



SPECIALIZED CARE RATE UPDATES EFFECTIVE JULY 1, 2023

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Agenda

- ❑ Introductions
- ❑ Regulations
- ❑ Data Sources
- ❑ Assumptions
- ❑ Rate Calculation Process
- ❑ Summary

Specialized Care Reimbursement Regulations

12VAC30-90-264 *Specialized Care Facilities*

- Prospective facility individual per diem is calculated using provider cost report data, inflation, and CMS Wage Index data.
- Five cost report data categories:
 1. Direct,
 2. Indirect,
 3. Ancillary,
 4. Capital, and
 5. Efficiency incentive

Data Sources: cost reports

- Specialized Care Cost Reports
- Includes both FFS and Managed Care data

FACILITY NAME	PERIOD TO
SABER WATERSIDE(SENTARA - NORFOLK)	12/31/2021
BLAND COUNTY N&R CTR (GEORGE KEGLEY)	12/31/2021
MARQUIS - WOODBINE(WOODBINE CONVALESCENT)	6/30/2021
ACCORDIUS ROANOKE	3/31/2021
SABER - RIDGECREST MANOR NH	12/31/2021
BRIAN CENTER - FINCASTLE	12/31/2021
SABER - DANVILLE (STRATFORD HEALTHCARE)	12/31/2021
SABER PORTSIDE H & R (SENTARA PORTSMOUTH)	12/31/2021
CHILDREN'S HOSPITAL (PEDS)	6/30/2021
DUN LORING (LIFF NRSG & REHAB) (PEDS)	3/31/2021

Data Sources: wages

- Federal Fiscal Year 2022 CMS Wage Index
- Wage Index Data is used to wage adjust the labor portion of the operating rate.



Downloads

[CMS-1779-P Wage Index Tables for FY 2024-Proposed \(ZIP\)](#)

[CMS-1765-F Wage Index Tables for FY 2023-Final \(ZIP\)](#)

[CMS-1765-P Wage Index Tables for FY 2023-Proposed \(ZIP\)](#)

[CMS-1746-F Wage Index Tables for FY 2022-Final \(revised 4/7/2022\) \(ZIP\)](#)

Data Sources: inflation

- Nursing Facility Inflation Percent

Year	Virginia	National
2017	3.1	2.7
2018	3.1	2.6
2019	4.4	2.2
2020	4.8	2.3
2021	11.0	4.3
2022	9.7	6.6
2023	4.0	4.5
2024	3.1	2.8
2025	3.1	2.7

Assumptions

- No action taken on budget amendment Item 304 #19s to simply inflate specialized care rate*
- All allowable costs are included in the final cost report data
- Providers that did not submit cost data will maintain SFY23 rate

