Table of Contents

State/Territory Name: Idaho

State Plan Amendment (SPA) #: 23-0020

This file contains the following documents in the order listed:

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

March 27, 2024

Juliet Charron, Administrator
Idaho Department of Health and Welfare
Division of Medicaid
P.O. Box 83720
Boise, ID 83720-0009

Re: Idaho 23-0020

Dear Juliet Charron:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 23-0020. Effective for services on or October 1, 2023, this amendment updates the supplemental payment methodology for private, state, and county-owned Nursing Facilities (NFs).

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 23-0020 is approved effective October 1, 2023. The CMS-179 and the amended plan pages are attached.

If you have any questions, please contact Christine Storey at Christine.storey@cms.hhs.gov.

Sincerely,

[redacted]

Rory Howe
Director

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER
2 3 — 0 0 2 0

2. STATE
I D

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT
(●) XIX ( ) XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
10-01-2023

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447.52

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2024 $ 10,200,000
b. FFY 2025 $ 20,300,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-D pages 26-27

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-D pages 26-27

9. SUBJECT OF AMENDMENT
Amendment to the State Plan to update the Private, State, and County-Owned Nursing Facility Supplemental Payment section to reflect changes requested by CMS before implementing the Department's new Patient Driven Payment Methodology Upper Payment Limit (PDPM UPL) methodology.

10. GOVERNOR'S REVIEW *(Check One)*
(●) GOVERNOR'S OFFICE REPORTED NO COMMENT
( ) COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
( ) NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
( ) OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL
[redacted]

12. TYPED NAME
JULIET CHARRON

13. TITLE
Administrator

14. DATE SUBMITTED
10/25/2023

15. RETURN TO
JULIET CHARRON, Administrator
Idaho Department of Health and Welfare
Division of Medicaid
PO Box 83720
Boise, ID 83720-0009

FOR CMS USE ONLY

16. DATE RECEIVED
10/25/2023

17. DATE APPROVED
March 27, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
10/01/2023

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS: State authorized pen and ink change to Block 6 to incorporate the correct FFP amount.

449. SUPPLEMENTAL PAYMENTS

01. SUPPLEMENTAL PAYMENTS FOR STATE AND COUNTY-OWNED NURSING HOME FACILITIES.

Subject to the provisions of this section, eligible in-state providers of Medicaid nursing home facility services shall receive a supplemental payment each state fiscal year. Eligible providers are state and county owned nursing home facilities.

The supplemental payments are intended to be used to improve access to health care. The payments made to these facilities will be based on the aggregate difference in the actual amount paid by the Medicaid program and the amount that would have been paid under Medicare payment principles.

The supplemental payments shall not be subject to rules governing payments to nursing home facilities found in IDAPA 16.03.10. However, they shall not exceed the Medicaid upper payment limits for non-state governmental-owned or -operated nursing home facility payments. The Medicaid upper payment limit (UPL) analysis will be performed prior to making the supplemental payments.

The computation of the Medicaid UPL will utilize the latest complete state fiscal year average of daily reimbursement rates for each nursing facility. The calculated Medicaid rate is then subtracted from a comparable average Medicare rate for the same time period, with the result then multiplied by the Medicaid days from the nursing facility's cost report (e.g. for state fiscal year 2011, the most recently audited cost report as of July 1, 2010, will be used to calculate the Medicaid days) to arrive at the facility's contribution to the group's aggregate UPL room (over/under the UPL).

Supplemental payments made to state and county owned nursing facilities are governed by Idaho Code 56-1511 effective July 1, 2011.

The state will make annual supplemental payments, based on a yearly calculation, once every twelve (12) months, typically paid based on a calculation that utilizes the previous calendar year's Medicaid days from the nursing facilities cost report (e.g. for state fiscal year 2011, the most recently audited cost report as of July 1, 2010, will be used to calculate the Medicaid days). Supplemental payments made to state and county owned nursing homes that provide nursing facility services will be distributed to all nursing facilities within that group. Payments are based on a previous calendar year's proportionate share of Medicaid days from the nursing facilities cost report compared to the total amount of Medicaid days provided by these state and county owned nursing homes. The state fiscal year 2011 supplemental payments will be distributed based on Medicaid days in the most recently audited cost report as of July 1, 2010. For succeeding state fiscal years, the state will utilize Medicaid days in the most recently audited cost report as of July 1st of the state fiscal year for each nursing facility.

