

**Emergency Rule**  
LSA Document #11-714(E)

DIGEST

Temporarily adds noncode provisions to reduce Medicaid rates for nursing facilities by five percent per Medicaid resident day, with exceptions. Repeals LSA Document #11-380(E), posted at [20110629-IR-405110380ERA](#). Authority: [IC 4-22-2-37.1\(a\)\(37\)](#); [IC 12-8-1-9\(b\)\(2\)](#). Effective November 10, 2011.

**SECTION 1. Notwithstanding all other provisions of [405 IAC 1-14.6](#), for the period beginning October 1, 2011, and continuing through June 30, 2013, all rates established under [405 IAC 1-14.6](#) shall be reduced by five percent (5%) per Medicaid resident day, except for the following:**

- (1) For the period October 1, 2011, through June 30, 2012, seventy-five cents (\$0.75) per Medicaid resident day to reimburse costs associated with selected facility expenditures described, as follows:
- (A) short-term (thirty (30) days or less), nonrecurring rental expenses for low air loss mattresses and pressure support surfaces, oxygen concentrators, and therapy equipment that are only used intermittently and not routinely;
  - (B) cable or satellite television provided in resident rooms;
  - (C) pets, pet supplies and maintenance, and veterinary expenses;
  - (D) direct resident care support and license fees for software to support hands-on resident care;
  - (E) replacement dentures for Medicaid residents incurred by the facility that exceed state Medicaid plan limitations for dentures; and
  - (F) assets identifiable to patient care that conform to the capitalization requirements at [405 IAC 1-14.6-14\(e\)](#) that exceed five hundred dollars (\$500) and are less than one thousand dollars (\$1,000).
- (2) The difference between:
- (A) the nursing home report card score rate add-on, effective October 1, 2011; and
  - (B) the nursing home report card score rate add-on parameters contained in subsection 7(k) of LSA Document #10-183, posted at [20101201-IR-405100183FRA](#).
- (3) For the period October 1, 2011, through June 30, 2012, the difference between:
- (A) the administrative component of one hundred ten percent (110%) of the average allowable cost of the median patient day; and
  - (B) one hundred percent (100%) of the average allowable administrative cost of the median patient day.
- (4) For the period of July 1, 2012, through June 30, 2013, the difference between:
- (A) the administrative component of one hundred eight percent (108%) of the average allowable cost of the median patient day; and
  - (B) one hundred percent (100%) of the average allowable administrative cost of the median patient day.
- (5) The difference between:
- (A) the quality assessment rate add-on, as described in section [405 IAC 1-14.6-24\(c\)](#); and
  - (B) the quality assessment rate add-on calculated using the assessment rates in subsection 24(a) of LSA Document #10-65, posted at [20101201-IR-405100065FRA](#).

**SECTION 2.** LSA Document #11-380(E), posted at 20110629IE-405110380ERA [*sic*, [20110629-IR-405110380ERA](#)], IS REPEALED.

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