

**COMMENTS ON NF Assessment Amended Rules
Rec'd as of 06/18/13**

Item #	Rule Cite Line #	Comment From	Comment	Analysis/ Recommendation
1.	R9-28-702 D4	Kathleen Pagel	If they change the number of days for those paying a lower rate, it will require a new waiver. The way it is structured, if they cannot adjust the \$7.50 rate, any change in the lower tax rate for high MA days providers or any change in the MA patient day threshold will require a new waiver. A new waiver is not required when either the tax rate is increased (or decreased) equally or by the same percentage for all providers. I suggest the language indicate that the tax rates in D2 and D3 and/or the number of annual Medicaid days used in subsection (D)(3) will be modified each August 1, to achieve a slope of at least 1 applying the uniformity tax waiver test described in 42 CFR 433.68(e)(2). This language would at least provides a possible opportunity to modify the model for updated days without having to obtain a new waiver.	The Administration will not make any changes based on this comment. Any change in the tax rate for one or both classes of facilities (high and low Medicaid utilization) or any change in the number of bed days that will distinguish the classes of facilities will require review and approval by the federal government. As such, the proposed modification will not achieve the stated purpose (avoiding potential future review by the federal government) and reduces the transparency and clarity of the rule because it will not include the actual tax rates. If modified as proposed, the rule would merely reflect the method for calculating the rate rather than the actual rates. In addition, the suggested method of calculation could result in multiple outcomes that satisfy the test; therefore, the rule would not reflect the Administration's determination of the actual future rate.
2.	R9-28-703	Kathleen Pagel	<p>A. On an annual basis, AHCCCS shall determine the total funds available in the nursing facility assessment fund available for supplemental payments by:</p> <p>3. Multiplying the appropriate federal matching assistance percentage (FMAP) by the difference of subsections (A)(1)</p>	Now under A Iiii. The Administration agrees to make changes to the formula to accurately reflect the total of the amounts collected by the assessment after the addition of federal financial

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			<p>and (A)(2). <u>A 3 Change this to read: dividing the result of (A)(1) and (A)(2) by one minus the appropriate federal matching assistance percentage (FMAP)</u></p> <p>A. Payment by AHCCCS Contractors. 1. Before each payment year, AHCCCS the Administration shall estimate the Net Nursing Facility Assessment Fund by: a. Estimating the nursing facility assessments to be collected in the upcoming assessment year, b. Subtracting one percent of the total estimated assessments, and c. Multiplying the result of (A)(1)(a) and (A)(1)(b) by the appropriate federal matching assistance percentage (FMAP). <u>1.C Change this to read: dividing the result of (A)(1)(a) and (A)(1)(b) by one minus the appropriate federal matching assistance percentage (FMAP)</u></p>	<p>participation.</p>
3.	R9-28-702	Kathleen Pagel	<p>C. All nursing facilities licensed in the state of Arizona shall be subject to the provider assessment except for: 1. A continuing care retirement community, 2. A facility with 58 or fewer beds, 3. A facility designated by the Arizona Department of Health Services as an Intermediate Care Facility for the Mentally Retarded, or 4. A tribally owned or operated facility located on a reservation. (STATE VETERANS HOMES??)</p> <p>D. The Administration shall calculate the prospective nursing facility provider assessment for qualifying nursing facilities as follows: 1. AHCCCS The Administration shall utilize each nursing facility's Universal Accounting Report (UAR) submitted to the Arizona Department of Health Services as of August 1st immediately preceding the assessment year. In addition, by</p>	<p>.</p> <p>The Administration agrees with the change of Universal to Uniform in the UAR reference.</p> <p>The Administration agrees that all timeframes should be 20 days, changes made accordingly.</p> <p>The Administration has amended the rule to exclude the Arizona Veterans' Homes from the assessment and the supplemental payment pursuant to Arizona Laws 2013, Chapter 37 which excludes the Arizona Veterans' Homes from the</p>

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		<p>August 1st each year, each nursing facility shall provide AHCCCS the Administration with any additional information necessary to determine the assessment. For any nursing facility that does not provide by August 1st the additional information requested by AHCCCS the Administration, AHCCCS the Administration shall determine the assessment based on the information available.</p> <p>4. The number of annual Medicaid days used in subsection (D)(3) shall be recalculated each August 1, to achieve a slope of at least 1 applying the uniformity tax waiver test described in 42 CFR 433.68(e)(2). (if they change the number of days for those paying a lower rate, it will require a new waiver). The way it is structured, if they cannot adjust the \$7.50 rate, any change in the lower tax rate for high MA days providers or any change in the MA patient day threshold will require a new waiver. A new waiver is not required when either the tax rate is increased (or decreased) equally or by the same percentage for all providers. I suggest the language indicate that the tax rates in D2 and D3 and/or the number of annual Medicaid days used in subsection (D)(3) will be modified each August 1, to achieve a slope of at least 1 applying the uniformity tax waiver test described in 42 CFR 433.68(e)(2). This language would at least provides a possible opportunity to modify the model for updated days without having to obtain a new waiver</p> <p>B. Each contractor must pay each facility the amount computed within 20 calendar days of receiving the nursing facility enhanced payment from the Administration. The contractors must confirm each payment and payment date to the Admin <u>(All timeframes should be 20 days)</u></p>	<p>definition of a nursing facility for purposes of Title 36, Chapter 29, Article 6 of the Arizona Revised Statutes.</p>
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