

## **Update on January 1, 2023, July 1, 2023, and Future SNF Medicaid Rate Adjustments**

**January 1, 2023 – CMI/VBP Rate Adjustment Retro Pay/Recoupments:** In our conversations with MO HealthNet (“MHD”) this week, we were informed that they are continuing to work on processing the mass adjusted retro payments. The January 1, 2023, retro payment will be for all Medicaid days between January 1, 2023 and June 30, 2023. MHD has not confirmed which payment cycle you should expect to receive your January 1, 2023, mass adjusted retro payment but will let us know as soon as they pinpoint that cycle date. We anticipate that payment will be in October. Once we know the exact payment date you can expect the retro payment, we will report that.

The state is continuing to work through the recoupment process for facilities whose rates decreased on January 1, 2023. This will take more time as they are working to develop a plan of recoupment causing as little financial disruption as possible to the facilities who experienced a cut to their rate. MHD will not make any final decisions on how it will recoup overpayments until after the July 1, 2023 rates are released. Their plan is to combine the January 1, 2023 and July 1, 2023 adjustments and do one recoupment. In doing this, it is their hope is that some of the rates that reduced on January 1, may increase on July 1, 2023, which in turn may decrease the amount of the recoupment. There is also the chance it could be the opposite. We will continue to work with MHD on developing the best plan possible and will let facilities who are expecting a recoupment know how the overpayments will be recouped once that decision is made.

**July 1, 2023 – CMI/VBP Rate Adjustment and \$10/PPD Increase:** Relating to the July 1, 2023, CMI and VBP rate adjustments, MHD expects to receive the information (minus the \$10/PPD increase – which is still awaiting CMS approval) from Myers and Stauffer soon which will allow them to start processing the adjustments in their systems.

Based on our conversations this week and the ever increasing likelihood of the shut down of the federal government (which would ultimately delay CMS approval of the SPA for the \$10/PPD increase) I believe there is an increasing likelihood MHD will move forward with the July 1, 2023 CMI/VBP rate adjustment and not wait for CMS to approve the SPA for the \$10. Again, this is a guess, but I believe very possible. The retro payment/recoupments are a processing nightmare for not only our facilities, but also the state. MHD is eager to get on track with timely CMI/VBP adjustments.

**January 1, 2024 and Future CMI/VBP Rate Adjustments:** Finally, MHD confirmed again this week that they believe all systems are in place and working properly enabling them to work on January 1, 2024 rates well before January 2024. If this is the case, this means we will finally be on a timely schedule for semi-annual CMI/VBP rate adjustments effective January 1, 2024. If this goes as planned, it will eliminate the need for retro payments/recoupments based on the semi-

annual CMI/VBP adjustments beginning January 1, 2024 and in the future.

As we continue to learn more about all these outstanding rate-related topics, we will report that to the membership.