

## **Table of Contents**

**State/Territory Name: Nevada**

**State Plan Amendment (SPA) #: 20-0014**

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



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**Financial Management Group**

December 19, 2020

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 20-0014

Dear Mr. Whitley:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid state plan submitted under transmittal number (TN) 20-0014. Effective September 1, 2020, this state plan amendment changes reimbursement for certain intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs) to a cost reimbursement methodology.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30), and 1903(a) 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 20-0014 is approved effective September 1, 2020. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Mark Wong at (415) 744-3561.

Sincerely,

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

For

Rory Howe  
Acting Director

Enclosures

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

1. TRANSMITTAL NUMBER  
2 0 - 0 0 14

2. STATE  
NEVADA

3. PROGRAM IDENTIFICATION:  
TITLE XIX OF THE SSA (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
September 1, 2020

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

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

7. FEDERAL BUDGET IMPACT  
a. FFY ~~2021-2020~~ \$ ~~(315,434)~~ \$(26,144)  
b. FFY ~~2022-2021~~ \$ ~~(323,154)~~ \$(315,434)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
Nevada Medicaid State Plan Attachment 4.19-D, Pages  
~~11-13~~ 11, 12, 12a

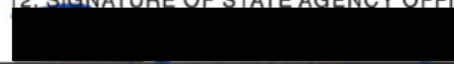
9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)  
Nevada Medicaid State Plan Attachment 4.19-D,  
Pages ~~11-13~~ 11,12

10. SUBJECT OF AMENDMENT

Restructure rates for Small/Private ICF/IID.

11. 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

12. SIGNATURE OF STATE AGENCY OFFICIAL  


16. RETURN TO  
Cody Phinney, Deputy Administrator  
DHC FP/Medicaid  
1100 East William Street, Suite 101  
Carson City, NV 89701

13. TYPED NAME  
RICHARD WHITLEY

14. TITLE  
DIRECTOR, DHHS

15. DATE SUBMITTED  
September 30, 2020


**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED  
September 30, 2020

18. DATE APPROVED  
December 17, 2020

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL  
September 1, 2020

20. SIGNATURE OF REGIONAL OFFICIAL  
 For

21. TYPED NAME  
Rory Howe

22. TITLE  
Acting Director, Financial Management Group

23. REMARKS

Pen-and-ink changes made to Boxes 7, 8, and 9 by CMS with state concurrence on 12/4/2020.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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H. Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID):

1. ICFs/IID (state-operated):

- a. ICFs/IID, excluding non-state-operated ICFs/IID, are reimbursed under Medicare principles of retrospective reimbursement described in 42 CFR 413 and further specified in CMS Provider Reimbursement Manual, Part 1, 15-1, and 15-2.
- b. In no case may payment exceed audited allowable costs.
- c. For the current state fiscal year, interim rates will be based upon the most recent audited cost reports. The interim rate for the initial year of operation will be based upon cost and utilization projections.
- d. Each facility is paid an interim rate subject to settlement in accordance with subsections “a.” through “c.” above.
- e. Audit and settlement procedures as described in subsections “a” through “d” will be completed no later than 24 months after cost report submission.

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2. ICFs/IID (non-state-operated):
  - a. Non-state-operated ICFs/IID-Small (“small” is defined as facilities having six beds or less) will be reimbursed under Medicare principles of retrospective reimbursement as described in paragraph 1 above, effective September 1, 2020
    1. In no case may payment exceed audited allowable costs.
    2. Cost reports must be submitted to the DHCFP by the last day of the third month following a facility’s fiscal year end. If the facility is unable to complete their cost report within this time frame, a request for a 30-day extension can be requested from the DHCFP prior to the original cost report due date. Cost reports submitted by providers are audited by the Division of Health Care Financing and Policy’s contracted auditing firm. Any costs that do not meet standards of reasonableness per industry standards will be excluded from the reimbursement calculation described below. Standards of reasonableness are defined by 42 CFR 413 and are further specified in CMS Provider Reimbursement Manual, Part 1, 15-1 and 15-2.
    3. For the current state fiscal year, interim rates will be determined using the most recent audited cost reports. The interim rate for the initial year of operation will be based on cost and utilization projections.
    4. Interim rates for each ICF/IID Facility will be calculated by dividing the total allowable program costs by the total program days as reported in the most recently available audited cost report. The annual rate is not to exceed 150% or decrease more than 25% from the facilities' prior year interim rate. Providers may request mid-year adjustments for costs not accounted for in the base period used to set the rate for the current fiscal year. Interim adjustments will only be made if the change to the rate results in an increase or decrease greater than 10% of the rate for the current fiscal year.
    5. In general, underpayments will be paid to the provider in a lump sum upon discovery. Overpayments will either be recouped promptly or a negative balance will be set up for the provider. However, other solutions acceptable to both parties may be substituted. Cost reports must be submitted per the timelines described in subsection “3” above. Settlements will only be issued upon completion of the cost report audit. There will be no settlement for an “as filed” cost report. Cost report audits and settlements will be completed no later than 24 months after cost report submission.
    6. The federal share of any overpayment is refunded to the federal government in accordance with 42 CFR 433 Subpart F.
    7. Day training costs must be approved by the Nevada Aging and Disability Services Division (ADSD). These approvals must be obtained annually on all patients and anytime there is an increase in service cost.

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- b. Non-state-operated ICFs/IID-Large (“large” is defined as facilities having more than six beds) will be paid an all-inclusive prospective per diem rate equal to the interim rate in effect at December 31, 2003.
  1. The aforementioned all-inclusive rates will be effective for services rendered after December 31, 2003, until the rates are rebased as directed by the Department of Health and Human Services.