



STATE OF MARYLAND
DHMH

PT27-2K

Office of Health Services
Medical Care Programs

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Parris N. Glendening, Governor - Georges C. Benjamin, M.D., Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Nursing Home Transmittal No. 166

June 28, 2000

Nursing Home Administrators

FROM: Joseph M. Millstone, Executive Director 
Office of Health Services

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

Fiscal Year 2001 Interim Rates

Enclosed are Fiscal Year 2001 interim rates for your facility. The rates are based on Regulation .07 Payment Procedures - Maryland Facilities under COMAR 10.09.10 Nursing Facility Services.

Please check the provider number at the top of the enclosed rate letter to ensure that you have received the correct data. These interim rates will become effective with payments for services provided on or after July 1, 2000 through June 30, 2001. A copy of these rates should be furnished to your accountant or bookkeeper for setting up your accounts.

All interim rate calculations are based on the cost report data submitted by you for the fiscal year ending any month in 1999 (i.e., fiscal year end dates January 1999 - December 1999). All cost reports have been indexed forward to December 2000 for interim rate calculations. Capital reimbursement is based also on the debt and lease information furnished to Clifton Gunderson L.L.C. Any significant changes in the provider's capital status (e.g., exercise of lease option to purchase) should be reported to Clifton Gunderson L.L.C. immediately.

For those providers with less than 1,000 days of care to Maryland Medicaid recipients, that elected not to submit a cost report and accept as payment the statewide average Medicaid nursing home payment for each day of care during Fiscal Year 2001 (COMAR 10.09.10.13.N), the payment rate is \$133.74.

I. Nursing Service Cost Center

As prescribed by regulation, the nursing times factored into the per diem levels of care have been recalibrated based on an analysis of the hours of care provided during the October 1999 wage survey period. As a result, .2518 hours (15.1 minutes) has been added to each of the per diem levels of care.

A list of the revised regional standard nursing service rates is attached. These rates are based on the wage survey conducted in October 1999, a per diem supply allowance of \$2.93 per day and the revised nursing per diem times. The combination of higher wages and reimbursement for additional hours of care has resulted in significant increases in nursing reimbursement in all five regions.

REGION	INCREASE
BALTIMORE	16.54 %
WASHINGTON	13.91 %
NON-METRO	19.03 %
CENTRAL	17.24 %
WESTERN MD	13.06 %

The fringe benefit factors used in setting the revised regional nursing rates are as follows:

Baltimore Metropolitan	27.07 %
Washington Metropolitan	30.43 %
Non-Metropolitan	28.50 %
Central	26.46 %
Western Maryland	38.83 %

For providers whose nursing service expenditures are less than reimbursement, the maximum profit which may be allowed above the provider's cost is 5 percent of reimbursement, based on standard nursing service rates, for cost settlement purposes.

II. Occupancy Standard

Regulations define the applicable fiscal year occupancy standard as the statewide average occupancy, based on providers' cost report data, plus one-half of a percent. An analysis of providers' Fiscal Year 1999 cost report data, adjusted to omit providers with occupancy waivers during their 1999 fiscal year, indicates a statewide occupancy level of 89.2 percent. Therefore, the occupancy standard that will be applied to the Administrative/Routine, Other Patient Care and Capital cost centers during Fiscal Year 2001 is 89.7 percent.

II Administrative/Routine Cost Center

REGION	FISCAL YEAR 2000 (10/1/99 - 6/30/00) CEILING	FISCAL 2001 CEILING	INCREASE
BALTIMORE	\$46.20	\$49.55	7.25%
WASHINGTON	52.21	58.01	11.11%
NON-METRO	40.80	42.91	5.17%
SMALL FACILITY	45.50	46.83	2.92%

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IV Other Patient Care Cost Center

REGION	FISCAL YEAR 2000 (10/1/99 - 6/30/00) CEILING	FISCAL 2001 CEILING	PERCENT CHANGE
BALTIMORE	\$11.27	\$11.70	3.82%
WASHINGTON	12.18	11.44	-6.08%
NON-METRO	10.66	11.23	5.35%

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VI. Capital Cost Center

For Fiscal Year 2001 rate setting, facility appraisals have been indexed as follows:

APPRAISAL DATE	LAND	BUILDING	EQUIPMENT
March 1997	1.1062	1.1314	1.0401
March 1998	1.0771	1.1045	1.0294
March 1999	1.0504	1.0793	1.0280

The Fiscal Year 2001 appraisal limit has increased to \$47,088.85/bed.

