July 28, 2025

Nevada Medicaid Web Announcement 3684

Attention Provider Type 13 (Psychiatric Hospital, Inpatient): Update Regarding Acute Hospital Rates

The Division of Nevada Medicaid is currently pending a Request for Additional Information (RAI) with the Centers for Medicare & Medicaid Services (CMS) regarding the Psychiatric Hospital, Inpatient State Plan Amendment (SPA) 25-0011 to amend the reimbursement rates for hospitals under provider type (PT) 13 (Psychiatric Hospital, Inpatient).

Under the proposed change, the existing reimbursement methodology would be amended to a $944 flat per diem rate for private hospitals. The proposed effective date for the SPA is January 1, 2025. If approved, a claims reprocessing effort will be initiated from January 1, 2025, to the date the system is updated. The Nevada Medicaid website will be updated with further information via Web Announcements pertaining to this SPA.

As a reminder, Inpatient Psychiatric Hospitals have had provider-specific cost-negotiated rates for private hospitals and have always had the ability to negotiate for higher rates via the Medicaid Rates Appeal process, discussed in Chapter 700 of the Medicaid Services Manual, Section 704. Providers are welcome to submit a Rate Appeal while awaiting a decision from CMS.

Appeals must be submitted in writing to the address below and clearly marked as a Rate Appeal.

To ensure receipt of the appeal, certified mail or other commonly accepted delivery methods that clearly show the date of receipt are encouraged.

Appeal Address: Administrator Nevada Medicaid, 4070 Silver Sage Drive, Carson City, NV 89701.

The appeal must contain the following information:

1. The name, address and telephone number of the person who has the authority to act on behalf of the provider/appellant.
2. The specific rate (s) to be reviewed.
3. The basis upon which the provider believes relief should be granted, including supporting documentation:
    a. Claims documentation showing costs for Medicaid services not fully compensated by Medicaid payments is necessary, but not sufficient to form a basis for relief.
    b. The documentation should show that payments received from Medicaid for the appealed rate fail to compensate for costs attributable to providing services to Medicaid patients as well as for the rates in aggregate for the provider.
    c. The documentation must show how the specific circumstances provided to Medicaid recipients relative to other like-providers result in higher costs not adequately or appropriately considered in the development of the existing rate(s).
4. The relief requested, including the methodology used to develop the relief requested. Actual costs from the most recent prior year(s), or costs from part of the current year, may be used in developing the methodology for the relief request, so long as it is not a cost reimbursement methodology.
5. Any other information the provider believes to be relevant to the review.

For further information or any other questions, please send an email to the Nevada Medicaid Rates Unit at Rates@nvha.nv.gov.