

## Public Notice

STATE PLAN AMENDMENT (SPA) IA 23-0009

CHANGES TO NURSING FACILITY (NF) QUALITY ASSURANCE ASSESSMENT FEE (QAAF)  
AND MEDICAID PAYMENT RATES FOR NURSING FACILITIES

**Posted: February 24, 2023**

The Iowa Department of Health and Human Services (HHS), pursuant to the requirements outlined in 42 C.F.R. §447.205 and §1902(a)(13)(A) of the Social Security Act, hereby gives notice of the following proposed action regarding its methods and standards for changes to the nursing facility (NF) quality assurance assessment fees and the nursing facility per diem rates utilizing 2018 cost report data under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

### **SUMMARY OF CHANGES**

#### **Quality Assurance Assessment Fees**

Senate File (SF) 2418 (2018) removed the state imposed limitation of the percentage used for calculating the amount of non-Medicare revenue to determine the amount of assessment fees. SF 2418 directed DHS to adopt rules to ensure that the aggregate quality assurance assessments shall not exceed the maximum aggregate non-Medicare revenues of a nursing facility pursuant to the indirect guarantee threshold as established in 42 C.F.R. §433.68(f)(3)(i), and shall be stated on a per-patient-day basis.

The proposed State Plan Amendment (SPA) IA- 23-0009 will update the non-aggregate quality assurance assessments to the maximum aggregate non-Medicare revenues of a nursing facility pursuant to the indirect guarantee threshold as established in 42 C.F.R. §433.68(f)(3)(i) and shall be stated on a per-patient-day basis.

#### **Medicaid Payment Rates**

With the increases in the QAAF described above, there are additional funds available for nursing facility base rates effective April 1, 2023.

Per diem rates for nursing facilities effective April 1, 2023, will continue to be based on cost reports submitted by the nursing facilities for fiscal year ends during calendar year 2018. Estimated payments to nursing facilities cannot exceed amounts appropriated by the legislature. The inflation factor will be changed to ensure that the amounts estimated using 2018 cost information, estimated resident days and client participation will not exceed the appropriation. Based on the estimated increase in funds available, inflation will be calculated from the mid-point of the cost report to April 1, 2023.

The proposed amendment will be effective April 1, 2023.

#### **Estimated Fiscal Impact**

Total Dollars	\$	476,487
Federal Dollars	\$	304,380
State Dollars	\$	172,107

There is no state general fund impact. The state share cost will be funded by increased assessment fees.

### **Public Review**

A copy of SPA IA-23-0009 and this notice is available at the following link: <https://hhs.iowa.gov/public-notices/Changes-Nursing-Facility-Quality-Assurance-Assessment-Fee> To reach all stakeholders, non-electronic copies will be made available for review at each local HHS Office.

### **Submission of Comments**

Written comments may be addressed to: Jessica McBride, Program Manager, Iowa Department of Health and Human Services, Iowa Medicaid, 1305 East Walnut Street, Des Moines, Iowa 50319 or may be emailed to [jmcbrid@dhs.state.is.us](mailto:jmcbrid@dhs.state.is.us). Please indicate "April 1, 2023 NF QAAF and Rates SPA IA 23-0009" in the subject line of the email.

All comments must be received no later than March 27, 2023 by 4:30 p.m.

Submitted by:

**Elizabeth Matney**

Medicaid Director

Iowa Medicaid

Iowa Department of Health & Human Services

