



JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MEDICAID AND NC HEALTH CHOICE

NC Department of Health and Human Services

NC Medicaid Payments for Skilled Nursing and Adult Care Homes

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Medicaid

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Temporary COVID Rate Increases

- **Most in place since spring 2020**
- **Was only budgeted through January of 2022**
- **Persistent staffing challenges in LTC – temp rate increases extended through June 30**
- **HCBS funding now in place, but SNF not included (does not meet federal definition)**

GA's DCW Rate Increases & Bonus

HCBS Rate Increases (see [Special Bulletin #230](#))

- \$210M total (federal and state) recurring
- Rate Increase of \$2.16/hr
- Providers strongly encouraged to pass 80% on to direct care worker (DCW) wages

Bonuses (see [Special Bulletin #233](#))

- One-time \$1,946.34
- State covering employer share of FICA
- Did include DCWs in nursing homes

Skilled Nursing and Adult Care Homes

Adult Care Home (ACH)

- Funded through Personal Care Services (PCS) rate, State/County Special Assistance, and Private Pay
- HCBS increase means post-June 30 PCS rate will be \$4/hr higher than pre-pandemic (\$19.56/hr post vs. \$15.60)

Skilled Nursing Facility (SNF)

- SNFs receive facility-specific per diem rates based on resident acuity levels and facility-based factors
- No HCBS increase – post June 30 rates will return to pre pandemic levels (average rate:* \$203.64)

*Based on 1/1/2022 state average base rate before COVID add-on

Current SNF Rates with COVID Add-On

**SNF rates April-June have \$79.06 add-on
(5% + 10% + \$47.50)**

\$203.64	avg base per diem rate
+ <u>79.06</u>	temporary COVID add-on
\$282.70	total avg per diem rate

State cost per month* = ~\$13M

* At current enhanced FMAP and estimated current occupancy rates. Annual monthly cost in SFY 2023 would likely be higher.

Current PCS Rates with COVID Add-On

PCS rates April-June have \$4.28/hr add-on

**\$19.56 post-HCBS increase hourly rate
(including EVV 10% add-on)**

+ 4.28 temporary COVID add-on

\$23.84 total hourly rate

State cost per month* = ~\$4.6M

* At current enhanced FMAP and estimated current utilization rates. Annual monthly cost in SFY 2023 would likely be higher.