

Update on Status of January 1 2024 Rate Letters Based on CMI/VBP Semi-Annual Adjustment

MHD has changed its plan regarding the timing of issuing the January 1, 2024 rate letters for the semi-annual CMI/VBP adjustment. Since CMS surprised them with the SPA approval for the \$10 PPD increase and \$.87 VBP incentive increase prior to January 1, MHD will wait to adjust the 1/1/24 rates and send rate letters in conjunction with the \$10 PPD and VBP increase which will include the 1/1/24 CMI/VBP adjustment at the same time. This should result in a smoother process for not only the state, but also facilities.

As a result of this decision, you will not receive your 1/1/24 rate letter or payment of the new rate until after the first of the year. Once the 1/1/24 rate letter is released it will be inclusive of the \$10 PPD and VBP increase. As stated above, the state believes it will be able to process the new rate around the first of February. Therefore, any adjustments upward or downward as a result of the 1/1/24 CMI/VBP will be part of the retro mass adjusted payment of the \$10 and increase in VBP incentive payment. Again, we will keep you updated as we learn more.