

Reimbursement Update

The \$10 PPD rate increase and the \$.87 increase to the VBP incentive effective July 1, 2023, is finally moving forward. The log jam broke last week after the final approval was received and the Emergency Regulation for the increase was filed on Friday, February 23.

The state could not begin processing the final rate letters or pay the new rates until the Emergency Regulation was approved and filed with the Secretary of State's office. The Emergency Regulation will become effective March 6.

Now that the Emergency Regulation has been filed, there is a clearer timeline of when you will receive your new rates and retro payment. Here is the timeline:

- 1) Final rate letters should be released any time now – we were told earlier today, likely tomorrow - March 1. You should receive two letters, one referencing the 7/1/23 \$10 increase and \$.87 VBP increase and a second letter with your 1/1/24 CMI/VBP rate adjustments.
- 2) Your new 1/1/24 rate inclusive of the \$10 increase and \$.87 VBP increase should be reflected in your March 19 payment.
- 3) At this juncture, we do not have a date certain for the retro payment for any increases you received to your rate on 7/1/23 and 1/1/24. We are being told the retro payment should come in April. We hope to get an exact date for the retro payment in the next couple weeks.

Please remember, if you have a recoupment owed to the state due to rate reductions as a result of a decrease in your 1/1/23, 7/1/23 and/or 1/1/24 CMI/VBP incentive – that recoupment will be taken out of any retro payment due to you. In regard to the recoupments, I have been told there are a small number of facilities whose recoupments were larger than the amount owed to them for the \$10 retro pay. MO HealthNet will work with us on a fair recoupment process for any facilities in that situation.

We understand how frustrating this has been. We also understand how vital this increased funding is to every facility. Please know we have been working on this non-stop, speaking directly to the Medicaid Director weekly if not more, and engaged legislators to put additional pressure on the administration to get this rate increase processed and paid to the facilities. We know this is not over yet because you still have not received the increase; however, there is finally a clear path and timeline to getting this much needed relief.