The Fiscal Year 2001 equipment allowance has been increased to \$4,610.67/bed.

The Capital Rental Rate is 8.90%

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Any questions regarding this transmittal or the rates on the enclosed listings should be directed to the Nursing Home Section of the Division of Long Term Care Services at (410) 767-1444.

JMM/seh
Enclosures

cc: Nursing Home Liaison Committee

FISCAL YEAR 2001 NURSING SERVICE RATES

PATIENT CLASSIFICATION OR NURSING PROCEDURE	BALTO	WASH	NON METRO	CENTRAL	WEST MD
LIGHT CARE	40.97	43.53	41.06	40.25	37.24
LIGHT CARE BEHAVIOR MANAGEMENT	46.31	49.32	46.61	45.62	42.53
MODERATE CARE	59.24	63.34	59.84	58.35	55.10
MODERATE CARE BEHAVIOR MANAGEMENT	60.42	64.93	61.42	59.66	56.99
HEAVY CARE	70.45	75.42	71.37	69.56	65.87
HEAVY SPECIAL CARE	71.10	76.13	72.03	70.20	66.48
DECUBITUS CARE	7.85	8.02	7.59	7.70	6.41
CLASS A SUPPORT SURFACE	22.46	22.46	22.46	22.46	22.46
CLASS B SUPPORT SURFACE	87.88	87.88	87.88	87.88	87.88
COMMUNICABLE DISEASE CARE – LEVEL I	92.78	99.10	93.28	91.20	84.50
COMMUNICABLE DISEASE CARE – LEVEL II	157.22	167.92	158.06	157.22	143.17
CENTRAL INTRAVENOUS LINE	19.32	19.59	17.80	17.93	14.93
PERIPHERAL INTRAVENOUS CARE	38.62	39.41	36.62	37.09	30.53
TUBE FEEDING – MEDICARE	14.25	14.60	13.76	13.99	11.43
TUBE FEEDING – MEDICAID	18.01	18.36	17.52	17.75	15.19
VENTILATOR CARE	310.44	314.31	300.32	302.62	269.92
TURNING & POSITIONING	5.72	6.34	6.05	5.74	5.99
OSTOMY CARE	4.29	4.72	4.51	4.32	4.32
AEROSOL OXYGEN THERAPY	4.15	4.26	4.02	4.08	3.33
SUCTIONING	9.50	9.74	9.21	9.37	7.64
INJECTION – SINGLE	2.37	2.43	2.29	2.32	1.90
INJECTIONS – MULTIPLE	5.02	5.14	4.85	4.93	4.03

**FISCAL YEAR 2001 THERAPY SERVICE RATES
EFFECTIVE JULY 1, 2000**

SERVICE	BALTIMORE	WASHINGTON	NON-METRO
PHYSICAL THERAPY			
1/4 HOUR	15.39	16.16	14.65
1/2 HOUR	30.77	32.31	29.30
3/4 HOUR	46.16	48.47	43.94
1 HOUR	61.54	64.62	58.59
OCCUP. THERAPY			
1/4 HOUR	14.61	15.37	13.91
1/2 HOUR	29.23	30.73	27.81
3/4 HOUR	43.84	46.10	41.72
1 HOUR	58.45	61.46	55.62
SPEECH THERAPY			
1/4 HOUR	14.07	14.81	13.38
1/2 HOUR	28.13	29.62	26.76
3/4 HOUR	42.20	44.42	40.14
1 HOUR	56.26	59.23	53.52