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State/Territory Name: Utah

State Plan Amendment (SPA) #: UT 26-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 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

Julie Ewing
State Medicaid Director
Utah Department of Health
P.O. Box 143101
Salt Lake City, UT 84114-3101

RE: TN 26-0002

Dear Director Ewing:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Utah state plan amendment (SPA) to Attachment 4.19-D UT 26-0002, which was submitted to CMS on February 3, 2026. This amendment includes a provision to annually update the base value of licensed beds in nursing facilities by applying an inflation adjustment factor to the prior year's value. This amendment also specifies the maximum allowable age of a nursing facility.

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, 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 Tom Caughey at 517-487-8598 or via email at tom.caughey@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

2 6 — 0 0 0 2

2. STATE

UT

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

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

4. PROPOSED EFFECTIVE DATE

July 1, 2026

5. FEDERAL STATUTE/REGULATION CITATION
Section 1902(a)(30)(A) of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$ 0
b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Page 15 of Attachment 4.19-B

Page 15 of Attachment 4.19-D

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Page 15 of Attachment 4.19-B

Page 15 of Attachment 4.19-D

9. SUBJECT OF AMENDMENT

Nursing Facility Fair Rental Value - This amendment includes a provision to annually update the base value of licensed beds in nursing facilities by applying an inflation adjustment factor to the prior year's value. This amendment also specifies the maximum allowable age of a nursing facility.

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
Tracy S. Gruber

13. TITLE
Executive Director, Utah Dept of Health & Human Services

14. DATE SUBMITTED
February 3, 2026

15. RETURN TO

Craig Devashrayee
Utah Department of Health & Human Services
Division of Integrated Healthcare
cdevashrayee@utah.gov

FOR CMS USE ONLY

16. DATE RECEIVED
February 3, 2026

17. DATE APPROVED
April 24, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS

State requested pen and ink change 2/24/2026 in boxes 7 and 8.

600 PROPERTY (Continued)

- (I) The project must have been completed during a 24-month period and reported on the FRV Data Report for the reporting period used for the July 1 rate year and be related to the reasonable functioning of the nursing facility. Renovations unrelated to either the direct or indirect functioning of the nursing facility shall not be used to adjust the facility's age.
- (II) The equivalent number of new beds is determined by dividing the cost of the project by the accumulated depreciation per bed of the facility's existing beds immediately before the project.
- (III) The equivalent number of new beds is then subtracted from the total actual beds. The result is multiplied by the difference in the year of the completion of the project and the age of the facility, which age is based on the initial construction year or the last reconstruction or renovation project. The product is then divided by the actual number of beds to arrive at the number of years to reduce the age of the facility.

(b) A nursing facility's fair rental value per diem is calculated as follows:

- (i) On July 1, 2026, the buildings and fixtures value per licensed bed is \$85,660.06. The base value per licensed bed shall be updated annually by applying an inflation adjustment factor of 1.84 percent to the prior year's value. To this base value per licensed bed is added 10% for land and 10% for movable equipment. Each nursing facility's total licensed beds are multiplied by this amount to arrive at the "total bed value." The total bed value is trended forward by multiplying it by the capital index and adding it to the total bed value to arrive at the "newly calculated total bed value." The newly calculated total bed value is depreciated, except for the portion related to land, at 1.50 percent per year according to the weighted age of the facility. The maximum age of a nursing facility shall be 66 years. There shall be no recapture of depreciation. Beginning July 1, 2008, the 2007 base value per licensed bed is used for all facilities, except facilities having completed a qualifying addition, replacement or major renovation. These qualifying facilities have that year's base value per licensed bed used in its FRV calculation until an additional qualifying addition, replacement or major renovation project is completed and reported, at which time the base value is updated again. FRV bed values are available in the "sample calculator" on <https://medicaid.utah.gov/stplan/longtermcarefar/>.

T.N. # 26-0002

Approval Date April 24, 2026

Supersedes T.N. # 23-0006

Effective Date 7-1-26