

Sec. 26. (a) Care for a chronically medically dependent person may be reimbursed under this section to those providers of skilled or intermediate nursing services who provide the required level of care.

(b) Costs that are reimbursed under this rate must meet the following conditions:

(1) Be determined in accordance with a prospective payment rate that is reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated facilities to provide care and services in conformity with applicable state and federal laws, rules, regulations, and quality and safety standards.

(2) Include, to the extent permitted by federal laws and regulations, increased costs for:

(A) respiratory therapy;

(B) intensive case management;

(C) medically-related social services;

(D) physician and nursing care;

(E) linens; and

(F) dietary supplements.

(c) Recognition of the costs related to total staffing will be limited to an overall staffing limit for all personnel of not more than eight (8) hours per patient day for skilled level of care, and not more than six (6) hours per patient day for intermediate level of care.

(d) No cost recognition will be included in the per diem for those services provided by a health care provider which are being separately reimbursed by the Medicaid program.

(e) Rate requests to establish initial interim rates for a new operation or a new type of certified service, or for a change of provider status, shall be filed by submitting an initial rate request to the office on or before thirty (30) days after notification of the certification date or establishment of a new service. Initial interim rates will be set at the greater of the prior provider's then current rate, if applicable, or the fiftieth percentile rate. Initial interim rates shall be effective upon certification or the date a service is established, whichever is later. The fiftieth percentile shall be computed on a statewide basis for like levels of care using current rates of all nursing facility providers. The fiftieth percentile rate shall be maintained by the office, and a revision shall be made to this rate four (4) times per year effective on March 1, June 1, September 1, and December 1.

(f) The provider shall file a nine (9) month historical financial report within sixty (60) days following the end of the first nine (9) months of operation. The nine (9) months of historical financial data shall be used to determine the provider's base rate. The base rate shall be effective from the first day of the tenth month of certified operation until the next regularly scheduled annual review. An annual financial report need not be submitted until the provider's first fiscal year end that occurs after the rate effective date of a base rate. In determining the base rate, limitations and restrictions otherwise outlined in this rule shall apply. For purposes of this subsection, in determining the nine (9) months of the historical financial report, if the first day of certification falls on or before the fifteenth day of a calendar month, then that calendar month shall be considered the provider's first month of operation. If the first day of certification falls after the fifteenth day of the calendar month, then the immediately succeeding calendar month shall be considered the provider's first month of operation.

(g) If the provider fails to submit the nine (9) months of historical financial data within ninety (90) days following the end of the first nine (9) months of operation, and an extension had not been granted, the initial rate shall be reduced by ten percent (10%), effective on the first day of the tenth month after certification and shall so remain until the first day of the month after receipt of the report by the office.

(h) Providers of special skilled and intermediate services licensed under IC 16-10-4 that have been approved by the office must have more than eight (8) beds but less than forty (40) beds approved for this type of service. Bed allocation will be based upon locality and reasonableness on a first come first served basis.

(i) The office may not approve more than one hundred (100) beds for special skilled or intermediate services without the agreement of the secretary of Indiana family and social services administration, the commissioner of the Indiana state department of health, and the assistant secretary of the office.

(j) Allowable costs per patient day for certain fixed costs shall be determined based on an occupancy level equal to the greater of ninety percent (90%) effective with the effective date of this rule or actual occupancy based on beds available to the program. The fixed costs subject to this minimum occupancy level standard include the capital return factor determined in accordance with sections 12 through 17 of this rule.

405 IAC 1-14.5-27 Limitation to Medicaid rate increases for HIV nursing
facilities

Sec. 27. Notwithstanding all other provisions of this rule, for the period January 1, 2006, through June 30, 2007, HIV nursing facility rates that have been calculated under this rule shall be reduced by five dollars (\$5) per resident per day.

