



Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Jim Pillen, Governor

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 25-0016

Dear Mr. Scott:

Enclosed please find the above referenced amendment to the Nebraska Medicaid State Plan regarding the intermediate care facility for individuals with developmental disabilities inflation factor.

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.


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 531-893-3379.

Sincerely,

Drew Gonshorowski, 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 <table border="1"><tr><td>2</td><td>5</td><td>—</td><td>0</td><td>0</td><td>1</td><td>6</td></tr></table>	2	5	—	0	0	1	6	2. STATE <table border="1"><tr><td>N</td><td>E</td></tr></table>	N	E
		2	5	—	0	0	1	6				
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, 2025										
5. FEDERAL STATUTE/REGULATION CITATION CFR 447 subpart C		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2025 \$ -48,117 b. FFY 2026 \$ -187,182										
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Att. 4.19-D, Pg 67		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Att. 4.19-D, Pg 67										
9. SUBJECT OF AMENDMENT State Fiscal Year 2026 Intermediate Care Facility for Individuals with Developmental Disabilities Inflation Factor												
10. GOVERNOR'S REVIEW (Check One) <input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="radio"/> OTHER, AS SPECIFIED: Governor has waived review												
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 Drew Gonshorowski												
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												

ICF/IIDs with 4-15 beds:

The Non-Personnel Operating Cost Component of the Final Rate is the allowable non-personnel operating cost per day as computed for the ICF/IID provider's most recent cost report period.

ICF/IID Fixed Cost Component: This component includes the interest, depreciation, amortization, long-term rent/lease payments, personal property tax, real estate tax, gross revenue tax, and other fixed costs. The fixed cost component is the allowable fixed cost per day as computed for the facility's most recent cost report period.

ICF/IID Ancillary Cost Component: The ancillary cost component of the rate is the allowable ancillary cost per day as computed for the facility's most recent report period.

ICF/IID Inflation Factor: The Inflation Factor is determined from spending projections computed using:

1. Audited cost and census data following the initial desk audits;
2. Budget directives from the Nebraska Legislature; and
3. Effective for the rate period beginning July 1, 2015 and for subsequent rate periods, proceeds from the ICF/DD Reimbursement Protection Fund as specified in Nebraska Revised Statute 68-1804(4)(e).

For the Rate Period of July 1, 2025, through June 30, 2026, the inflation factor is positive 24.85%.

ICF/IID Revenue Tax Cost Component:ICF/IIDs with 16 or more beds:

Under the ICF/DD Reimbursement Protection Act, the ICF/IID revenue tax per diem is computed as the prior report period net revenue times the applicable tax percentage(s) divided by the prior report period facility resident days. The Tax Cost Component shall be prorated when the revenue tax is based on less than a full fiscal year's data.

ICF/IIDs with 4-15 beds:

Under the ICF/DD Reimbursement Protection Act, the ICF/IID revenue tax per diem is computed as the prior report period net revenue times the applicable tax percentage(s) divided by the prior report period facility resident days. The Tax Cost Component shall be prorated when the revenue tax is based on less than a full year's data.

ICF/IID Exception Process: An individual facility may request, on an exception basis, the Director of the Division of Medicaid and Long-Term Care to consider specific facility circumstance(s), which warrant an exception to the facility's rate computed for its Fixed Cost Component. An exception may only be requested if the facility's total fixed costs (total costs, not per diem rate), as compared to the immediately prior report period, have increased by ten percent or more. In addition, the facility's request must include:

1. Specific identification of the increased cost(s) that have caused the facility's total fixed costs to increase by 10 percent or more, with justification for the reasonableness and necessity of the increase;
2. Whether the cost increase(s) are an ongoing or a one-time occurrence in the cost of operating the facility; and
3. If applicable, preventive management action that was implemented to control past and future cause(s) of identified cost increases(s).

TN #. NE 25-0016

Supersedes

Approval Date _____

Effective _____

TN #. NE 24-0021