



Instructions for Reporting SNF Bed Licenses by Class of Room
Form and Documentation Due Thursday, September 23, 2022



Please send your completed and signed Form and architect's documentation
by Friday, September 23, 2022, to SNFRoomClass@arhealthcare.com.

August 25, 2022 Update: Clarifications in response to questions are shown on pages 2 and 4 and highlighted in yellow.

Introduction:

These Instructions are provided to assist Medicaid-certified skilled nursing facilities (SNFs) in completing the first annual Form for reporting SNF Bed Licenses by Class of Room.¹

DMS has reviewed and approved this use of the Form and these Instructions. AHCA will assist DHS in collecting this information and providing technical assistance to SNFs.

Forms and architect documentation sent to AHCA will be given to DHS. AHCA will not change anything you submit. If information is missing or an error is identified, you will be contacted immediately and asked to submit a corrected Form as soon as possible.

This will be an annual process timed with Medicaid cost report submissions. This will allow each SNF to, for example, revise its data for any change in total bed licenses and upgrades to rooms and bathrooms due to renovations, expansions, and replacement facilities.

List of Attachments:

This packet includes the following materials:

1. **Instructions:** These Instructions for completing the Form describe how to differentiate between the three new Classes for Per Bed Values and how total bed licenses should be attributed among the Classes. Classes A, B, and C are described below in these Instructions.
2. **Form:** The Form is designed to walk you through each step and the room and license-related data to enter for your facility.
3. **Table of SNF Bed Licenses:** The table shows the number of bed licenses for each licensed SNF as of June 30, 2022 (end of the SFY 2022 cost reporting period), according to the Arkansas Health Services Permit Agency.
4. **Diagram of Class A and Class B Room Examples:** This architect's diagram gives visual examples of Class A and Class B resident rooms and attached bathrooms for Class A and Class B rooms.

¹ This applies to all nursing facilities participating in Arkansas Medicaid (i.e., all dually Medicaid/Medicare certified and all Medicaid-only certified facilities). "SNF" is used here since it is the common term used in Arkansas for licensing and Medicaid payment.



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Overview of New Per Bed Value Methodology:

Using the Form, each SNF will provide important information the DHS Division of Medical Services (DMS) needs to apply the new Per Bed Values in the facility-specific fair market rental (property) component of per diem rates for January 1, 2023:

- Instead of a single Per Bed Value (PBV) amount for each bed license, the new PBV methodology will differentially apply three PBV amounts – Class A, Class B, and Class C.
- The three Classes recognize the significant real-world property cost differences between, for example:
 - Private, single-occupancy rooms versus semi-private, double-occupancy rooms.
 - Resident rooms with attached bathrooms versus rooms where residents must rely on a communal bathroom for toileting.
- The Form asks each SNF to identify the number of your bed licenses attributable to Class A, Class B, and Class C, respectively:
 - Each facility's total number of bed licenses as of June 30, 2022 is shown in the attached table from the Arkansas Health Services Permit Agency (HSPA). Refer to your facility's name and use the number of licenses shown in the third column, titled "Licensed Beds." Report this number in Step 1 of the Form.
 - The certification status of individual beds (e.g., Medicare/Medicaid certified beds, Medicare-only certified bed) does not apply to the Per Bed Value process. Therefore, use your facility's total number of bed licenses as shown in the "Licensed Beds" column of the HSPA table.
- SNFs are expected to engage the services of an Arkansas-licensed architect to assist in verifying the count of bed licenses attributable to Class A and Class B rooms and providing supporting documentation such as an annotated floor plan or diagrams. Tasks for the licensed architect are described later in these Instructions.

Importance of Fully and Accurately Attributing Licenses Among Classes A, B, and C:

Using the Form, all of your bed licenses should be accurately attributed to the three Classes according to the descriptions provided below. An individual bed license may be attributable to only one of the Classes (i.e., counted only once and for only one Class).

If a SNF does not file a complete and timely Form, all the facility's bed licenses will be considered Class C for purposes of Per Bed Value for the rate year.



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Since the Class C PBV is substantially lower than the PBVs for Class A and Class B, non-reporting or under-reporting will likely adversely affect the Fair Market Rental component of the facility's Medicaid per diem for the CY 2023 rate year.

Any bed license not attributable to a Class A or Class B room must be counted as Class C.

Similarly, SNFs must take care to count as Class A or Class B only those resident rooms that currently meet the criteria for these classes.

Any bed license(s) that you, in consultation with your contracted licensed architect, cannot accurately attribute to either a Class A or Class B room must be attributed to Class C.

New Classes and Per Bed Value Methodology Do Not Change Minimum State and Federal Requirements:

The new three-class per bed value methodology is solely for Medicaid rate-setting purposes and does not charge any DHS or CMS requirements for SNFs, including standards for construction, resident rooms, and bathrooms.

For example, the current minimum room sizes in DHS SNF regulations apply (e.g., any resident room counted as a Class B room must still be sufficient to meet the regulatory standard for a double-occupancy, semi-private room).

Meaning of Class A, Class B, and Class C:

The following describes the differences between Classes A, B, and C. Attached is an architect's diagram showing examples of Class A and Class B room configurations and attached bathrooms.

