

NEBRASKA

Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Jim Pillen, Governor

September 4, 2024

James G. Scott, Director
Centers for Medicare & Medicaid Services
Kansas City Regional Operations Group
Division of Medicaid Field Operations-North
601 East 12th Street, Suite 355
Kansas City, Missouri 64106-2898

RE: Nebraska State Plan Amendment NE 24-0008

Dear Mr. Scott:

Enclosed please find the above referenced amendment to the Nebraska State Plan regarding a proposed change to implement the long-term acute care hospital provider specialty type within the Medicaid program.

The Division of Medicaid and Long-Term Care sent notice on May 31, 2024 (attached) to the federally recognized Native American Tribes and Indian Health Programs within the State of Nebraska to discuss the impact the proposed state plan amendment might have, if any, on the Tribes. No comments were received.

If you have content questions, please feel free to contact Jeremy Brunssen at jeremy.brunssen@nebraska.gov or 402-540-0380. For submittal questions, please contact Dawn Kastens at dawn.kastens@nebraska.gov or 531-893-3779.

Sincerely,

Matthew Ahern, Interim Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

cc: Tyson Christensen
Tim Weidler

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 2 4 — 0 0 0 8	2. STATE N E
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="checkbox"/> XIX <input type="checkbox"/> XXI	

TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2024
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5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 482	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2024 \$ 0 b. FFY 2025 \$ 0
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Att. 4.19-A, Pg 1b Att. 4.19-A, Pg 16a	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Att. 4.19-A, Pg 1b Att. 4.19-A, Pg 16a
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9. SUBJECT OF AMENDMENT
Long-Term Acute Care Hospital (LTACH)

10. GOVERNOR'S REVIEW (Check One)

<input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="radio"/> OTHER, AS SPECIFIED: Governor has waived review
<input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	
<input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Dawn Kastens Division of Medicaid & Long-Term Care Nebraska Department of Health and Human Services 301 Centennial Mall South Lincoln, NE 68509
12. TYPED NAME Matthew Ahern	
13. TITLE Interim Director, Division of Medicaid & Long-Term Care	
14. DATE SUBMITTED September 4, 2024	

FOR CMS USE ONLY	
16. DATE RECEIVED	17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL	21. TITLE OF APPROVING OFFICIAL

22. REMARKS

DRG Weight: A number that reflects relative resource consumption as measured by the relative costs by hospitals for discharges associated with each DRG and Severity of Illness (SOI).

Hospital Mergers: Hospitals that have combined into a single corporate entity, and have applied for and received a single inpatient Medicare provider number and a single inpatient Medicaid provider number.

Hospital-Specific Base Year Operating Cost: Hospital specific operating allowable cost associated with treating Medicaid patients. Operating costs include the major moveable equipment portion of capital-related costs, but exclude the building and fixtures portion of capital-related costs, direct medical education costs, and indirect medical education costs.

Hospital-Specific Cost-to-Charge Ratio: Hospital-Specific Cost-to-Charge Ratio is based on total hospital aggregate costs divided by total hospital aggregate charges. Hospital-Specific Cost-to-Charge Ratios used for outlier cost payments and Transplant DRG CCR payments are derived from the outlier CCRs in the Medicare inpatient prospective payment system.

Indirect Medical Education Cost Payment: Payment for costs that are associated with maintaining an approved medical education program, but that are not reimbursed as part of direct medical education payments.

LONG TERM ACUTE CARE HOSPITAL (LTACH): A hospital that is licensed as a general acute care hospital that focuses on treating patients requiring extended hospital-level care, typically following initial treatment at a general acute care hospital. Patients treated in a Long Term Acute Care Hospital are not generally appropriate for lower level-of-care settings, but are expected to improve to lower level-of-care status.

Low-Income Utilization Rate: For the cost reporting period ending in the calendar year preceding the Medicaid rate period, the sum (expressed as a percentage) of the fractions, calculated from acceptable data submitted by the hospital as follows:

1. Total Medicaid inpatient revenues including fee-for-service, managed care, and primary care case management payments (excluding payments for disproportionate share hospitals) paid to the hospital, plus the amount of cash subsidies received directly from state and local governments in a cost reporting period, divided by the total amount of revenues of the hospital for inpatient services including fee-for-service, managed care, and primary care case management payments (including the amount of cash subsidies received directly from state and local governments and excluding payments for disproportionate share hospitals) in the same cost reporting period; and

Transmittal # NE 24-0008

Supersedes

Approved _____ Effective _____

Transmittal # NE 14-002

For payment of inpatient hospital psychiatric services, effective July 1, 2023, the tiered per diem rate will be:

Days of Service	Per Diem Rate
Days 1 and 2	\$994.30
Days 3 and 4	\$919.55
Days 5 and 6	\$877.34
Days 7 and greater	\$835.60

Payments for Rehabilitation Services: Payments for rehabilitation discharges are made on a prospective per diem.

All rehabilitation services, regardless of the type of hospital providing the service, will be reimbursed on a per diem basis. This includes services provided at a facility enrolled as a provider for rehabilitation services which is not a licensed rehabilitation hospital or a Medicare-certified distinct part unit.

The per diem will be the sum of:

1. Hospital-Specific Per Diem
2. Direct Medical Education (DME) Cost Payment, if applicable

Payment for each discharge equals the per diem times the number of approved patient days. Payment is made for the day of admission but not for the day of discharge. Per diem payment amounts are subject to annual adjustment as specified by Nebraska Legislative appropriations.

Payments Long Term Acute Care Hospital (LTACH) Services:

Payments for long term acute care hospitals discharges are made on a prospective per diem, depending on whether the client requires ventilator or non-ventilator services (whichever is applicable), as determined by prior authorization review. A prior authorization is required for all long term acute care hospital services for either ventilator or non-ventilator services.

The per diem will be the sum of:

1. LTACH ventilator or non-ventilator per diem; and
2. Direct Medical Education (DME) Cost Payment, if applicable

Payment for each discharge equals the per diem times the number of approved patient days. Payment is made for the day of admission but not the day of discharge. Per diem payment amounts are subject to annual adjustment as specified by Nebraska Legislative appropriations.

Transmittal # NE 24-0008

Supersedes

Transmittal # NE 23-0009

Approved _____ Effective _____