



NOTICE OF GENERAL PUBLIC INTEREST

ADDENDUM RELEASE DATE: MAY 23, 2025

ADDENDUM TO PUBLIC NOTICE FOR PROPOSED STATE PLAN AMENDMENT TO TRANSITION THE INTERMEDIATE CARE FACILITIES FOR THE DEVELOPMENTALLY DISABLED – CONTINUOUS NURSING BENEFIT/SETTING INTO THE MEDICAID STATE PLAN

This is an addendum to the Public Notice for proposed State Plan Amendment (SPA) 25-0026, published on May 12, 2025.

May it be known that the following changes have been made to the original Public Notice:

- The Intermediate Care Facilities for the Developmentally Disabled – Continuous Nursing (ICF/DD-CN) add-on amount has been increased on Attachment 4.19-D Page 15.4c3.
- The previous add-on amount for Calendar Year 2025 was \$62.56 for non-ventilator dependent level of care and \$108.74 for ventilator dependent level of care.
- The updated add-on amount for Calendar Year is \$129.56 for non-ventilator dependent level of care and \$182.77 for ventilator dependent level of care.

The effective date of the proposed SPA remains November 1, 2025. No other terms or conditions in the original Public Notice have changed.



- A. The application of the methodology described in this Attachment, with the most recent update factors and constants used to project costs, is included in an annual rate study conducted by the Department prior to August 1st each year and required by the CCR as an evidentiary base for the filing of new and/or revised regulations. This annual rate study is designated as Supplement 1, and will be provided to the Centers for Medicare and Medicaid Services (CMS) by December 31st of the rate year. The rates will become effective as provided for by the State's Budget Act, typically on August 1 of each year.
- B. If a freestanding facility's change in bedsize has an impact on the reimbursement rate, the lesser of the existing rate or the new rate shall prevail until the next general rate change. This is to deter a facility from changing bedsize groupings for the purpose of maximizing reimbursement.
- C. Notwithstanding any other provisions of this State Plan, the reimbursement rate shall be limited to the usual charges made to the general public, not to exceed the maximum reimbursement rates set forth by this Plan.
- D. Within the provisions of this Plan, the following abbreviations shall apply: NF- nursing facility; ICC/DD-intermediate care facility for the developmentally disabled; ICF/DD-H- intermediate care facility for the developmentally disabled habilitative; ICF/DD-N- intermediate care facility for the developmentally disabled nursing; **ICF/DD-CNC- intermediate care facility for the developmentally disabled – continuous nursing care**; STP- special treatment program; and DP-distinct part.
- E. All long term care providers shall be required to be certified as qualified to participate in the Medi-Cal program and must also meet the requirements of Section 1919 of the Social Security Act. In order to assure that reimbursement takes into account the cost of compliance with statutory requirements, NFs shall be reimbursed based on the following criteria: (Refer to Table 1 for a specific list)
 - 1. Resident acuity:

NFs shall be reimbursed based on the provision of the following services: level A; level B; subacute - ventilator and non-ventilator dependent; and pediatric subacute -- ventilator and non-ventilator dependent. Level A services are provided to a NF resident who requires medically necessary services of relatively low intensity. Level B, subacute and pediatric subacute

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- (a) DP/NP level B/pediatric subacute ... no bedsize category
- (b) NF level A ... no bedsize category
- (c) DP/NF level A ... no bedsize category
- (d) ICF/DD ... 1-59, 60+ and 60+ with a distinct part
- G) ICF/DD-H ... 4-6 and 7-15
- (k) ICF/DD-N ... 4-6 and 7-15
- (l) **ICF/DD-CNC ... 4-8**
- (m)** Swing-beds ... no bedsize category

2. Geographical location:

- (a) Freestanding NF levels A and B and DP/NF level A:
 - (1) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, and Sonoma counties.
 - (2) Los Angeles county.
 - (3) All other counties.
- (b) DP/NF level B, freestanding NF level B/subacute and pediatric subacute, DP/NF level B/subacute and pediatric subacute, ICF/DDs, ICF/DD-Hs, ~~and~~ ICF/DD-Ns, **and ICF/DD-CNCs**... statewide.
- (c) Rural swing-beds ... statewide.

