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State Name: District of Columbia

State Plan Amendment (SPA)#: 16-0006

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Two (2) SPA Pages

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



Financial Management Group

NOV 22 2016

Claudia Schlosberg, J.D.
Medicaid Director
Department of Health Care Finance
441 4th St. N.W., Suite 900 South
Washington, DC 2000

RE: State Plan Amendment 16-0006

Dear Ms. Schlosberg:

We have reviewed the proposed amendment to Attachment 4.19-D of the District of Columbia State plan submitted under transmittal number (TN) 16-0006. This amendment modifies the State's methods and standards for setting nursing facility (NF) payment rates. Specifically, this amendment eliminates the annual inflation adjustment.

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 (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving District of Columbia State plan amendment 16-0006 with an effective date of October 1, 2016. The approved HCFA-179 and the amended state plan pages are enclosed.

If you have any questions, please call Gary Knight on (304) 347-5723.

Sincerely,

/S/

Kristin Fan
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER: 16-006	2. STATE District of Columbia
	3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act	
TO: Regional Administrator Centers for Medicare & Medicaid Services Department of Health and Human Services	4. PROPOSED EFFECTIVE DATE October 1, 2016	

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN
 AMENDMENT TO BE CONSIDERED AS NEW PLAN
 AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION 42 USCA § 1396a(30) and 42 CFR Part 483	7. FEDERAL BUDGET IMPACT a. FFY17: (\$3,198,542) b. FFY18: (\$3,198,542)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19D, Part I: pages 8A-8B	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19D, Part I: pages 8A-8B

10. SUBJECT OF AMENDMENT:

Nursing Facility Reimbursement

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 D.C. Act: 21-463
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL <i>/S/</i>	16. RETURN TO Claudia Schlosberg, J.D. Senior Deputy Director/Medicaid Director Department of Health Care Finance 441 4 th Street, NW, 9 th Floor, South Washington, DC 20001
13. TYPED NAME Claudia Schlosberg J.D.	
14. TITLE Senior Deputy Director/Medicaid Director	
15. DATE SUBMITTED AUG 25 2016	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED NOV 22 2016
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL OCT 01 2016	20. SIGNATURE OF REGIONAL OFFICIAL <i>/S/</i>
21. TYPED NAME Kristin Fan	22. TITLE Director, FMC

- (iii) The capital-related base year costs per diem
- (a) Effective January 1, 2006 through September 20, 2007, the capital-related base year costs per diem established pursuant to Section VIII, adjusted for inflation to March 30, 2003 using the CMS Index. The inflation adjustment in this subparagraph shall not be applied to depreciation, amortization and interest on capital-related expenditures.
 - (b) Effective October 1, 2007 through September 30, 2008, the capital-related base year costs per diem calculated according to IX.A(iii)(a) adjusted for inflation using the CMS Index for District fiscal years 2006, 2007, and 2008. The inflation adjustment in this subparagraph shall not be applied to depreciation, amortization and interest on capital-related expenditures.
 - (c) Effective October 1, 2008 through September 30, 2009, the capital-related base year costs per diem calculated pursuant to IX.A(iii)(b), adjusted for inflation using the CMS Index. The inflation adjustment in this subparagraph shall not be applied to depreciation, amortization and interest on capital-related expenditures.
 - (d) Effective October 1, 2009 through December 31, 2010, the capital-related base year costs per diem calculated according to IX.A(iii)(c), adjusted for inflation using the CMS Index. The inflation adjustment in this subparagraph shall not be applied to depreciation, amortization and interest on capital expenditures.
 - (e) Effective January 1, 2011 through September 30, 2013, the annual inflation adjustment shall be eliminated.
 - (f) Effective October 1, 2013, the capital-related base year costs per diem calculated pursuant to IX.A(iii)(d) shall be annually adjusted for inflation using the CMS Index. This inflation adjustment shall not apply or be calculated for the period in which the inflation adjustment was eliminated in IX.A(iii)(e).
 - (g) Effective October 1, 2016, the annual inflation adjustment shall be eliminated.
- B. Effective April 1, 2006 and every six (6) months thereafter, the nursing and resident care costs per diem shall be re-calculated in accordance with Section VI. The per diem rates established for routine and support costs and capital-related costs established pursuant to Section IX.A shall be carried forward until costs are rebased.
- C. When necessary, each facility's per diem rate will be reduced by the same

- (d) Effective October 1, 2009 through December 31, 2010, the nursing and resident care base year costs per diem calculated according to IX.A.(i)(c) adjusted for inflation using the CMS Index.
 - (e) Effective January 1, 2011 through September 30, 2013, the annual inflation adjustment shall be eliminated.
 - (f) Effective October 1, 2013, the nursing and resident care base year costs per diem calculated pursuant to IX.A(i)(d), shall be annually adjusted for inflation using the CMS Index. This inflation adjustment shall not apply or be calculated for the period in which the inflation adjustment was eliminated in IX.A(i)(e).
 - (g) Effective October 1, 2016, the annual inflation adjustment shall be eliminated.
- (ii) The routine and support base year costs per diem
- (a) Effective January 1, 2006 through September 30, 2007, the routine and support base year costs per diem established pursuant to Section VII, adjusted for inflation to March 30, 2003 using the CMS Index.
 - (b) Effective October 1, 2007 through September 30, 2008, the routine and support base year costs per diem calculated according to IX.A(ii)(a) adjusted for inflation using the CMS Index for District fiscal years 2006, 2007, and 2008.
 - (c) Effective October 1, 2008 through September 30, 2009, the routine and support base year costs per diem calculated according to IX.A(ii)(b), adjusted for inflation using the CMS Index.
 - (d) Effective October 1, 2009 through December 31, 2010, the routine and support base year costs per diem calculated according to IX.A(ii)(c), adjusted for inflation using the CMS Index.
 - (e) Effective January 1, 2011 through September 30, 2013, the annual inflation adjustment shall be eliminated.
 - (f) Effective October 1, 2013, the routine and support base year costs per diem calculated pursuant to IX.A(ii)(d), shall be annually adjusted for inflation using the CMS Index. This inflation adjustment shall not apply or be calculated for the period in which the inflation adjustment was eliminated in IX.A(ii)(e).
 - (g) Effective October 1, 2016, the annual inflation adjustment shall be eliminated.