

## **Table of Contents**

**State/Territory Name: Nevada**

**State Plan Amendment (SPA) #: 25-0011**

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



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**Financial Management Group**

March 3, 2026

Ann Jensen, Administrator  
Nevada Health Authority  
Nevada Medicaid  
4070 Silver Sage Drive  
Carson City, NV 89701

RE: TN 25-0011

Dear Administrator Jensen:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Nevada state plan amendment (SPA) to Attachment 4.19-A NV 25-0011, which was submitted to CMS on February 26, 2025. This plan amendment changes the reimbursement methodology for Freestanding Psychiatric Hospitals to a flat statewide per diem rate to be in parity with the Nevada General Acute Hospitals providing Psychiatric 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, 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 Diana Dinh at 670-290-8857 or via email at [diana.dinh@cms.hhs.gov](mailto:diana.dinh@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 5</u> — <u>0 0 1 1</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  
**January 1, 2025**

5. FEDERAL STATUTE/REGULATION CITATION  
*State Plan Under Title XIX of the Social Security Act*

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY ~~-2026~~ 2025 \$ ~~4,012,723~~ 1,842,108  
b. FFY ~~-2027~~ 2026 \$ ~~4,033,080~~ 4,012,723

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
*Attachment 4.19-A, Page 10; Attachment 4.19-A, Page 27*  
*Attachment 4.19-A, Page 27a*

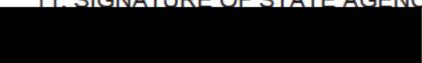
8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
*Attachment 4.19-A, Page 10; Attachment 4.19-A, Page 27*  
**NEW**

9. SUBJECT OF AMENDMENT  
**Changing reimbursement for Freestanding Psychiatric Hospitals to a flat statewide per diem rate to be in parity with the Nevada General Acute Hospitals providing Psychiatric Services.**

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  


12. TYPED NAME  
RICHARD WHITLEY

13. TITLE  
DIRECTOR, DHHS

14. DATE SUBMITTED  
February 26, 2025

15. RETURN TO  
Cynthia Leech, Compliance Agency Manager  
DHCFP/Medicaid  
4070 Silver Sage Drive  
Carson City, NV 89701

**FOR CMS USE ONLY**

16. DATE RECEIVED February 26, 2025	17. DATE APPROVED March 3, 2026
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**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, FMG

22. REMARKS  
**Pen and Ink change made to Box 6, 7, and 8 by CMS with state concurrence**

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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Attachment 4.19-A  
Page 10

IV. PSYCHIATRIC/SUBSTANCE ABUSE TREATMENT RATE DEVELOPMENT

Psychiatric/substance abuse treatment admissions can vary from short stays to several weeks. The length of stay does not significantly impact the cost per day. Therefore, a per diem rate is a more appropriate method to pay acute care hospitals providing this type of service.

1. Psychiatric/substance abuse treatment costs for each hospital are divided by the number of psychiatric/substance abuse treatment days to determine a cost per day. The Medicaid related costs of freestanding psychiatric hospitals are determined using the steps in Section II, Parts A and B, then dividing their Medicaid costs by their total Medicaid days to determine the cost per day. The calculated cost per day of each general acute care hospital and freestanding psychiatric hospital is arrayed from highest to lowest. The prospective per diem rate is then calculated at the 55<sup>th</sup> percentile and indexed in accordance with Section II, Part E of this plan.
  - a. These rates do not apply to facilities accredited as Residential Treatment Centers by the Joint Commission on Accreditation of Health Organizations (JCAHO).

For services performed on or after July 1, 2014, the psychiatric/substance abuse per diem rate will be determined as follows:

2. General acute hospitals providing inpatient psychiatric services will be reimbursed with a per diem.
  - a. Billed charges for inpatient psychiatric claims paid in SFY ending June 30, 2013 were used from the Nevada Medicaid claims data.
  - b. The aggregate average billed charges per day was calculated for all Nevada Medicaid enrolled general acute hospitals using this data.
  - c. The per diem rate will be 37% of the aggregate average billed charges per day for Nevada Medicaid enrolled inpatient general acute hospital psychiatric services.
3. Freestanding psychiatric hospitals are the amount specified in the Nevada Medicaid Fee Schedule. The agency's fee schedule rate was set as of January 1, 2025, and is effective for services provided on or after that date. All rates are published at [http://dhcfp.nv.gov/Resources/Rates/Fee\\_Schedules/](http://dhcfp.nv.gov/Resources/Rates/Fee_Schedules/). Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nevada

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- D. All private, in and out-of-state freestanding psychiatric/substance abuse hospitals are reimbursed the amount specified in the Nevada Medicaid Fee Schedule. The agency's fee schedule rate was set as of January 1, 2025, and is effective for services provided on or after that date. All rates are published <http://dhcfp.nv.gov/Resources/Rates/FeeSchedules/>. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers.
- E. For Medicare crossover claims, the payment will be the lower of the Medicare deductible amount or the difference between the Medicare payment and the Nevada Medicaid prospective payment for that service.
- F. For services that cannot be provided by a provider that accepts payments under (A) through (E), the State will maintain a list of other qualified out-of-state providers and will negotiate competitive rates that will not exceed the provider's customary charge.