F. Special Treatment Program (STP)

For eligible Medi-Cal patients 65 years or older who receive services in an Institution for Mental Disease the STP patch rate will apply. This is flat add-on rate determined to be the additional cost for facilities to perform these services. STP does not constitute a separate level of care.

II. COST REPORTING

- A. All long term-care facilities participating in the Medi-Cal Program shall maintain, according to generally accepted accounting principles, the uniform accounting system's adopted by the State and shall submit cost reports in the manner approved by the State.
 - 1. Cost Reports are due to the State no later than 120 days after the close of each facility's fiscal year (150 days for facilities that are distinct parts of a hospital), in accordance with Medicare and Medi-Cal cost reporting.

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- 11. Notwithstanding any other section of this Attachment, ICF/DD-CNC will be reimbursed at a per diem rate equal to the per diem rate for ICF/DD-N 4-6 in effect for the same rate year plus the amounts specified in (a) and (b) below.**
- a. The CNC add-on amount is**
 - i. \$129.56 for non-ventilator dependent level of care.**
 - ii. \$182.77 for ventilator dependent level of care**
 - b. The amounts listed in (a) are effective for calendar year 2025 and will be increased by the California Consumer Price Index annually.**

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LONG TERM CARE (LTC) CLASSES TO BE USED FOR RATE-SETTING PURPOSES

PATIENT ACUITY LEVELS	ORGANIZATION TYPE	No. of Beds	Geographical Location	Reimbursement Basis
NF LEVEL B (EXCEPT ADULT SUBACUTE AND PEDIATRIC SUBACUTE)	-Distinct Part NF	All	Statewide	*
	-Freestanding NF	All	Statewide	***
ADULT SUBACUTE: VENTILATOR DEPENDENT	-Distinct Part NF	All	Statewide	*
	-Freestanding NF	All	Statewide	***
NON-VENTILATOR DEPENDENT	-Distinct Part NF	All	Statewide	*
	-Freestanding NF	All	Statewide	***
PEDIATRIC SUBACUTE: VENTILATOR DEPENDENT	-Distinct part NF	All	Statewide	Model
	-Freestanding NF	All	Statewide	Model
NON-VENTILATOR DEPENDENT	-Distinct part NF	All	Statewide	Model
	-Freestanding NF	All	Statewide	Model
NF LEVEL A	-All	All	Los Angeles Co.	Median
		All	Bay Area**	Median
		All	All Other Counties	Median
ICF/DD	-All	1-59	Statewide	65th Percentile
		60+	Statewide	65th Percentile
ICF/DD-Hs and Ns	-All	4-6	Statewide	65th Percentile
		7-15	Statewide	65th Percentile
<u>ICF/DD-CNCs</u>	<u>-All</u>	<u>4-8</u>	<u>Statewide</u>	<u>****</u>
<u>VENTILATOR DEPENDENT</u>				
<u>NON-VENTILATOR DEPENDENT</u>				
RURAL SWING-BED NF LEVEL B SERVICES	-Rural Acute Hospitals	All	Statewide	Median

*DP/NF level-Bs and Subacute providers are reimbursed at either the lesser of costs as projected by the Department or the prospective median rate of the LTC class.

**Bay area is defined as San Francisco, San Mateo, Marin, Napa, Alameda, Santa Clara, Contra Costa, and Sonoma counties.

***Facility specific rate as determined by the methodology described in Supplement 4 to Attachment 4.19-D.

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******ICF/DD-CNCs are reimbursed at the rate for in effect for the same rate year plus an add-on that differs for ventilator dependent and non-ventilator dependent services.**

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