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State/Territory Name: Nevada

State Plan Amendment (SPA) #: NV 23-0017

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

December 20, 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) 23-0017

Dear Director Weeks:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 23-0017. This amendment proposes to implement a new inpatient fee-for-service upper payment limit supplemental payment to all qualifying private hospitals in the State of Nevada.

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 regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 23-0017 is approved effective July 1, 2023. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please contact Diana Dinh at Diana.Dinh@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

Rory Howe
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 3 — 0 0 1 7</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;">July 1, 2023</p>	
5. FEDERAL STATUTE/REGULATION CITATION Section 1902(a)(30)(A) of SSA, 42 CFR 447 Subpart C	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>11,667,689 17,708,456</u> b. FFY <u>2024</u> \$ <u>32,918,465 49,961,493</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19A, page 33b-33c	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) N/A	

9. SUBJECT OF AMENDMENT
New Inpatient FFS UPL supplemental payment for qualifying hospitals

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 OF STATE AGENCY 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 August 30, 2023	

FOR CMS USE ONLY

16. DATE RECEIVED August 31, 2023	17. DATE APPROVED December 20, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 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 made to Box 6 by CMS with state concurrence.

UPPER PAYMENT LIMIT SUPPLEMENTAL PAYMENTS FOR INPATIENT HOSPITAL SERVICES AT PRIVATE HOSPITALS

In order to preserve access to inpatient hospital services for needy individuals in the State of Nevada, effective July 1, 2023, the state's Medicaid reimbursement system shall provide for certain upper payment limit (UPL) supplemental payments to all qualifying private hospitals in the State of Nevada. These supplemental payments shall be determined on an annual basis and paid to qualifying private hospitals on a quarterly basis. These supplemental payments are for Medicaid fee-for-service inpatient hospital services. The supplemental payments shall not exceed, when aggregated with other payments made to private hospitals under all other provisions of the state plan, 100% of a reasonable estimate of the amount that would be paid for such services under Medicare payment principles (i.e. the UPL).

1. Eligibility

All private hospitals, excluding critical access hospitals, in the State of Nevada are eligible to receive an Inpatient Hospital UPL supplemental payment.

2. Methodology

For purposes of these supplemental payments, private hospitals are subdivided into the following classes of hospitals:

- a. Freestanding psychiatric hospitals
- b. Rehabilitation hospitals
- c. Long Term Acute Care hospitals (LTACs)
- d. Short Term Acute Care hospitals (STACs)
- e. Critical Access Hospitals (CAHs)

The annual payment amount for each hospital is calculated as follows:

- a. For freestanding psychiatric hospitals, rehabilitation hospitals, and LTACs each hospital will receive a payment equal to its non-negative proportional contribution to the aggregate difference between Medicaid payments paid under all other provisions of the state plan and the UPL for that class of hospitals. CAHs are excluded from the supplemental payment.
- b. For STACs, the payment to each hospital will be calculated as follows:
 1. First, the state will calculate the aggregate difference between Medicaid payments paid under all other provisions of the state plan and the UPL for all STACs.
 2. Second, each hospital will receive a share of the amount calculated in 2.b.1. above based on that hospital's proportion of the total fee-for-service paid Medicaid days provided by all STACs during the year used for the UPL demonstration.
 3. If an individual STAC maintains a psychiatric, rehabilitation, or LTAC subprovider, the non-negative amount associated with the subprovider will be added to the individual STAC's payment. Negative amounts associated with such subproviders will be disregarded.
- c. If the total calculated amount to be paid to all eligible hospitals exceeds the estimated aggregate UPL margin (after excluding CAHs' UPL margin contributions) the payment to each hospital will be reduced by a proportional amount.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

Attachment 4.19-A

Page 33c

The annual payment amount will be paid in four equal quarterly amounts at the end of each quarter. However, for fiscal year 2024, the payment amount and timing will vary depending on SPA approval.

TN No.: 23-0017

Approval Date: December 20, 2023

Effective Date: July 1, 2023

Supersedes

TN No.: NEW