TN: 06-005
Supersedes:
New

Approved JUN 14 2006 Effective: January 1, 2006

OBRA '87 AND '90 MEDICAID NF COST RECOGNITION & RATE INCREASE
FOR FEDERAL FISCAL YEAR 1992 EFFECTIVE 4-1-93

The Indiana Office of Medicaid Policy & Planning annually computes facility specific rates for Medicaid enrolled nursing facilities using a prospective methodology that requires nursing facilities to submit annual reports of budgeted costs for a projected rate year.

Based on information contained in the Office's Long Term Care Information System gathered from all Medicaid enrolled nursing facility provider's budgeted cost reports as of March 1991, the following information is provided indicating the OBRA rate increase for federal fiscal year 1992. Because the effective date for this amendment will be 4-1-93, the statewide average Medicaid rate effective 4-1-93 is used to provide the rate information. The rate is broken down into two components, the rate with OBRA costs included prior to 4-1-93, the OBRA increase on 4-1-93 and the final nursing facility single statewide average rate with OBRA cost increases after 4-1-93. This information is provided as required by Section 4211 (b) (2) of OBRA 1987.

The rate information specific to OBRA is determined as follows. Medicaid NF rates are calculated in conformity with the provisions outlined in this plan at pages 1 thru 65 of attachment 4.19D. These pages are incorporated by reference to provide the basic rate setting methodology. In addition to these provisions, to segregate and arrive at OBRA specific cost increases allowable for rate recognition, Medicaid has compared NF costs for 12 month historical periods prior to and after 10-1-90, documented and categorized the cost increases, reduced the cost increases by the GNP/IPD inflator for the period in order to reduce cost increases to true operation increases, identified those costs that are attributable to OBRA requirements that necessitated additional expenditures by NFs after 10-1-90, and converted those costs to a per-patient-day increase as reflected by the following rate information.

THE EFFECTIVE DATE FOR INFORMATION ON THIS CHART IS 4-1-93

OBRA RATE YEAR	SINGLE STATEWIDE AVERAGE NF RATE EFFECTIVE 3-31-93 WITH PRIOR OBRA INCREASE INCLUDED	4-1-93 OBRA INCREASE	SINGLE STATEWIDE AVERAGE NF RATE WITH OBRA INCREASE 4-1-93
1991	\$67.10	.00 ppd*	\$67.10

TN 93-014
Supersedes:
None

Approval Date 3/28/94 Effective 4-1-93

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MAR 29 1994

RETURN TO...

*There was no OBRA rate increase effective 4-1-93 however there has been an aggregate increase of .67 per-patient-day since 10-1-90 representing the conversion of cost recognition for the following listed OBRA '87 requirements.

COST RECOGNITION CATEGORIES

1. Resident's Rights-Transfer and Discharge Requirements 42 CFR 483.12(a)(5)(ii), consisting primarily of requirements to implement a resident appeal procedure associated with transfer and discharge of residents.
2. Other Staffing Requirements-Social Service Qualifications 42 CFR 483.15(g)(2)(ii) and 483.15(g)(4), requirement for and minimum qualification standards of a social worker for facilities with more than 120 beds.
3. Resident Assessment-42 CFR 483.20, requirement regarding frequency, timing and accuracy of resident assessments.
4. Plans For Care-42 CFR 483.20(d), requiring changes in timing and content of the resident care plan.
5. Resident Assessment Discharge Summary-42 CFR 483.20(e)(3), additional requirements to develop a discharge plan.
6. Nurse Staffing Requirements-42 CFR 483.30, requiring increase in nurse staffing resources in Indiana NFs with fewer than 40 beds to reach one full time equivalent RN.
7. Other Staffing Requirements-Dental Services 42 CFR 483.55, requiring increased responsibility placed on NFs to ensure resident's receipt of needed dental care.
8. Other-Inflation Applied Against 10-1-90 Cost Recognition

