

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Department of Health Care Finance



Office of the Senior Deputy Director/Medicaid Director

Transmittal 24-20

**TO:** All District and Out-of-State Nursing Facility Providers

**FROM:** Melisa Byrd *Melisa Byrd*  
Senior Deputy Director and Medicaid Director

**DATE:** May 31, 2024

**SUBJECT:** Public Notice of Intent to Submit State Plan Amendment – Changes to Reimbursement Rates for Out-of-State Nursing Facilities

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**Purpose**

The Department of Health Care Finance (DHCF) hereby gives notice of the intent to submit an amendment to the District of Columbia State Plan for Medical Assistance (State Plan) to the Centers for Medicare and Medicaid Services (CMS) for review and approval. The proposed amendment will revise the reimbursement methodology for out-of-state nursing facilities. Pursuant to Federal regulations at 42 C.F.R. § 447.205, a state must provide public notice of any significant change in the state’s methods and standards for setting payment rates for services, prior to the proposed effective dates in the State Plan amendment submitted to CMS.

DHCF is proposing an amendment to the reimbursement methodology to out-of-state nursing facilities participating in the District’s Medicaid program beginning June 1, 2024. The proposed amendment updates reimbursement for out-of-state nursing facilities to the Medicaid reimbursement policy of the state in which the facility is located or a negotiated rate. This proposed methodology change ensures that out-of-state nursing facilities receive appropriate and timely financial benefit when admitting District Medicaid beneficiaries, especially higher acuity patients.

The District does not project a change in aggregate Medicaid expenditures for the changes to the nursing facility reimbursement methodology.

**Contact**

If you have any questions, please contact Sam Woldeghiorgis, Associate Director, Office of Rates Reimbursement and Financial Analysis, Department of Health Care Finance, via email at [samuel.woldeghiorgis@dc.gov](mailto:samuel.woldeghiorgis@dc.gov).

**Cc:** DC Medical Care Advisory Committee Stakeholders  
DC Hospital Association  
DC Primary Care Association  
DC Health Care Association  
DC Home Health Association

DC Behavioral Health Association  
DC Coalition of Disability Service Providers  
Medical Society of DC