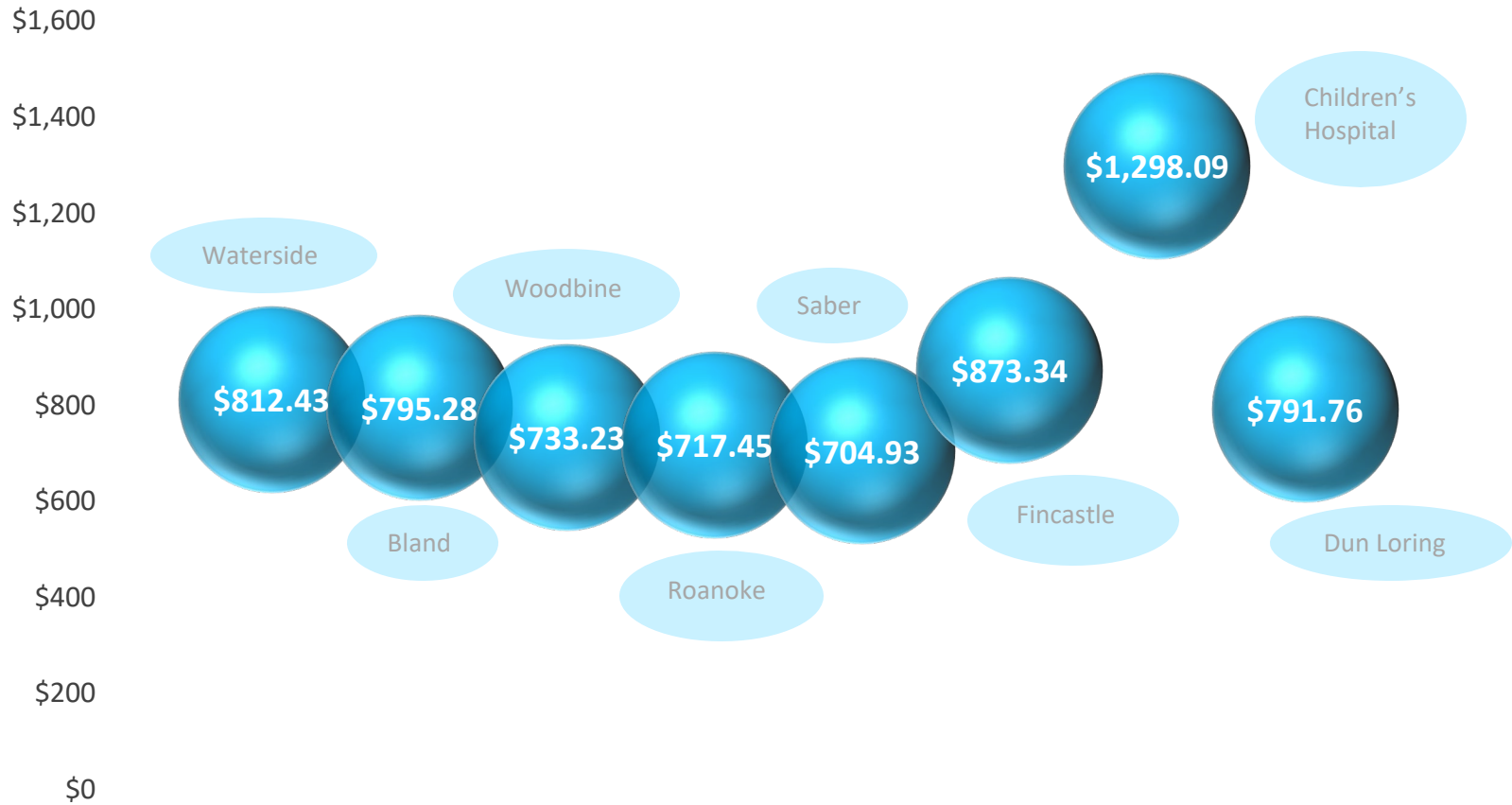
* Subject to change according to final action on GA23 budget amendments

