
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: SMITH
SUBJECT: MEDICAID STATE PLAN AMENDMENT
DATE 5/20/02
CC: FILE

The Division of Medicaid has requested your signature on the attached state plan amendment.

State Plan Amendment #2002-11 removes the application of access and quality weights to the direct care per diem payment for nursing facilities. This change is the result of efforts to contain cost. Years ago, this additional reimbursement was added to provide nursing facilities that provided better care (based on weights on the MSDS) a higher reimbursement. With the change, all nursing facilities will be reimbursed the same direct care per diem. It was felt that nursing facilities should not be rewarded for something they should be doing anyway.

Please **check approved, date and sign the last sheet of both of the attached.**