospitals for all hospitals in each DSH Pool will be reduced by the lesser of:
    - a) The amount of the smallest calculated annual Supplemental Payment for NSGO Hospitals in Paragraph A, if there are sufficient DSH funds in the pool to distribute this DSH payment amount equally to all hospitals in the pool, or
    - b) The remaining amount of DSH funds available in the pool which will be distributed by dividing a hospital's maximum allowed DSH payment by the total maximum allowed DSH payments for the hospitals in the distribution calculation.

No hospital will receive a DSH payment greater than the hospital's uncompensated care limit. If a hospital in the pool is projected to have negative uncompensated care costs, as determined in Section VIII of this Attachment 4.19-A, prior to the adjustment calculation described in Paragraph B.2, the hospital will be excluded from the adjustment calculation; the Supplemental Payment for NSGO Hospitals for such hospital will be that as calculated in Paragraph A. If a hospital in the pool has its annual Supplemental Payment for NSGO Hospitals reduced to \$0, this hospital will be removed from further repetitions of Paragraph B.2.

The process in Paragraph B.2.a – b will be repeated until all DSH funds allocated to the DSH Distribution Pool have been distributed or the annual Supplemental Payment for NSGO Hospitals for all hospitals in the DSH Pool have been reduced to \$0.

C. Payment of the Supplemental Payment for NSGO Hospitals

On a quarterly basis, hospitals will receive a supplemental payment equal to 25% of the annually determined supplemental amount. A quarterly payment will be made in each calendar quarter during the state's fiscal year.