

DOH receives CMS approval for bed hold cut

DOH has just received [written CMS approval](#) to change the state's Medicaid bed hold policy and implement an across-the-board cut to nursing home rates.

DOH was directed to generate \$40 million in savings in the 2012-13 state budget by reducing Medicaid bed hold payments for adult nursing home residents. Effective July 1, 2012, reimbursement for reserved bed days for each recipient is limited to 14 days in any 12-month period for hospitalizations and therapeutic leave of absences combined, and up to 10 days for "other leaves of absence." In addition, hospitalization bed holds are paid at 50 percent of the nursing home rate, with other bed holds continuing to be reimbursed at 95 percent of the rate.

Since DOH determined that the July 1 bed hold changes will save Medicaid \$16 million in 2012-13, they are implementing a per diem reduction to all nursing home Medicaid rates (except pediatric facilities) effective Jan. 1, 2013 to make up the \$24 million shortfall. As noted in the last edition of *Intelligence*, nursing home CFOs should have received a file showing DOH-updated facility-specific estimates of this \$24 million across-the-board cut.

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Jan. 2013