



Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, Virginia 23219

<http://www.dmas.virginia.gov>

# MEDICAID BULLETIN

**TO:** Nursing Facility, Specialized Care, and Hospice Service Providers; Commonwealth Coordinated Care (CCC) Plus Managed Care Plans

**FROM:** Karen Kimsey, Director  
Department of Medical Assistance Services (DMAS)

**DATE:** 6/1/2020

**SUBJECT:** Nursing Facility and Specialized Care Rate Updates Effective July 1, 2020

The purpose of this bulletin is to inform you of new nursing facility and specialized care rates effective July 1, 2020. Nursing facility operating rates have been rebased in accordance with 12VAC30-90-44, including an inflation adjustment of 4.1%. Specialized care operating rates will be adjusted 4.1% for inflation effective July 1, 2020 in accordance with Item 313.LLLL of the 2020 Appropriation Act.

### **Inflation Adjustment**

The inflation for State Fiscal Year (SFY) 2021 is 2.8%. However, after correcting for previous inflation projections as required by regulations, there will be a 4.1% inflation adjustment for both nursing facility and specialized care rates.

### **Nursing Facility Rebasing**

Nursing facility operating rates have been rebased using cost data from provider fiscal years ending in calendar year (CY) 2017, in accordance with price-based regulations 12VAC30-90-44. During rebasing, each facility is assigned to a peer group according to geographic location or size, and a day-weighted median is calculated for each peer group for direct (nursing and ancillary) and indirect (all other) operating costs. Each day-weighted median is then adjusted to develop the price-based rates: 106.8% of the day weighted median for direct operating rates and 101.3% of the day weighted median for indirect operating rates.

Nursing facilities are paid these price-based operating rates unless their costs are less than 95% of the price-based rate. If nursing facility costs are less than 95% of the price-based rate, rates are limited to 5% more than their costs.

The statewide fiscal impact of rebasing nursing facilities is a 2% reduction prior to the inflation adjustment; however the fiscal impact for each facility will vary. The table below shows the overall fiscal impact of rebasing by Commonwealth Coordinated Care (CCC) Plus region.

<b>NURSING FACILITY FISCAL IMPACT</b>	
<b>CCC PLUS REGION</b>	<b>FISCAL IMPACT</b>
TIDEWATER	-1.3%
CHARLOTTESVILLE WESTERN	-3.5%
ROANOKE AND ALLEGHANY	-0.5%
CENTRAL	-2.5%
NORTHERN AND WINCHESTER	-1.1%
SOUTHWEST	-4.1%
<b>TOTAL</b>	<b>-2.0%</b>

**Other Nursing Facility Rate Components**

Capital rates for freestanding nursing facilities were refreshed using the Fair Rental Value (FRV) methodology set forth in 12VAC30-90-36 and using settled FRV CY 2019 reports. Capital reimbursement for hospital-based nursing facilities is based on depreciation from cost reports with provider fiscal years ending in CY 2018. Rates for Nurse Aid Training and Competency Evaluation Programs (NATCEP) are based on costs per day from cost reports with provider fiscal years ending in CY 2017 and inflated to the current rate year. Rates for Criminal Records Checks (CRC) are based on costs per day from cost reports with provider fiscal years ending in CY 2017 and are not inflated.

**Specialized Care**

In accordance with Item 313.LLLL of the 2020 Appropriation Act, specialized care operating rates for the next two years will be adjusted for inflation. Final Specialized care per diem operating rates for SFY 2020 will be inflated by 4.1% to calculate rates for SFY 2021. Capital rates have been updated for SFY 2021.

**SFY 2021 Rate Notification**

This bulletin serves as the official notification that rates for SFY 2021 are posted on the DMAS website at <http://www.dmas.virginia.gov/#/ratesetting>. Corrections or revisions after July 1, 2019 will be noted at the bottom of the official rate sheet.