Rate Calculation Process

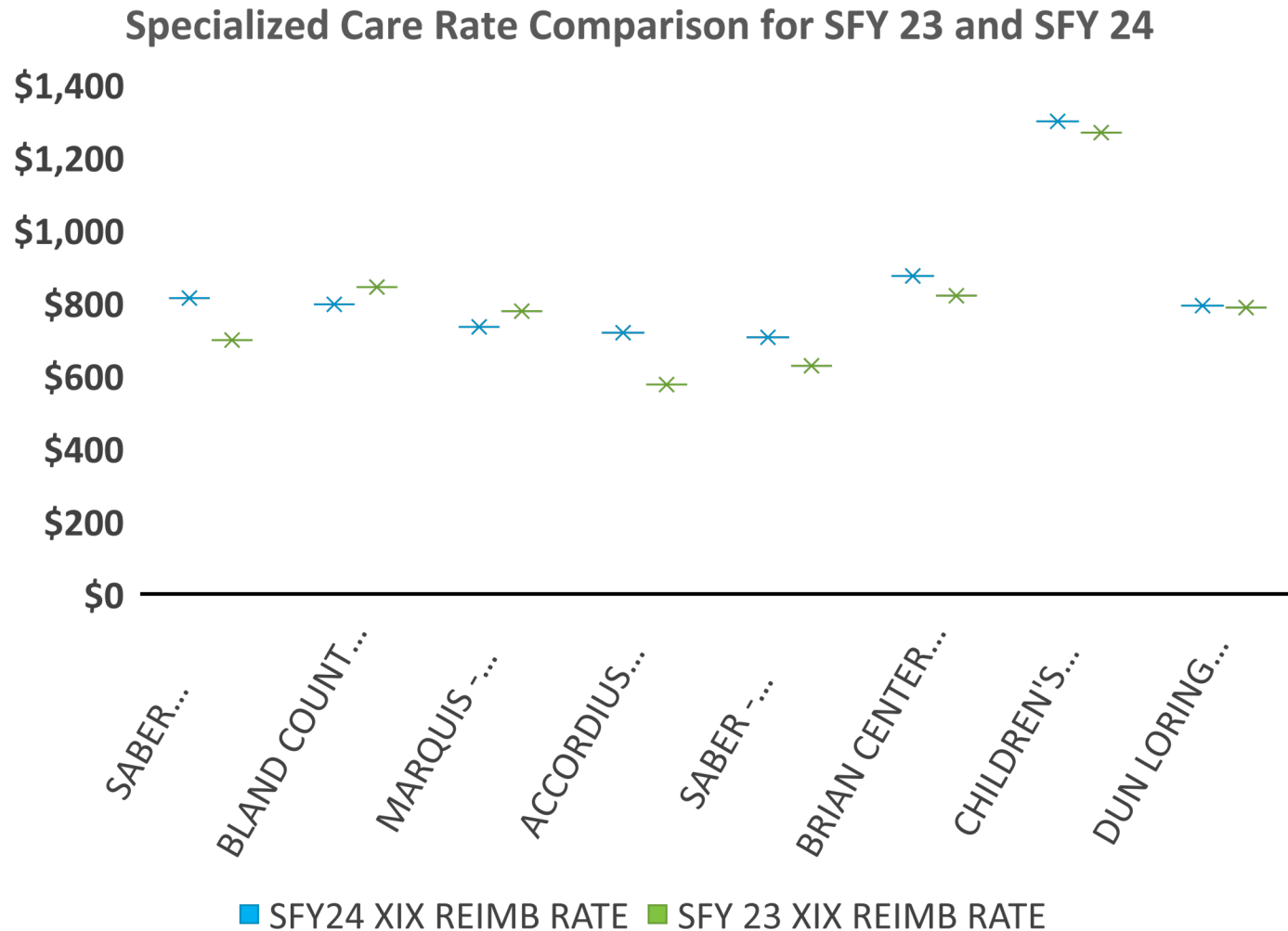
1. Cost data inflated using Virginia Nursing Facility Inflation,
2. The lesser of the ceiling or the facility's calculated rate for each cost category are summed,
3. Labor portion of the facility's operating rate is wage adjusted,
4. The lesser of the calculated rate and facility charges are used to determine the final rate, and
5. Two facilities had no cost data and were not rebased.

Specialized Care Reimbursement Rates

REBASED SFY24 Specialized Care rates



Specialized Care Reimbursement Rates



Final Reimbursement Rates

Facility	FY24 Per Diem
Saber Waterside (Sentara Norfolk)	\$812.43
Bland County N&R (George Kegley)	\$795.28
Marquis-Woodbine	\$733.23
Accordius Roanoke	\$717.45
Saber-Ridgecrest Manor NH	\$704.93
Brian Center-Fincastle	\$873.34
Children's Hospital (PEDS)	\$1,298.09
Dun Loring	\$791.76

Summary of Specialized Care Reimbursement

- Prospective rates rebased annually
- FFS and Managed Care data utilized from provider fiscal years ending in 2021
- Facility rates wage adjusted using CMS Federal Fiscal Year 2022 data
- Please send questions to Sara Benoit at Sara.Benoit@dmas.virginia.gov by June 30, 2023.