<u>CATEGORY</u>	<u>COST RECOGNITION</u>	<u>PPD RATE INCREASE</u>	<u>PERCENT OF TOTAL INCREASE</u>
1	\$ 39,360	.0043	.6
2	\$ 3,605,250	.3946	59.4
3	\$ 402,588	.0440	6.6
4	\$ 400,000	.0437	6.6
5	\$ 234,000	.0256	3.9
6	\$ 295,000	.0386	4.9
7	\$ 636,000	.0696	10.5
8	\$ 456,765	.0500	7.5
TOTALS	\$ 6,068,963	.6704	100.0

TN 93-014
Supersedes
None

Approval Date 3/28/94 Effective 4-1-93

OBRA '87 AND '90 MEDICAID NF COST RECOGNITION & RATE INCREASE
FOR FEDERAL FISCAL YEAR 1993 EFFECTIVE 4-1-93

The Indiana Office of Medicaid Policy & Planning annually computes facility specific rates for Medicaid enrolled nursing facilities using a prospective methodology that requires nursing facilities to submit annual reports of budgeted costs for a projected rate year.

Based on information contained in the Office's Long Term Care Information System gathered from all Medicaid enrolled nursing facility provider's budgeted cost reports as of March 1992, the following information is provided indicating the OBRA rate increase for federal fiscal year 1993. Because the effective date for this amendment will be 4-1-93, the statewide average Medicaid rate effective 4-1-93 is used to provide the rate increase information. The rate is broken down into two components, the rate with OBRA costs included prior to 4-1-93, the OBRA increase on 4-1-93 and the final nursing facility single statewide average rate with OBRA cost increases after 4-1-93. This information is provided as required by Section 4211 (b) (2) of OBRA 1987.

The rate information specific to OBRA is determined as follows. Medicaid NF rates are calculated in conformity with the provisions outlined in this plan at pages 1 through 65 of attachment 4.19D. These pages are incorporated by reference to provide the basic rate setting methodology. In addition to these provisions, to segregate and arrive at OBRA specific cost increases allowable for rate recognition, Medicaid has compared NF costs for 12 month historical periods prior to and after 10-1-91, documented and categorized the cost increases, reduced the cost increases by the GNP/IPD inflator for the period in order to reduce cost increases to true operation increases, identified those costs that are attributable to OBRA requirements that necessitated additional expenditures by NFs and converted those costs to a per-patient-day increase as reflected by the following rate information.

THE EFFECTIVE DATE FOR INFORMATION ON THIS CHART IS 4-1-93

OBRA RATE YEAR	SINGLE STATEWIDE AVERAGE NF RATE		SINGLE STATEWIDE AVERAGE NF RATE WITH OBRA INCREASE 4-1-93
	EFFECTIVE 3-31-93 WITH PRIOR OBRA INCREASES INCLUDED	4-1-93 OBRA INCREASE	
1992	\$67.10	.00 ppd*	\$67.10

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TN 93-015
Supersedes:
None

Approval Date 3/28/94 MAR 15 1994 Effective 4-1-93

HCFA-V-DMCO-MO

*There was no OBRA rate increase effective 4-1-93 however there has been an aggregate increase of .72 per-patient-day since 10-1-90 representing the conversion of cost recognition for the following listed OBRA '87 requirements.

COST RECOGNITION CATEGORIES

1. Resident's Rights-Transfer and Discharge Requirements 42 CFR 483.12(a)(5)(ii), consisting primarily of requirements to implement a resident appeal procedure associated with transfer and discharge of residents.
2. Other Staffing Requirements-Social Service Qualifications 42 CFR 483.15(g)(2)(ii) and 483.15(g)(4), requirement for and minimum qualification standards of a social worker for facilities with more than 120 beds.
3. Resident Assessment-42 CFR 483.20, requirement regarding frequency, timing and accuracy of resident assessments.
4. Plans For Care-42 CFR 483.20(d), requiring changes in timing and content of the resident care plan.
5. Resident Assessment Discharge Summary-42 CFR 483.20(e)(3), additional requirements to develop a discharge plan.
6. Nurse Staffing Requirements-42 CFR 483.30, requiring increase in nurse staffing resources in Indiana NFs with fewer than 40 beds to reach one full time equivalent RN.
7. Other Staffing Requirements-Dental Services 42 CFR 483.55, requiring increased responsibility placed on NFs to ensure resident's receipt of needed dental care.
8. Other-Inflation Applied Against 10-1-90 Cost Recognition

