



September 25, 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 26-0009

Dear Ms. Petras:

Enclosed please find the above referenced amendment to the Nebraska Medicaid State Plan regarding updated effective dates for payment rates for psychiatric residential treatment facilities and transplant diagnosis-related group direct medical education payments.

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,

A handwritten signature in blue ink, appearing to read "J. Brunssen".

Jeremy Brunssen, Interim Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

cc: Tyson Christensen
Tim Weidler

Enclosures

Transplant DRG Payments: Transplant discharges, identified as discharges that are classified to a transplant DRG, are paid a Transplant DRG CCR payment and, if applicable, a DME payment. Transplant DRG discharges do not receive separate Cost Outlier Payments, IME Cost Payments or Capital-Related Cost Payments.

Transplant DRG CCR Payments: Are calculated by multiplying the hospital-specific Transplant DRG CCR by Medicaid allowed claim charges. Transplant DRG CCRs are calculated as follows:

1. Extract from the CMS Web Pricer Inpatient Prospective Payment System (PPS) for each hospital the Medicare inpatient prospective payment system operating and capital outlier CCRs effective October 1 of the year preceding the beginning of the Nebraska rate year. For rates effective October 1, 2009, the Department will extract the outlier CCRs in effect for the Medicare system on October 1, 2008.
2. Sum the operating and capital outlier CCRs.
3. Multiply the sum of the operating and capital outlier CCRs by the Transplant DRG budget neutrality factor.

On July 1 of each year, the Department will update the Transplant DRG CCRs based on the percentage change in Medicare outlier CCRs effective October 1 of the two previous years, before budget neutrality adjustments.

Effective July 1, 2022, the Transplant DRG CCRs will be increased by 2%.

Effective July 1, 2023, the Transplant DRG CCRs will be increased by 3%.

Effective July 1, 2024, the Transplant DRG CCRs will not be increased.

Transplant DRG Direct Medical Education Payments: Transplant direct medical education cost payments are based on Nebraska hospital specific direct medical education payment rates determined each State Fiscal Year. Bone marrow transplant diagnosis related groups are excluded from the transplant direct medical education rate and are reimbursed under the specific hospital direct medical education rate. Each SFY Nebraska hospital specific Transplant direct medical education payment rates shall be adjusted by a percentage. This percentage shall be determined by Nebraska Legislature appropriations. The current Transplant direct medical education payment rates are effective July 1, 2026.

Transmittal # NE 26-0009
Supersedes
Transmittal # NE 25-0014

Approved _____ Effective _____

STATE: NEBRASKA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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

The PRTF reimbursement is for treatment, provided by and in the facility when it was found during the initial evaluation or subsequent reviews, to be treatment necessary to address a medical, psychological, social, behavioral or developmental aspect of the child's care per 42 CFR 441.155 and address on the active treatment plan. The PRTF per diem includes all care found on the active treatment plan per the assessed needs at 42 CFR 441.155 except for physician, medically necessary services and/or supplies including dental, vision, diagnostic/radiology, prescribed medications, not otherwise included in the PRTF rate, which are reimbursed separately on a fee schedule set consistent with the methodology outlined in Attachment 4.19-B, Item 12. The PRTF reasonable activities are child specific and must be necessary for the health and maintenance of health of the child while he or she is a resident of the facility. The medically necessary care must constitute a need that contributes to the inpatient treatment of the child. The Physician activities in PRTFs will be reimbursed based on a fee schedule set consistent with the methodology outlined in Attachment 4.19-B, Item 5.

The PRTF treatment activities included in the per diem rates that must be provided by the facility are those activities that can reasonably be anticipated and placed on the active treatment plan according to the assessed needs of the child. The prospective per diem rate is considered payment in full for these Medicaid-eligible portions of the payment rate per 42 CFR 447.15 and may not be balance billed to the family or legal guardian.

PRTF Treatment Activities in Per Diem PRTF Fee Schedule Rates

Hospital Based PRTF

OT/PT/ST
Laboratory
Transportation

Free-Standing PRTF:

OT/PT/ST
Laboratory
Transportation

Except as otherwise noted in the plan, the state-developed fee schedule are the same for both governmental and private providers of inpatient psychiatric residential treatment facility services. The agency's fee schedule rate was set as of July 1, 2026, and is effective for services provided on or after that date. All rates are published on the agency's website at <http://dhhs.ne.gov/Pages/Medicaid-Provider-Rates-and-Fee-Schedules.aspx>. From the landing page, scroll down to the fee schedule for the specific program and year.

Transmittal # NE 26-0009
Supersedes
Transmittal # NE 25-0014

Approved _____ Effective _____

**TRANSMITTAL AND NOTICE OF
APPROVAL OF STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID
SERVICES**

1. TRANSMITTAL NUMBER

2 6 — 0 0 0 9

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
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 \$ 0b. FFY 2027 \$ 07. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Att. 4.19-A, Pgs 11 and 308. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR
ATTACHMENT (*If Applicable*)

Att. 4.19-A, Pgs 11 and 30

9. SUBJECT OF AMENDMENT
SFY 2027 Inpatient Hospital Rates10. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT



SPECIFIED: COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS

Governor has waived review

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Jeremy Brunssen13. TITLE
Interim Director, Division of Medicaid & Long-Term Care14. DATE SUBMITTED
September 25, 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