**MDS Assessments**

Upcoming Minimum Data Set (MDS) guidelines from the Centers for Medicare and Medicaid Services (CMS) will not impact Medicaid reimbursement. MDS Section G resident assessment and Omnibus Budget Reconciliation Act (OBRA) assessments will be available after October 1, 2020 to generate a Medicaid Resource Utilization Group (RUG) code for billing. Medicaid MDS assessment guidance can be found in the nursing facility provider manual and on the DMAS nursing facility website at <http://www.dmas.virginia.gov/#/nursingfacilities>. Medicaid RUG settings and assessments will remain the same. DMAS will not use the Optional State Assessment (OSA).

For questions, please contact Sara Benoit by email: Sara.Benoit@dmas.virginia.gov, or by phone: (804) 786-3673.

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**Medicaid Expansion Eligibility Verification**

Medicaid coverage for the new expansion adult group began January 1, 2019. Providers may use the Virginia Medicaid Web Portal and the Medicall audio response systems, as shown in the table below, to verify Medicaid eligibility and managed care enrollment, including for the new adult group. In the Virginia Medicaid Web Portal, individuals enrolled in the new adult group are shown as “MEDICAID EXP.” If the individual is enrolled in managed care, the “MEDICAID EXP” segment will be shown as well as the “MED4” (Medallion 4.0) or “CCCP” (CCC Plus) managed care enrollment segment. Eligibility and managed care enrollment information is also available through the DMAS Medicall eligibility verification system. Additional Medicaid expansion resources for providers are available on the DMAS Medicaid Expansion webpage at: <http://www.dmas.virginia.gov/#/medex>.

<b><u>PROVIDER CONTACT INFORMATION &amp; RESOURCES</u></b>	
<b>Virginia Medicaid Web Portal Automated Response System (ARS)</b> Member eligibility, claims status, payment status, service limits, service authorization status, and remittance advice.	<a href="http://www.virginiamedicaid.dmas.virginia.gov">www.virginiamedicaid.dmas.virginia.gov</a>
<b>Medicall (Audio Response System)</b> Member eligibility, claims status, payment status, service limits, service authorization status, and remittance advice.	1-800-884-9730 or 1-800-772-9996
<b>KEPRO</b> Service authorization information for fee-for-service members.	<a href="https://providerportal.kepro.com">https://providerportal.kepro.com</a>
<b>Managed Care Programs</b> Medallion 4.0, Commonwealth Coordinated Care Plus (CCC Plus), and the Program of All-Inclusive Care for the Elderly (PACE). In order to be reimbursed for services provided to a managed care enrolled individual, providers must follow their respective contract with the managed care plan/PACE provider. The managed care plan may utilize different guidelines than those described for Medicaid fee-for-service individuals.	
<b>Medallion 4.0 Managed Care Program</b>	<a href="http://www.dmas.virginia.gov/#/med4">http://www.dmas.virginia.gov/#/med4</a>
<b>CCC Plus Managed Care Program</b>	<a href="http://www.dmas.virginia.gov/#/cccplus">http://www.dmas.virginia.gov/#/cccplus</a>
<b>PACE Program</b>	<a href="http://www.dmas.virginia.gov/#/longtermprograms">http://www.dmas.virginia.gov/#/longtermprograms</a>
<b>Magellan Behavioral Health</b> Behavioral Health Services Administrator, check eligibility, claim status, service limits, and service authorizations for fee-for-service members.	<a href="http://www.MagellanHealth.com/Provider">www.MagellanHealth.com/Provider</a> For credentialing and behavioral health service information, visit: <a href="http://www.magellanofvirginia.com">www.magellanofvirginia.com</a> , email: <a href="mailto:VAProviderQuestions@MagellanHealth.com">VAProviderQuestions@MagellanHealth.com</a> , or call: 1-800-424-4046
<b>Provider HELPLINE</b> Monday–Friday 8:00 a.m.-5:00 p.m. For provider use only, have Medicaid Provider ID Number available.	1-804-786-6273 1-800-552-8627

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