<u>CATEGORY</u>	<u>COST RECOGNITION</u>	<u>PPD RATE INCREASE</u>	<u>PERCENT OF TOTAL INCREASE</u>
1	\$ 42,563	.0047	.7
2	\$ 3,898,674	.4268	59.7
3	\$ 435,354	.0477	6.7
4	\$ 432,555	.0473	6.6
5	\$ 253,044	.0277	3.9
6	\$ 319,010	.0417	4.9
7	\$ 687,763	.0753	10.5
8	\$ 456,765	.0500	7.0
TOTALS	\$ 6,525,728	.7212	100.0

TN 93-015
Supersedes:
None

Approval Date 3/28/94 Effective 4-1-93

OBRA '87 AND '90 MEDICAID NF COST RECOGNITION & RATE INCREASE
FOR FEDERAL FISCAL YEAR 1994 EFFECTIVE 10-1-93

The Indiana Office of Medicaid Policy & Planning annually computes facility specific rates for Medicaid enrolled nursing facilities using a prospective methodology that requires nursing facilities to submit annual reports of budgeted costs for a projected rate year.

Based on information contained in the Office's Long Term Care Information System gathered from all Medicaid enrolled nursing facility provider's budgeted cost reports as of March 1993, the following information is provided indicating the OBRA rate increase for federal fiscal year 1994. Because the effective date for this amendment will be 10-1-93, the projected statewide average Medicaid rate effective 9-30-93 is used to provide the base rate for the increase information. The rate is broken down into two components, the rate with OBRA costs included prior to 10-1-93, the OBRA increase on 10-1-93 and the final nursing facility single statewide average rate with OBRA cost increases on 10-1-93. This information is provided as required by Section 4211 (b) (2) of OBRA 1987.

The rate information specific to OBRA is determined as follows. Medicaid NF rates are calculated in conformity with the provisions outlined in this plan at pages 1 through 65 of attachment 4.19D. These pages are incorporated by reference to provide the basic rate setting methodology. In addition to these provisions, to segregate and arrive at OBRA specific cost increases allowable for rate recognition, Medicaid has compared NF costs for historical periods prior to and after 10-1-92, documented and categorized the cost increases, reduced the cost increases by the GNP/IPD inflator for the period in order to reduce cost increases to true operation increases, identified those costs that are attributable to OBRA requirements that necessitated additional expenditures by NFs after 10-1-90, and converted those costs to a per-patient-day increase as reflected by the following rate information.

THE EFFECTIVE DATE FOR INFORMATION ON THIS CHART IS 10-1-93

	SINGLE STATEWIDE AVERAGE NF RATE			SINGLE STATEWIDE AVERAGE NF RATE WITH OBRA INCREASE 10-1-93	
OBRA RATE YEAR	EFFECTIVE 10-1-93 WITH PRIOR OBRA INCREASES INCLUDED	10-1-93 OBRA INCREASE			

1993 \$68.90 .04 ppd

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TN 93-016
Supersedes:
None

Approval Date 3/28/94

Effective 10-1-93
MAR 15 1994

The OBRA rate increase of .04 ppd. represents the increase of cost recognition for the following listed OBRA '87 requirements. The prior .72 ppd. when added to this .04 increase represent a total increase of .76 ppd. since 10-1-90 for OBRA cost recognition.

