

**Bulletin Number:** MSA 12-60

**Distribution:** Nursing Facilities

**Issued:** December 1, 2012

**Subject:** Nursing Facility Reimbursement for Extended Period Cost Reports

**Effective:** January 1, 2013

**Programs Affected:** Medicaid

The purpose of this bulletin is to align Medicaid policy pertaining to the allowable length of a cost reporting period for nursing facilities that are either terminating Medicaid program participation or closing with similar Medicare time frames. Information in this bulletin will be applied to policy found in the Nursing Facility Cost Reporting & Reimbursement Appendix of the Medicaid Provider Manual.

## POLICY CHANGES

### Extended Period Cost Report

Facilities may submit a request for an extended cost reporting period during termination of Medicaid program participation or closure. The following changes are being made to existing policy as shown in **bold print** below:

A provider may submit a request for a cost **reporting** period of more than **12 months but not greater than 13** months if:

- **the provider** is terminating Medicaid Program participation; **or**
- **the facility** is closing.

**A written request** must be made to the Reimbursement and Rate Setting Section (RARSS) and must outline the exceptional circumstances. The provider will be notified in writing of approval or denial.

The RARSS may approve such requests if the Medicaid program or the nursing facility is not significantly adversely affected. Examples include **requests in which**:

- the request is not made for purpose to gain access to higher ceiling rates or economic inflation adjustors;
- the cost report data will have limited use for reimbursement determinations, i.e., not used for annual rate setting;
- the report is not used for subsequent time period rate determination; and
- it is used solely for retrospective settlement items.

### Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

**Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink that reads "Stephen Fitton". The signature is written in a cursive, flowing style.

Stephen Fitton, Director  
Medical Services Administration