



Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Jim Pillen, Governor

September 21, 2026

Wendy E. Hill Petras, Acting Director
Division of Program Operations
Medicaid and CHIP Operations Group
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106

RE: Nebraska State Plan Amendment NE 26-0008

Dear Ms. Petras:

Enclosed please find the above referenced amendment to the Nebraska Medicaid State Plan regarding the intermediate care facility for individuals with developmental disabilities (ICF-DD) inflation factor for state fiscal year 2027.

The Division of Medicaid and Long-Term Care sent notice on June 8, 2026 (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,

Jeremy Brunssen, 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 6 — 0 0 0 8

2. STATE

N E

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, 2026

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

- a. FFY 2026 \$ -705,997
b. FFY 2027 \$ -2,753,235

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR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
SFY 2027 ICF-DD 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



12. TYPED NAME
Jeremy Brunssen

13. TITLE
Interim Director, Division of Medicaid & Long-Term Care

14. DATE SUBMITTED
September 21, 2026

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

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.

For the Rate Period of July 1, 2026, through June 30, 2027, the inflation factor is positive 24.00%.

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 percentages(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 26-0008

Supersedes

TN #. NE 25-0016

Approval Date _____

Effective _____