

Nursing Facility Demonstration of Need

Stakeholder Engagement Meeting HB 21-1227

September 30, 2021

Presented by: Nancy Schwalm & Richard Clark
Office of Community Living

Procedural Items

- This meeting is being recorded
- Comments will be taken from Chat or Raise Hand and host will call on you. Please identify your name, position and organization before comment
- **Located in Chat:**
 - HB 21-1227
http://leg.colorado.gov/sites/default/files/2021a_1227_signed.pdf
 - DRAFT Rule Revision:
https://docs.google.com/document/d/1kcUer_6_zmnRJn_sJ8bCJU8XjmUvN4HV/edit

Purpose of Meeting

- HB 21-1227 passed May 27, 2021
- Share initial DRAFT rule revision
- Incorporate legislative requirements
- Provide opportunities for key Stakeholder and other State agency input

HB21-1227 DON Goals

- “Determine the viability...and required need for each new nursing facility provider seeking Medicaid certification”
- Clear and Predetermined criteria for certification
- Technical changes, allowance for non-Medicaid NF to add up to 5 Medicaid beds without full Medicaid enrollment.

8.430.1 Draft Rule Revision

- Changes in definitions
 - ✓ Existing Colorado Nursing Facility
 - ✓ New Nursing Facility
 - ✓ Financial Solvency
 - ✓ Differentiation vs. Measurable Innovative Practices
 - ✓ Case-Mix

8.430.2 Applicability

- 8.430.2.A. Rule Exemptions

- ✓ 1. Change of Ownership/Receivership - propose no change if facility currently Medicaid certified
- ✓ 3.b. Replacement facility - propose language for rural “15-mile” location option
- ✓ 3.c Number of beds limited in the replacement facility eliminated.
- ✓ 3.e. Propose section (e. i.-v.) for replacement facility to show “innovative practices” and “design features” -examples only

8.430.3.A Procedures and Criteria for Medicaid Certification - New Nursing Facility

- ✓ 3. Keep newspaper public notice as required
- ✓ 5.b. Propose submission of planned measurable innovative practices as differentiation from other nursing facilities in same service area

8.430.3.A - New NF Certification

- ✓ 5.c Propose deleting requirement for submitting marketing plan, communications and presentation to discharge personnel and placement agencies
- ✓ 5.d Propose use of State demography data as part of market analysis

8.430.3.A New NF Certification

HB21-1227 requires “Business Continuity and Solvency” as part of Department review

- ✓ 5.e,f,g - Propose a 3rd party auditor statement of financial viability
- ✓ 5.h. - For new Providers with no quality measures history, propose use of QAPI submission to CDPHE

8.430.3.A - New NF Certification

- ✓ j.i) 1) Propose definition of ‘service area’ to be the county the facility is located.
- ✓ j.i) 3) Propose eliminating occupancy at 90% for 6 months preceding filing date of application
- ✓ j.ii) 2) Propose “Justification for the service area to be served” include local county/city/special district input

8.430.3.A - New NF Certification

- ✓ j.ii) 4) a)b)c) Propose that Applications for special populations not list specific population served. Replace with Department use of utilization records and other data-driven information to review need
- ✓ J. ii 6)a) Propose addition of a) Department may “authorize an additional number of beds for individuals transitioning in/out of the specific special need or supporting solvency of the program”

8.430.4 Completion of Approved Beds

- ✓ 8.430.4.A Increase timeframe for completion to 60 months.
- ✓ 8.430.4.B. Propose allowing Department to “authorize one (1) extension of up to 30 months if the applicant can show a good effort towards completion of the project.”

8.430.4 Completion of Approved Beds

- ✓ 8.430.4.E. For two or more applications in same service area or for special population:
 - ✓ Propose elimination of 1. and 2. regarding per diem submission and estimated rate setting
 - ✓ E. 1. Propose selecting the applicant who “demonstrates the more measurable innovative practices”

8.430.5 Notification of Increased or Decreased Medicaid Beds

- ✓ Propose eliminating this entire section and requirement
- ✓ With exception to the 5 bed limited scenarios, all certifications will be facility wide

8.443 Nursing Facility Reimbursement

- 8.443.9.A. Fair Rental Allowance: Definitions and Specifications
 - ✓ 1. b. Propose HB21-1227 generic reference of the valuation system used by the Department. Propose “must be based on a nationally-recognized valuation system determined by the state department,” versus specific name of valuation system.
 - ✓ 5. Propose same use of “nationally-recognized valuation system” versus specific name of program.

8.440 Nursing Facility Benefits

- ✓ 17. “Facility population distribution” Propose change in language to mirror statue “Case-Mix”. Indicated Resource Utilization Group (RUG) system remains in usage.
- ✓ 30. “Nursing weights” Propose change in language to mirror statue “Case-Mix”. Indicated Resource Utilization Group (RUG) system remains in usage.



Questions?



Contact Info

Nancy Schwalm
Nursing Facility Innovation Specialist
Nancy.Schwalm@state.co.us

Richard Clark
Long Term Care Facility Policy Specialist
Richard.Clark@state.co.us

Thank you!