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**State/Territory Name:** North Dakota

**State Plan Amendment (SPA) #:** ND-09-018

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



**Center for Medicaid and State Operations, CMSO**

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Ms. Maggie D. Anderson, Director  
Division of Medical Services  
Department of Human Services  
600 East Boulevard Avenue  
Department 325  
Bismarck, ND 58505-0250

DEC - 7 2009

Re: North Dakota 09-018

Dear Ms. Anderson:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 09-018. Effective for services on or after July 1, 2009, this amendment modifies the reimbursement methodology to North Dakota's nursing facility reimbursement section. Specifically, this amendment increases the per bed limitation applicable to the depreciable cost basis of assets.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 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. We are pleased to inform you that Medicaid State plan amendment TN 09-018 is approved effective July 1, 2009. The HCFA-179 and the amended plan page are attached.

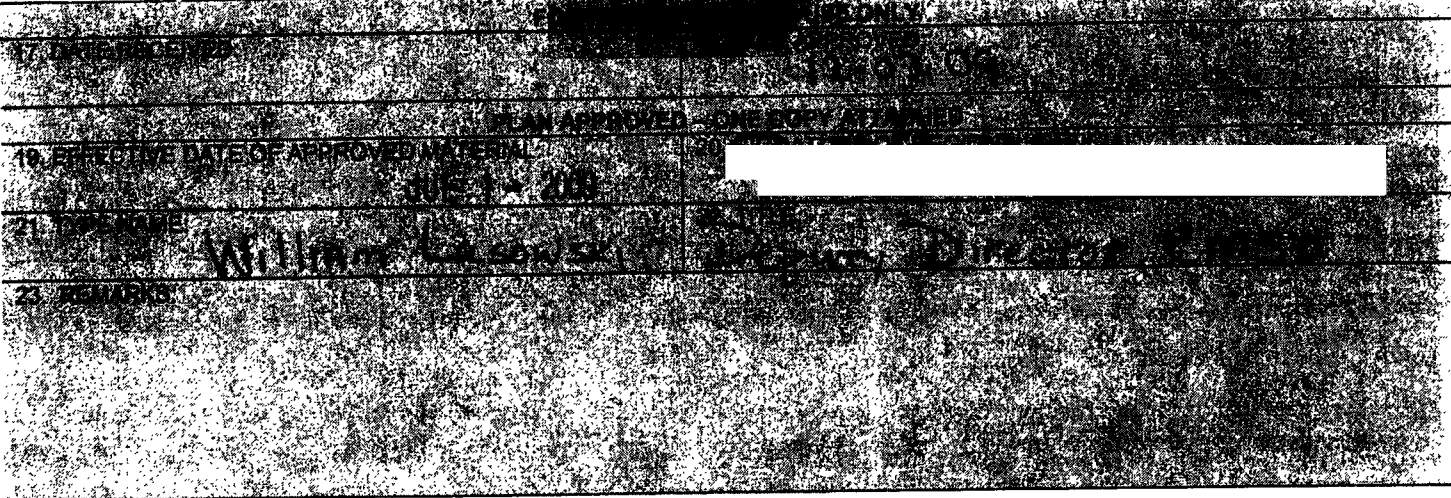
If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

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↳ Cindy Mann  
Director  
Center for Medicaid and State Operations

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>09-018</b>	2. STATE <b>North Dakota</b>
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>July 1, 2009</b>	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR 447.200</b>		7. FEDERAL BUDGET IMPACT: a. FFY <u>2010</u> \$ <u>751,389</u> b. FFY <u>2011</u> \$ <u>1,880,482</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-D, Sub-section 1, Page 37</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Attachment 4.19-D, Sub-section 1, Page 37</b>	
10. SUBJECT OF AMENDMENT: <b>Amendment is made for the purposes of increasing the bed limitation applicable to the depreciable cost basis of assets.</b>			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <u>Maggie D. Anderson, Director,</u> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <u>Medical Services Division</u>			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: <u>Maggie D. Anderson</u>		<b>Maggie D. Anderson, Director</b> <b>Division of Medical Services</b> <b>ND Department of Human Services</b> <b>600 East Boulevard Avenue Dept 325</b> <b>Bismarck ND 58505-0250</b>	
14. TITLE: <b>Director, Division of Medical Services</b>			
15. DATE SUBMITTED: <b>September 29, 2009</b>			



7. An adjustment may not be allowed for any depreciable cost that exceeded the basis in effect for rate periods prior to January 1, 1996.
8. A per bed cost limitation based on single and double occupancy must be used to determine the total allowable cost basis of buildings and fixed equipment for a facility with construction, renovation or remodeling.
  - a. The per bed limitation basis for double occupancy at July 1, 2009 is \$112,732.
  - b. The per bed limitation basis for single occupancy must be calculated using the limitation determined in subdivision a, multiplied by 1.34.
  - c. The double and single occupancy per bed limitation must be adjusted annually on July 1 using the consumer price index for all urban consumers, United States city average, all items, for the twelve month period ending the preceding May 31.
  - d. The per bed limitation in effect at the time a construction, renovation, or remodeling project is put in service must be multiplied times the number of beds in double and single occupancy rooms to establish the maximum allowable cost basis of buildings and fixed equipment.
  - e. The cost basis of a facility's buildings and fixed equipment must be limited to the lower of the recorded cost of total facility buildings and fixed equipment or the per bed limitation.
  - f. The per bed limitation is not applicable to projects started or approved by the state health council before July 1, 1994.