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STATE OF WEST VIRGINIA
DEPARTMENTS OF HEALTH, HEALTH FACILITIES, AND HUMAN SERVICES

Office of Shared Administration
Office of Accountability and Management Reporting

Date: February 20, 2025

To: Medicaid Certified Nursing Facilities

From: Barbara Skeen, Director, Division of Rate Setting and Provider Reimbursement, Office of Accountability and Management Reporting

Re: Financial and Statistical Reports
Restorative Aide Definition and Cost Report Handling

The new rate setting methodology for nursing facilities that went into effect October 1, 2024, requires restorative aide expense to be recorded in Direct Care services and therapy expenses to be recorded in Care Related services. We recognize that restorative services could be recorded in either Direct Care or Care Related services depending on if the restorative aides are working under the supervision of nursing personnel or therapy personnel. Therefore, we are providing further definition and cost report classification for the December 31, 2024, cost report filing. This memo provides guidance on how to properly record restorative costs on the December 31, 2024, cost report to ensure the restorative costs are recorded correctly for cost reporting and rate setting.

Direct Care

Chapter 514 Nursing Facility Services manual, Section 514.7.1 provides the following definition for nursing services to be included in Direct Care.

“514.7.1 Nursing Services - Covered services include general nursing and restorative nursing care such as, but not limited to, medication administration, treatments, assessment, care planning, and restorative programs. General nursing care consists of, but is not limited to, personal care services rendered by the nursing staff or contract



nursing staff, and assistance with activities of daily living rendered by any staff including hair and nail hygiene, bathing, and routine foot care.”

This includes restorative aide wages, benefits, and contract labor where the restorative aide is performing services under the supervision of Direct Care personnel.

We have attached a copy of the December 31, 2024, cost report worksheet WV11 that includes cost centers for:

RN Wages

RN direct benefits

RN Indirect benefits

LPN Wages

LPN direct benefits

LPN Indirect benefits

Aide Wages

Aide direct benefits

Aide Indirect benefits

Restorative Wages

Restorative direct benefits

Restorative Indirect benefits

Contact Nursing (This cost center is for all contract Nursing – RN, LPN, Aide and Restorative under supervision of Direct care nursing.)

SCHEDULE OF EXPENSES - DIRECT CARE

WV11

FACILITY NAME: Demonstration Facility

MEDICAID #: Test

PERIOD BEGINNING: 1/1/2023

ENDING: 12/31/2023

<u>ACCOUNT DESCRIPTION</u>	<u>PER BOOKS</u>	<u>ADJ DR</u>	<u>ADJ CR</u>	<u>ADJUSTED</u>
NURSING				
RN'S	0	0	0	0
DIRECT BENEFITS AND TAXES	0	0	0	0
INDIRECT BENEFITS AND TAXES	0	0	0	0
LPN'S	0	0	0	0
DIRECT BENEFITS AND TAXES	0	0	0	0
INDIRECT BENEFITS AND TAXES	0	0	0	0
AIDES	0	0	0	0
DIRECT BENEFITS AND TAXES	0	0	0	0
INDIRECT BENEFITS AND TAXES	0	0	0	0
SUB-TOTAL	0	0	0	0
CONTRACT NURSING				
CONTRACT NURSING SERVICES	0	0	0	0
TOTAL DIRECT NURSING	0	0	0	0
RESTORATIVE SALARIES				
SALARIES	0	0	0	0
DIRECT BENEFITS AND TAXES	0	0	0	0
INDIRECT BENEFITS AND TAXES	0	0	0	0
SUB-TOTAL	0	0	0	0
TOTAL DIRECT CARE	0	0	0	0

Care Related

Chapter 514 Nursing Facility Services manual, Section 514.7.2 provides the following definition for Therapy services to be included in Care Related costs.

“514.7.2 Rehabilitative Therapy Services - Covered services include medically necessary specialized rehabilitative services such as, but not limited to, physical therapy, speech-language pathology, occupational therapy, respiratory therapy, psychological and psychiatric rehabilitative services. Psychological and psychiatric assessment, evaluation, and rehabilitative services are also required. These services must be documented in the resident’s physician orders and in the comprehensive plan of care. The administrator or designee must provide the required services directly or in accordance with 42 CFR 483.65. Rehabilitative services, whether provided either directly or through qualified outside resources, must be designed to preserve and improve abilities for independent function, to prevent progressive disabilities, and restore maximum function.”

This section includes restorative aide wages, benefits and contract labor where the restorative aide is performing services under the supervision of a Certified Therapist in Physical, Speech, Inhalation or Occupational Therapy.

We have attached a copy of the December 31, 2024, cost report worksheet WV12 that includes changes for the December 31, 2024, cost report only. Corrections are highlighted in red. Permanent changes to worksheet WV12 will be made for the December 31, 2025, cost report:

Other Care-Related Wages (This section will include wages and benefits for the Director of Nursing and wages and benefits for Therapy.)

Director of Nursing and Therapy Wages
 Director of Nursing and Therapy Direct benefits
 Director of Nursing and Therapy Indirect benefits
 Other Care-Related
 Supplies,
 Non-prescription drugs,
 oxygen, and
 other care related expenses

Other Therapy (This section is for Therapy contract labor.)

Physical Therapy
 Speech Therapy
 Inhalation Therapy
 Occupational Therapy
 Supplies
 Rental equipment
 Other (including restorative work under Therapist supervision)

SCHEDULE OF EXPENSES - CARE RELATED

WV12

FACILITY NAME: Demonstration Facility **MEDICAID #:** Test
PERIOD BEGINNING: 1/1/2023 **ENDING:** 12/31/2023

<u>ACCOUNT DESCRIPTION</u>	<u>PER BOOKS</u>	<u>ADJ DR</u>	<u>ADJ CR</u>	<u>ADJUSTED</u>
OTHER NURSING OTHER CARE-RELATED				
DIRECTOR DON AND THERAPY	0	0	0	0
DIRECT BENEFITS AND TAXES	0	0	0	0
INDIRECT BENEFITS AND TAXES	0	0	0	0
SUB-TOTAL	0	0	0	0
<hr/>				
SUPPLIES	0	0	0	0
NONPRESCRIPTION DRUGS	0	0	0	0
OXYGEN	0	0	0	0
OTHER	0	0	0	0
TOTAL OTHER NURSING TOTAL OTHER CARE-RELATED			0	0
<hr/>				
OTHER RESTORATIVE OTHER THERAPY				
PHYSICAL THERAPY	0	0	0	0
SPEECH THERAPY	0	0	0	0
INHAL. THERAPY	0	0	0	0
OCCUP. THERAPY	0	0	0	0
SUPPLIES	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0
OTHER	0	0	0	0
TOTAL OTHER RESTORATIVE TOTAL OTHER THERAPY			0	0

For any questions concerning the cost report, please contact Barbara Skeen, Director of Rate Setting and Provider Reimbursement, Office of Accountability and Management Reporting at barbara.i.skeen@wv.gov and also copy David McCauley at David.McCauley@wv.gov. Barbara Skeen 304 352-6728, David McCauley 304 352-6736