Effective July 1, 2020, supplemental payments will be associated with the quality of care provided by each provider using quality indicators outlined in the Nursing Facility Quality Payment Program guide. Each provider will be assigned a tier based on their individual total calculated quality score from the previous calendar year. The provider's score will also be compared to the prior year total calculated quality score. The change in the total score, along with the tier each provider falls within, will determine the percentage of the calculated available supplemental payment pool each provider will receive.

The Nursing Facility Quality Payment Program quality indicators and other documents are available on the Department of Health and Welfare website at:
https://publicdocuments.dhw.idaho.gov/WebLink/Browse.aspx?id=11410&dbid=0&repo=PUBLIC-DOCUMENTS

Cost settled state and/or county owned nursing home facilities are not eligible for supplemental payments.

02. SUPPLEMENTAL PAYMENTS FOR PRIVATE NURSING HOME FACILITIES.

Subject to the provisions of this section, eligible in-state providers of Medicaid nursing home facility services shall receive a supplemental payment each state fiscal year. Eligible providers are private nursing home facilities.

The supplemental payments are intended to be used to improve access to health care. The payments made to these facilities will be based on the aggregate difference in the actual amount paid by the Medicaid program and the amount that would have been paid under Medicare payment principles.

The supplemental payments shall not be subject to rules governing payments to nursing home facilities found in IDAPA 16.03.10. However, they shall not exceed the Medicaid upper payment limits (UPL) for private nursing home facility payments. The Medicaid upper payment limit analysis will be performed prior to making the supplemental payments.

The computation of the Medicaid UPL will utilize the latest complete state fiscal year average of daily reimbursement rates for each nursing facility. The calculated Medicaid rate is then subtracted from a comparable average Medicare rate for the same time period, with the result then multiplied by the Medicaid days from the nursing facility's cost report (e.g. for state fiscal year 2011, the most recently audited cost report as of July 1, 2010, will be used to calculate the Medicaid days) to arrive at the facility's contribution to the group's aggregate UPL room (over/under the UPL).

Supplemental payments made to the private nursing facilities are governed by Idaho Code 56-1511 effective July 1, 2011.

The state will make annual supplemental payments, based on a yearly calculation, once every twelve (12) months, typically paid based on a calculation that utilizes the previous calendar year's Medicaid days from the nursing facilities cost report (e.g. for state fiscal year 2011, the most recently audited cost report as of July 1, 2010, will be used to calculate the Medicaid days). Supplemental payments made to private nursing homes that provide nursing facility services will be distributed to all nursing facilities within that group. Payments are based on a previous calendar year's proportionate share of Medicaid days from the nursing facilities cost report compared to the total amount of Medicaid days provided by these private nursing homes. The state fiscal year 2011 supplemental payments will be distributed based on Medicaid days in the most recently audited cost report as of July 1, 2010. For succeeding state fiscal years, the state will utilize Medicaid days in the most recently audited cost report as of July 1st of the state fiscal year for each nursing facility.

Effective July 1, 2020, supplemental payments will be associated with the quality of care provided by each provider using quality indicators outlined in the Nursing Facility Quality Payment Program guide. Each provider will be assigned a tier, based on their individual total calculated quality score from the previous calendar year. The provider's score will also be compared to the prior year total calculated quality score. The change in the total score, along with the tier each provider falls within, will determine the percentage of the calculated available supplemental payment pool each provider will receive.

The Nursing Facility Quality Payment Program quality indicators and other documents are available on the Department of Health and Welfare website at: https://publicdocuments.dhw.idaho.gov/WebLink/Browse.aspx?id=11410&dbid=0&repo=PUBLIC-DOCUMENTS