COST RECOGNITION CATEGORIES

1. Resident's Rights-Transfer and Discharge Requirements 42 CFR 483.12(a)(5)(ii), consisting primarily of requirements to implement a resident appeal procedure associated with transfer and discharge of residents.
2. Other Staffing Requirements-Social Service Qualifications 42 CFR 483.15(g)(2)(ii) and 483.15(g)(4), requirement for and minimum qualification standards of a social worker for facilities with more than 120 beds.
3. Resident Assessment-42 CFR 483.20, requirement regarding frequency, timing and accuracy of resident assessments.
4. Plans For Care-42 CFR 483.20(d), requiring changes in timing and content of the resident care plan.
5. Resident Assessment Discharge Summary-42 CFR 483.20(e)(3), additional requirements to develop a discharge plan.
6. Nurse Staffing Requirements-42 CFR 483.30, requiring increase in nurse staffing resources in Indiana NFs with fewer than 40 beds to reach one full time equivalent RN.
7. Other Staffing Requirements-Dental Services 42 CFR 483.55, requiring increased responsibility placed on NFs to ensure resident's receipt of needed dental care.
8. Other-Inflation Applied Against 10-1-90 Cost Recognition

<u>CATEGORY</u>	<u>COST RECOGNITION</u>	<u>PPD RATE INCREASE</u>	<u>PERCENT OF TOTAL INCREASE</u>
1	\$ 45,760	.0050	.7
2	\$ 4,192,100	.4589	60.8
3	\$ 468,104	.0512	6.8
4	\$ 465,122	.0509	6.8
5	\$ 272,091	.0298	3.9
6	\$ 343,036	.0449	5.0
7	\$ 739,515	.0809	10.7
8	\$ 365,413	.0400	5.3
TOTALS	\$ 6,891,141	.7616	100.0

TN 93-016
Supersedes
None

Approval Date 3/28/94 Effective 10-1-93

The Office of Medicaid Policy & Planning, State of Indiana has submitted Medicaid state plan amendment TN 94-007 (reimbursement reform for large private ICFs/MR and small private group homes--CRFs/DD) and state plan amendment TN 94-019 (reimbursement changes resulting from a provider assessment program and rate rebasing for large private ICFs/MR and small private group homes--CRFs/DD). These amendments, in addition to making changes to the reimbursement criteria for the provider types mentioned, segregates the entire rate setting criteria for large and small private ICFs/MR from the criteria for nursing facilities. Upon approval by HCFA of those amendments, which carry an effective date of 7-1-94, the Indiana Medicaid state plan will no longer have rate setting criteria embodied in one amendment that contains rate setting criteria for all types of long term care facilities.

Upon approval of the above-mentioned amendments, and until such time as new amendments can be submitted and approved with exclusive language for "nursing facilities" and for "state operated ICFs/MR":

EFFECTIVE 7-1-94, THE REIMBURSEMENT CRITERIA CONTAINED AT PAGES 1 THROUGH 68-A OF ATTACHMENT 4.19D OF THE CURRENT EDITION OF THE MEDICAID STATE PLAN IS NULL AND VOID AS IT RELATES TO RATE SETTING FOR:

1. LARGE PRIVATE ICFs/MR, and
2. SMALL PRIVATE ICFs/MR (GROUP HOMES)

TN 94-020
Supersedes:
None

Approval 3/6/95 Effective 7-1-94

OBRA '87 AND '90 MEDICAID NF COST RECOGNITION & RATE INCREASE
FOR FEDERAL FISCAL YEAR 1995 EFFECTIVE 10-1-94

The Indiana Office of Medicaid Policy & Planning annually computes facility specific rates for Medicaid enrolled nursing facilities using a prospective methodology that requires NFs to submit annual reports of historical costs for a projected rate year.

