



STATE OF MARYLAND

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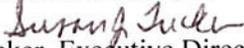
Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM**Nursing Home Transmittal No. 245****November 16, 2012**

TO: Nursing Home Administrators

FROM:  Susan J. Tucker, Executive Director
Office of Health Services

NOTE: Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.

RE: Revisions to Fiscal Year 2013 Interim Nursing Home Rates Based on a Modified Occupancy Standard

Enclosed are your facility's revised Fiscal Year 2013 interim rates, which take effect for payments for services provided on or after November 1, 2012. Please check the provider number at the top of the enclosed rate letter to ensure that you have received the correct data. A copy of these rates should be furnished to your accountant or bookkeeper for setting up your accounts.

The Fiscal Year 2013 occupancy standard was originally set at the Fiscal Year 2007 Statewide average occupancy (excluding providers with occupancy waivers), 90.2%, plus 1.5% for an occupancy standard of 92.7%.

Historically, Medicaid paid bed-hold days represent 0.7% of licensed capacity among providers without occupancy waivers. Eliminating reimbursement for hospital bed hold impacts providers' occupancy due to the fact that these days are no longer counted as days of care. Therefore, in order to compensate for the impact of the bed-hold reimbursement change, the occupancy standard will be revised to Statewide average occupancy plus 0.8% or 91.0%. Since this revision is implemented November 1 and is to be effective during 8 months of the fiscal year, the amount of the resulting rate increase is multiplied by 1.5 to achieve the annual impact of the change.

Providers with rates based upon occupancy of 91.7% or higher will see no difference in their rates.

Any questions regarding this transmittal should be directed to the Nursing Home Section of the Division of Long Term Care Services at 410-767-1736.

Enclosure
SJT/seh
cc: Nursing Home Liaison Committee