

- A. In addition to other payments made to nursing facilities under the Nursing Home Payment System, for services in SFY2000, nursing facilities shall be eligible for an additional payment. This payment shall be to compensate nursing facilities for increased costs of certified nurse aides (CNAs) and for other increases in direct patient care operating costs. Interim and final payments to facilities shall be calculated as provided in this section.
- B. General provisions. A total of \$21,716,649 shall be available for direct patient care operating cost increases, with \$14 million of this total specifically designated for increased CNA salary costs.
1. Facility increases in direct salary and salary-related costs shall be measured from the base period of July 1, 1998, through December 31, 1998, to the payment period of July 1, 1999, through June 30, 2000. Costs from the base period shall be annualized to represent one year's costs.
 2. Subject to the statewide maximum amount of \$14 million and any excess amount as identified in item 4 below, the Medicaid percent share of the cost of CNA salary increases in excess of the nursing facility inflation factor shall be paid.

3. The Medicaid percent share of the cost of other direct salary and salary-related increases in excess of the nursing facility inflation factor shall be paid, subject to the statewide maximum of \$7,716,649.

4. If Medicaid's share of the measured cost of other direct salary and salary-related increases is less than \$7,716,649, the difference may be used for any CNA amounts in excess of the \$14 million amount. However, if the \$14 million is not fully utilized for CNA salary increases, it may not be reallocated to other direct salary and salary-related increases beyond the \$7,716,649.

5. If Medicaid's share of either the CNA amount or the amount for other direct salary and salary-related increases exceeds the total maximum amount, facility specific amounts shall be reduced. To determine the reductions, facility specific amounts will be converted to per diem amounts using total Medicaid days from the most recent settled cost report. Then a ceiling per diem shall be determined which results in spending of no more than the maximum amount. Facilities with per diem amounts, for the costs described in this section, that are above this ceiling shall receive a total payment equal to the ceiling times the days from their most recent settled cost report. Facilities with per diem amounts below the ceiling shall be unaffected by this limitation.

DEPT. OF MEDICAL ASSISTANCE SERVICES

Nursing Home Payment System

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Payment for increased certified nurse aide and other direct costs

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C. Interim Payments. Nursing facilities shall report base period and SFY2000 forecasted costs and other information on forms supplied and within timeframes determined by the Department. Using this information the Department shall determine interim payable amounts as provided in this section. It shall then calculate interim per diem amounts to be added to the per diem rates otherwise payable during SFY2000. Facilities not filing the required information timely shall be at risk of forgoing interim payment if the entire available amount is already allocated to those filing timely.

D. Final Payments. Nursing facilities shall report base period and SFY2000 actual costs and other information on forms supplied and within timeframes determined by the Department. Using this information the Department shall determine payable amounts as provided in this section. Facilities not filing the required information timely shall be at risk of losing funding if the entire available amount is already allocated to those filing timely. The Department shall announce final payment amounts through a Medicaid Memo. After release of this memo, no final payment amounts may be revised except as a result of field audit findings.