Based on information contained in the Office's Long Term Care Information System gathered from all Medicaid enrolled nursing facility provider's historical cost reports as of June 1994, the following information is provided indicating the OBRA rate increase for federal fiscal year 1995. Because the effective date for this amendment will be 10-1-94, the actual statewide average Medicaid rate effective 9-30-94 is used to provide the base rate for the increase information. The rate is broken down into two components, the rate with OBRA costs included prior to 10-1-94, the OBRA increase on 10-1-94 and the final nursing facility single statewide average rate with OBRA cost increases on 10-1-94. Adjustments are required by Section 4211(b) of OBRA 1987 and 4801(e) of OBRA 1990.

The rate information specific to OBRA is determined as follows. Medicaid NF rates are calculated in conformity with the provisions outlined in this plan at pages 1 through 68 B of attachment 4.19D. These pages are incorporated by reference to provide the basic rate setting methodology including prior OBRA increases. In addition to these provisions, to segregate and arrive at OBRA specific cost increases allowable for rate recognition, Medicaid has compared NF costs for historical years prior to and after 10-1-93, documented and categorized the cost increases, reduced the cost increases by the GNP/IPD and HCFA/SNF inflators for the period in order to reduce cost increases to true operation increases, identified those costs that are attributable to OBRA requirements that necessitated additional expenditures by NFs after 10-1-90, and converted those costs to a per-patient-day increase as reflected by the following rate information.

THE EFFECTIVE DATE FOR INFORMATION ON THIS CHART IS 10-1-94

OBRA RATE YEAR	SINGLE STATEWIDE AVERAGE NF RATE		SINGLE STATEWIDE AVERAGE NF RATE WITH OBRA INCREASE 10-1-94
	EFFECTIVE 10-01-94 WITH PRIOR OBRA INCREASES INCLUDED	10-1-94 OBRA INCREASE	
1994/95	\$71.69	.03 ppd	\$71.72 + (.0004)

TN 94-011
Supersedes:
None

Approval Date 12/15/94 Effective 10/1/94

The OBRA rate increase of .03 ppd. represents the increase of cost recognition for the following listed OBRA '87 requirements. The prior .76 ppd. when added to this .03 increase represent a total increase of .79 ppd. since 10-1-90 for OBRA cost recognition.

COST RECOGNITION CATEGORIES

1. Resident's Rights-Transfer and Discharge Requirements 42 CFR 483.12(a)(5)(ii), consisting primarily of requirements to implement a resident appeal procedure associated with transfer and discharge of residents.
2. Other Staffing Requirements-Social Service Qualifications 42 CFR 483.15(g)(2)(ii) and 483.15(g)(4), requirement for and minimum qualification standards of a social worker for facilities with more than 120 beds.
3. Resident Assessment-42 CFR 483.20, requirement regarding frequency, timing and accuracy of resident assessments.
4. Plans For Care-42 CFR 483.20(d), requiring changes in timing and content of the resident care plan.
5. Resident Assessment Discharge Summary-42 CFR 483.20(e)(3), additional requirements to develop a discharge plan.
6. Nurse Staffing Requirements-42 CFR 483.30, requiring increase in nurse staffing resources in Indiana NFs with fewer than 40 beds to reach one full time equivalent RN.
7. Other Staffing Requirements-Dental Services 42 CFR 483.55, requiring increased responsibility placed on NFs to ensure resident's receipt of needed dental care.
8. Other-Inflation Applied Against 10-1-90 Cost Recognition

<u>CATEGORY</u>	<u>COST RECOGNITION</u>	<u>PPD RATE INCREASE</u>	<u>PERCENT OF TOTAL INCREASE</u>
1	\$ 48,318	.0053	.7
2	\$ 4,426,695	.4846	62.0
3	\$ 494,414	.0541	6.9
4	\$ 491,066	.0537	6.9
5	\$ 287,438	.0315	4.0
6	\$ 362,403	.0475	5.0
7	\$ 780,807	.0855	10.9
8	\$ 248,081	.0272	3.5
TOTALS	\$ 7,139,222	.7894	99.9

TN 94-011
Supersedes
None

Approval Date 12/15/94 Effective 10/1/94