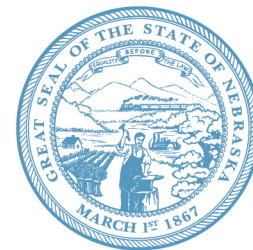




Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Jim Pillen, Governor

August 5, 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 25-0017

Dear Mr. Scott:

Enclosed please find the above referenced amendment to the Nebraska Medicaid State Plan regarding psychiatric residential treatment facility levels of care.

The Division of Medicaid and Long-Term Care sent notice on May 22, 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

2 5 — 0 0 1 7

2. STATE

N E

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT ☒ XIX ☐ XXITO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN
SERVICES4. PROPOSED EFFECTIVE DATE
July 1, 20255. FEDERAL STATUTE/REGULATION CITATION
42 CFR 483.354

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 0
b. FFY 2026 \$ 07. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Att. 4.19-A, Pg 298. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR
ATTACHMENT (If Applicable)
Att. 4.19-A, Pg 299. SUBJECT OF AMENDMENT
Psychiatric Residential Treatment Facility Levels of Care

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



12. TYPED NAME

Drew Gonshorowski

13. TITLE

Director, Division of Medicaid & Long-Term Care

14. DATE SUBMITTED

August 5, 2025

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**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

STATE: NEBRASKA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

INPATIENT PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES (PRTFs) FOR INDIVIDUALS UNDER AGE 19

Reimbursement for inpatient psychiatric services for under age 19 in a PRTF is based on a Nebraska Medicaid fee schedule established by the State of Nebraska with prospective, statewide per diem rates for each reimbursement category of facility. Payment will be a per diem for active treatment on each child's treatment plan provided by the facility. Medically necessary services and/or supplies, including dental, vision, diagnostic/radiology, prescribed medications, not otherwise included in the PRTF rate when that care is reflected in the individual's plan of care may be billed directly to Nebraska Medicaid. Physician activities on the treatment plan provided by and in the facility will be paid separately. The reimbursement categories are as follows:

- General hospital-based PRTF; and
- General community-based PRTF

The fee schedule will be based on modeled costs. Costs for private, in-state facilities consistent with 42 CFR Section 413, Nebraska regulations and policies, OMB Circular A-122 and the Medicare Provider Reimbursement Manual (CMS Publication 15-1), commercial third party payments and market rates will be considered when establishing the fee schedules. For PRTFs, the rates will consider the allowable costs as reported by providers in a standardized expense report. The cost data are adjusted to reflect changes in the service definition, to account for differences in service definitions between the historical reporting period and the period in which the rates will be in effect. In addition, the cost data are adjusted for cost of living increases. DHHS will not pay more than the facility's usual and customary daily charges billed for eligible recipients. Fees will not exceed the Medicare upper limit when applicable. Fees will be consistent with efficiency, economy and quality of care per Section 1902(a)(3) of the Social Security Act and 42 CFR 447.200. Fees will be sufficient to assure the availability of services to clients as required by 42 CFR 447.204. DHHS will not cost settle for services provided to recipients admitted to privately operated PRTFs reimbursed under the above fee schedule prospective payment system. The statewide prospective fee schedule per diems shall constitute full reimbursement for privately operated PRTFs with pharmacy, medically necessary services and/or supplies including dental, vision, diagnostic/radiology, not included in the PRTF rate and physician services being paid separately. Public PRTFs are IMDs and will be cost-settled per Attachment 4.19A, page 18. The PRTF per diem rates are for Nebraska Medicaid clients under nineteen years of age unless, per 42 CFR 435.1009, the child was receiving PRTF inpatient psychiatric services under 42 CFR 440.160 prior to his 19th birthday, in which case the child may receive services until he is unconditionally released or, if earlier, the date he reaches age 19. Payment rates do not include costs of providing educational services.

Transmittal # NE 25-0017
Supersedes
Transmittal # 13-16

Approval _____ Effective _____