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State/Territory Name: North Dakota

State Plan Amendment (SPA) #: 24-0003

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



Financial Management Group

February 27, 2024

Caprice Knapp
Director
ND Department of Human Services
600 East Boulevard Avenue, Dept. 325
Bismarck, ND 58505-0250

Re: North Dakota 24-0003

Dear Caprice Knapp:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 24-0003. Effective for services on or after January 1, 2024, this amendment implements a 3.2 percent inflationary increase for nursing facility (NF) services, updates the base year to June 30, 2023 and increases the limit rate for each cost category.

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 24-0003 is approved effective January 1, 2024. The CMS-179 and the amended plan pages are attached.

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

Sincerely,

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

Rory Howe
Director

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 0 3

2. STATE

ND

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

January 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447, Subpart C, 42 CFR 447.252

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 13,239,237
b. FFY 2025 \$ 16,717,550

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-D, Subsection 1, pages 46 and 47

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-D, Subsection 1, pages 46 (TN 23-0001) and 47 (TN 21-0001)

9. SUBJECT OF AMENDMENT

Amends the State Plan to implement rate increases for Nursing Facility Services.

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

12. TYPED NAME
Sarah Aker

13. TITLE
Medical Services Director

14. DATE SUBMITTED
January 18, 2024

15. RETURN TO

Sarah Aker, Director
Medical Services Division
ND Department of Health and Human Services
600 East Boulevard Avenue Dept 325
Bismarck ND 58505-0250

FOR CMS USE ONLY

16. DATE RECEIVED: January 18, 2024

17. DATE APPROVED
February 27, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL: Rory Howe

21. TITLE OF APPROVING OFFICIAL: Director, Financial Management Group (FMG)

22. REMARKS

Section 24 – Adjustment Factors for Direct Care, Other Direct Care and Indirect Care Costs

1. An adjustment factor shall be used for purposes of adjusting historical costs for direct care, other direct care, and indirect care and for purposes of adjusting limitations of direct care costs, other direct care costs, and indirect care costs, but may not be used to adjust property costs.
2. For the rate year beginning January 1, 2020 the adjustment factor is 2 percent.
3. For the rate year beginning January 1, 2021 the adjustment factor is 2.5 percent.
4. For the rate year beginning January 1, 2022, the adjustment factor is 4.5 percent.
5. For the rate year beginning January 1, 2023, the maximum adjustment factor is 3.75 percent.
6. For the rate year beginning January 1, 2024, the maximum adjustment factor is 3.2 percent.

Section 25 - Rate Limits and Incentives

1. Limits - All facilities except those nongeriatric facilities for individuals with physical disabilities or units within a nursing facility providing geropsychiatric services described in Section 5 - Exclusions must be used to establish a limit rate for the Direct Care, Other Direct Care, and Indirect Care cost categories. The base year is the report year ended June 30, 2023. Base year costs may not be adjusted in any manner or for any reason not provided for in this section.
 - a. The limit rate for each of the cost categories will be established as follows:
 - (1) Historical costs for the report year ended June 30, 2023, as adjusted must be used to establish rates for all facilities in the Direct Care, Other Direct Care and Indirect Care cost categories. The rates as established must be ranked from low to high for each cost category.
 - (2) For rates effective January 1, 2024, the limit rate for each cost category is:
 - (a) For the Direct Care cost category, \$291.06;
 - (b) For the Other Direct Care cost category, \$38.69;
 - (c) For the Indirect Care cost category for large facilities, \$105.70;
and
 - (d) For the Indirect Care cost category for small facilities, \$108.00.