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State/Territory Name: Nevada

State Plan Amendment (SPA) #: NV-22-0021

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

September 27, 2022

Richard Whitley, Director
Chief Deputy Director, Health Care Programs
Nevada Department of Health and Human Services
4126 Technology Way, Suite 100
Carson City, NV 89706

RE: Nevada State Plan Amendment 22-0021

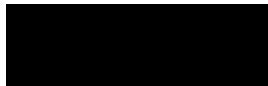
Dear Mr. Whitley:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 22-0021. Effective August 31, 2022, this state plan amendment adjusts interim rate setting for critical access hospitals.

We conducted our review of your submittal according to the statutory requirements at sections 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. This is to inform you that Medicaid State plan amendment TN 22-0021 is approved effective August 31, 2022. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please contact Mark Wong at (415) 744-3561 or mark.wong@cms.hhs.gov.

Sincerely,



Rory Howe
Director

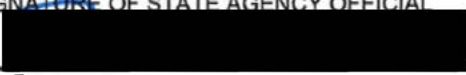
Enclosures

<p>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES</p>	<p>1. TRANSMITTAL NUMBER <u>2 2 - 0 0 2 1</u></p> <p>2. STATE <u>NV</u></p>
<p>TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES</p>	<p>3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI</p>
<p>5. FEDERAL STATUTE/REGULATION CITATION <u>State Plan Under Title XIX of the Social Security Act</u></p>	<p>4. PROPOSED EFFECTIVE DATE <u>August 31, 2022</u></p>
<p>7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-A pages 15-15a</u></p>	<p>6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>0</u> b. FFY <u>2023</u> \$ <u>0</u></p>
<p>9. SUBJECT OF AMENDMENT <u>Adding methodology for reimbursement of Maternity Services delivered in Critical Access Hospitals</u></p>	<p>8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-A pages 15-15a</u></p>

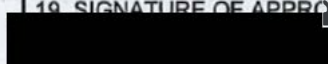
10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 OTHER, AS SPECIFIED:

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

<p>11. SIGNATURE OF STATE AGENCY OFFICIAL </p>	<p>15. RETURN TO Sandie Ruybalid, Deputy Administrator DHCFP/Medicaid 1100 East William Street, Suite 101 Carson City, NV 89701</p>
<p>12. TYPED NAME RICHARD WHITLEY</p>	<p>13. TITLE DIRECTOR, DHHS</p>
<p>14. DATE SUBMITTED August 31, 2022</p>	

FOR CMS USE ONLY	
<p>16. DATE RECEIVED August 31, 2022</p>	<p>17. DATE APPROVED September 27, 2022</p>

PLAN APPROVED - ONE COPY ATTACHED	
<p>18. EFFECTIVE DATE OF APPROVED MATERIAL August 31, 2022</p>	<p>19. SIGNATURE OF APPROVING OFFICIAL </p>
<p>20. TYPED NAME OF APPROVING OFFICIAL Rory Howe</p>	<p>21. TITLE OF APPROVING OFFICIAL Director, Financial Management Group</p>

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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VII. HOSPITALS UNDER MEDICAID RETROSPECTIVE COST REIMBURSEMENT (CRITICAL ACCESS HOSPITALS)

A few Nevada hospitals have been designated by Medicare as Critical Access Hospitals.

To the extent these hospitals participate in Medicaid, they are reimbursed under Medicare's retrospective cost reimbursement, as follows:

- A. Inpatient hospital services which have been certified for payment at the acute level by the QIO-like vendor, as specified in the contract between the QIO-like vendor and Nevada Medicaid, upon final settlement are reimbursed allowable costs under hospital-specific retrospective Medicare principles of reimbursement in accordance with 42 CFR 413 and further described in CMS Publications 15-I and 15-II.
1. Critical Access Hospitals (CAH) will use the CMS-2552-10 cost report form and apply Medicare cost principles and cost apportionment methodology.
 2. Critical Access Hospitals will file this cost report with the state annually within five months of their respective fiscal year end.
 3. In general, underpayments will be paid to the provider in a lump sum upon discovery and overpayments will either be recouped promptly or a negative balance set up for the provider. However, other solutions acceptable to both parties may be substituted.
 4. The federal share of any overpayment is refunded to the federal government in accordance with 42 CFR 433 Subpart F.
- B. On an interim basis, each hospital is paid for certified acute care at the Provider specific interim Medicaid inpatient per diem rate as follows:
1. Effective July 1, 2009, the base interim rate for Critical Access Hospitals (CAH) will be the FY2007 Total Medicare inpatient per diem rate. This interim rate is defined as total Medicare in-patient cost divided by total Medicare in-patient days, and applies to the revenue codes billed by general acute hospitals that fall under the Medical/Surgery level of service category for inpatient services.
 2. The CAH Medical/Surgical/Intensive Care Unit (ICU) interim rate for each CAH will be updated within 90 days of receipt of the most recently audited cost report from the contracted vendor. The interim rate is not to increase more than 50% or decrease more than 25% from the facilities' prior year interim rate.

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3. The updated CAH Medical/Surgical/ICU interim rate will be calculated by dividing the total Title XIX program inpatient costs by the total program inpatient days as reported in the latest available audited Medicare/Medicaid cost report.
4. If Title XIX data reported in the latest available audited Medicare/Medicaid cost report is not sufficient to calculate the adjusted CAH Medical/Surgical/ICU interim rate, the CAH Medical/Surgical/ICU interim rate will default to the Medical/Surgical/ICU rate paid to general acute care hospitals for the same service. This applies only to Critical Access Hospitals that have an existing CAH Medical/Surgical/ICU interim rate for the prior year.
5. Maternity newborn, Psychiatric/Substance Abuse and administrative days will be reimbursed at the rate paid to general acute care hospitals for the same in-patient services.
 - a. Critical Access Hospitals with Obstetric/Maternity units may also request a provider-specific interim rate for Maternity services. Interim rates for Maternity services will be calculated by multiplying the hospital-specific Medical/Surgical/ICU rate by 77.8%.
 - b. Obstetric/Maternity days for Critical Access Hospitals who do not request a provider-specific interim rate will be reimbursed at the rate paid to general acute care hospitals for the same inpatient services.
6. Critical Access Hospitals that do not have a CAH Medical/Surgical/ICU interim rate for the prior year based on the methodology in Paragraph VII.B.3, will be assigned either the prior years' Total Medicare inpatient per diem rate if available or the rate paid to general acute care hospitals for the same Medical/Surgical/ICU level of services until such time as the CAH Medical/Surgical/ICU interim rate can be updated according to the methodology detailed in Paragraphs VII.B.2 and VII.B.3.

Facilities accredited as Residential Treatment Centers by the Joint Commission on Accreditation of Health Organization (JCAHO) are not considered specialty or general acute hospitals. Residential Treatment Centers are paid in accordance with Paragraph VI above.