

Good Life, Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



September 29, 2025

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 25-0015

Dear Mr. Scott:

Enclosed please find the above referenced amendment to the Nebraska Medicaid State Plan regarding the nursing facility inflation factor for state fiscal year 2026.

The Division of Medicaid and Long-Term Care sent notice on May 30, 2025 (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.

content questions, please feel free to contact Jeremy you have Brunssen jeremy.brunssen@nebraska.gov or 402-540-0380. For submittal questions, please contact Dawn Kastens at dawn.kastens@nebraska.gov or 531-893-3379.

Sincerely,

Drew Gonshorowski, Director

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Division of Medicaid and Long-Term Care

Department of Health and Human Services

cc: Tyson Christensen Tim Weidler

Enclosures

TRANSMITTAL AND NOTICE OF	1. TRANSMITTAL NUMBER 2. STATE				
APPROVAL OF STATE PLAN MATERIAL					
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	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 July 1, 2025				
5. FEDERAL STATUTE/REGULATION CITATION CFR 447 Subpart C	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)				
	a. FFY <u>2025</u> \$ <u>-336,262</u> b. FFY <u>2026</u> \$ <u>-1,308,103</u>				
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Att. 4.19-D, Pg 15	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Att. 4.19-D, Pg 15				
SUBJECT OF AMENDMENT State Fiscal Year 2026 Nursing Facility Inflation Factor					
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: Governor has waived review				
11. SIGNATURE OF STATE AGENCY OFFICIAL	15. RETURN TO				
Duo Luhi	Dawn Kastens Division of Medicaid & Long-Term Care				
12. TYPED NAME Drew Gonshorowski	Nebraska Department of Health and Human Services 301 Centennial Mall South Lincoln, NE 68509				
13. TITLE					
Director, Division of Medicaid & Long-Term Care					
14. DATE SUBMITTED September 29, 2025					
•	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	<u> </u>				

<u>Fixed Cost Component:</u> This component of the prospective rate is computed by dividing the facility's base year allowable interest, depreciation, amortization, long-term rent/lease payments, personal property tax, real estate tax, and other fixed costs by the facility's total base year inpatient days (see 12-011.06B). Rate determination for the Fixed Cost Component for an individual facility is computed using the lower of its own per diem as computed above, plus any prior approved increase under Exception Process, or a maximum per diem of \$27.00 excluding personal property and real estate taxes.

<u>Nursing Facility Quality Assessment Component</u>: The Nursing Facility Quality Assessment component shall not be subject to any cost limitation or revenue offset.

For purposes of this section, facilities exempt from the Quality Assurance Assessment are:

- 1. State-operated veterans homes;
- 2. Nursing facilities and skilled nursing facilities with twenty-six or fewer licensed beds; and
- 3. Continuing care retirement communities.

The quality assessment component rate will be determined by calculating the 'anticipated tax payments' during the rate year and then dividing the total anticipated tax payments by 'total anticipated nursing facility/skilled nursing facility patient days,' including bed hold days and Medicare patient days.

For each rate year, July 1 through the following June 30th, total facility patient days, including bed hold days, less Medicare days, for the four most recent calendar quarters available at the time rates are determined will be used to calculate the 'anticipated tax payments.' Total facility patient days, including bed hold days and Medicare days, for the same four calendar quarters will be used to calculate the anticipated nursing facility/skilled nursing facility patient days.'

New providers entering the Medicaid program to operate a nursing facility not previously enrolled in Medicaid:

For the Rate Period beginning on the Medicaid certification date through the following June 30, the quality assessment rate component is computed as the Quality Assurance Assessment Amount Due from the provider's first Quality Assurance Assessment Form covering a full calendar quarter, divided by Total Resident Days in Licensed Beds from the same Quality Assurance Assessment Form.

Existing providers changing from exempt to non-exempt status:

For the Rate Period beginning on the first day of the first full month the provider is subject to the Quality Assurance Assessment through the following June 30, the quality assessment rate component is computed as the Quality Assurance Assessment Amount Due from the provider's first Quality Assurance Assessment Form covering a full calendar quarter, divided by Total Resident Days in Licensed Beds from the same Quality Assurance Assessment Form.

Existing providers changing from non-exempt to exempt status:

For Rate Periods beginning with the first day of the first full month the provider is exempt from the Quality Assurance Assessment, the quality assessment rate component will be \$0.00 (zero dollars).

Base Year Report Period and Factor: For the Rate Periods July 1 through December 31 and January 1 through June 30, the base year is updated no less frequently than every 5 years. The inflation factor is updated annually. For the Rate Period of July 1, 2025, through June 30, 2026, the inflation factor is a positive 1.49%.

TN #. NE 25-0015			
Supersedes	Approved	Effective	
TN #. <u>NE 24-0022</u>			