



OCT 30 2017

CERTIFIED RETURN RECEIPT

[Name], Administrator  
[Name of Facility]  
[Address]  
[City, State, Zip Code]

SUBJECT: MEDICAID FEE FOR SERVICE LONG TERM CARE ACUITY RATE EFFECTIVE  
JANUARY 1, 2018  
Provider Name: [Name of facility]  
Provider Number: [Provider ID]

Dear [Administrator]:

This letter is to notify you of your Medicaid Fee For Service Long Term Care (LTC) Acuity rate effective January 1, 2018. The calculation of your Medicaid Fee For Service (LTC) rate is summarized on Attachment A.

Please note the following regarding your LTC rate effective **January 1, 2018**:

1. The LTC rate is adjusted by the current facility wide case mix index based on resident listings for **May 1, 2017** and **August 1, 2017**. Enclosed are copies of the resident listings.
2. The LTC rate is adjusted by the CMS Nursing Home without Capital Market Basket inflation factor of **2.9%**.
3. A **provider fee** is added to the LTC rate. The fee is **\$13.46** for facilities with annual Medicaid days up to 65,000 and \$5.85 for facilities with annual Medicaid days more than 65,000. Exempt from the provider fee are nursing facilities with 28 or fewer licensed beds, nursing facilities owned or operated by Hawaii Health Systems Corporation, and continuing care retirement communities.

If you have any questions or concerns regarding this notice, please contact me at (800) 536-7059.

Sincerely,

Rae Ann Okunami, CPA  
Senior Manager

RO: mb

Attachments

Approved By:

State of Hawaii  
Department of Human Services  
Med-QUEST Division

OCT 25 2017

Date

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**MEDICAID FEE FOR SERVICE LONG TERM CARE ACUITY RATE**

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EFFECTIVE JANUARY 1, 2018

Facility Name	[Facility Name]		
Provider Name	[ Provider ID]		
Facility Type	Free Standing		
Case Mix Index Factor Facility Wide <sup>(1)</sup>	1.2282		
Current Acuity Rate <sup>(2)</sup>		\$	253.13
Update Factor – SFY 2018			1.0290
Updated Acuity Rate			260.47
General Excise/County Surcharge Tax:	4.712%		12.27
Provider Fee			13.46
<b>Rate Effective January 1, 2018:</b>		<b>\$</b>	<b>286.20</b>

<sup>(1)</sup> Total Weighted CMI 5-01-2018 and 08-01-2018.

<sup>(2)</sup> Direct Care (Median Price)	129.18 *		
CMI effective 01/01/2018	1.2282		158.66
A&G (Median Price)	77.97**		
Capital (Median Price)	16.50***		253.13
Total Acuity Rate	253.13		

\* Updated from 6/30/04 median price of \$106.00.

\*\* Updated from 6/30/04 median price of \$63.97.

\*\*\* Updated from 6/30/04 median price of \$13.53.