Class A Room:

A Class A room is always a single occupancy (private) room. Therefore, each Class A room must be allocated exactly one (1) of the facility's bed licenses.

Each Class A room must also have an attached bathroom that meets the criteria described below.

In the new Per Bed Value (PBV) methodology, each Class A room receives one Class A PBV amount. Since Class A rooms are, on a per-bed basis, the most costly to construct and furnish, the Class A PBV amount is the highest.



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Class B Room:

A Class B room is always a double occupancy (semi-private) room. Therefore, each Class B room must be allocated exactly two (2) of the facility's bed licenses.

Each Class B room must also have an attached bathroom that meets the criteria described below.

If you do not have enough available bed licenses to allocate two (2) licenses to a room that qualifies as a Class B room (including an attached bathroom), then that room must be counted as a Class A room in Step 2 of the Form and assigned the one (1) remaining available bed license.

In the new Per Bed Value (PBV) methodology, each Class B room receives two (2) Class B PBV amounts (one for each of the two licenses). The Class B PBV amount is 71.4% of the Class A PBV amount.

Criteria for Attached Bathrooms for Each Class A and Class B Room:

Each Class A room and Class B room must have an attached bathroom that meets the following criteria:

- The attached bathroom must include a minimum of a toilet, sink, and mirror and meet SNF safety requirements (handrails, etc.).
- An attached bathroom may also have additional elements, such as a shower, bathtub, small cabinet, or other storage space for personal hygiene items. However, these particular elements are not required for the Class A and Class B designations.
- The attached bathroom must be either private to the room (not shared with another room or residents of other rooms) OR shared with only one other immediately adjacent Class A or Class B room (often referred to as a "Jack and Jill" bathroom).
- The attached bathroom must not be resident-accessible through a hallway or a common room.

If a resident room does not have an attached bathroom or has an attached bathroom that does not meet these criteria, that room is considered Class C.

Class C:

While Class C includes a broader range of possible instances, it should be easier for SNFs to determine the number of their total bed licenses that are attributable to Class C. This is because once available bed licenses have been correctly attributed to all the Class A and Class B rooms in the facility, whatever remains of the available bed licenses are all Class C.



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Consistent with the sequence of Steps in the Form, after entering your total number of bed licenses in Step 1 and in consultation with your contracted licensed architect:

- Complete Step 2 on Class A rooms and Step 3 on Class B rooms.
- Once you have accounted for all the Class A and Class B rooms in your SNF and the number of licenses associated with these Class A and B rooms, you are ready to proceed to Step 4 on Class C.

Under the Per Bed Value methodology, the Class C PBV amount per bed license is 40.1% of the Class B PBV amount and 28.6% of the Class A PBV amount.

Examples where Class C applies:

- Any single-occupancy, private room that does not meet the definition of a Class A room is a Class C and allocated one (1) of the SNF's bed licenses.
- Any double-occupancy, semi-private room that does not meet the definition of a Class B room is a Class C and allocated two (2) of the SNF's bed licenses.
- A Class C room is any resident room where the room's resident(s) must rely on a hallway-connected, common room connected, or any other type of communal bathroom for their regular, unassisted toileting needs.
- A Class C room is any resident room with an attached bathroom that is incomplete (e.g., no sink or toilet), inaccessible, shared with two or more resident rooms, or directly accessible by other residents from the hallway or a common room.
- In any other instance where one of the SNF's licenses cannot be correctly attributed to a Class A or Class B room, that license must be attributed to Class C.

Licensed Architect Tasks:

Each licensed architect retained by a SNF should:

- Carefully review these Instructions, the Form, and other attachments.
- Email the AHCA team if they have any questions.
- Coordinate activities with the SNF Administrator or their senior-level designee.
- Visually inspect each resident room (regardless if occupied) and attached bathroom.



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- With the SNF administrator, determine which of the SNF's existing resident rooms meet the criteria for a Class A or Class B room (including attached bathroom criteria).
- Take measurements and review existing floor plans as the architect deems necessary to perform the work.
- In consultation with the SNF administrator, document the number and position of rooms that meet the criteria for Class A or Class B rooms (including attached bathrooms):
 - This documentation may include diagrams, drawings, or CAD-based floor plans (new or updated) with notations indicating each Class A and Class B qualifying room, associated attached bathrooms, and the number of licenses accounted for by each Class A and Class B room.
 - CAD-based floor plans are highly recommended. While some older facilities have their floor plans in a paper format, and there may not be enough time for architects to create updated floor plans in the electronic CAD format, up-to-date CAD-based floor plans are highly recommended. Architects are well-versed in CAD software (e.g., AutoCAD).
- Review the information entered on the facility's Form, with particular attention to numbers entered in Step 2 and Step 3 regarding the facility's rooms that meet Class A and Class B, respectively.
- If the architect agrees the Step 2 and Step 3 figures are accurate, the Form provides a signature line for the architect.

The documentation prepared by the licensed architect should be submitted with the completed and signed Form:

- Diagrams, drawings, and notes should be sent in PDF format.
- Any CAD-based floor plans should be sent in both DWG (the standard CAD software file format) and PDF file formats for DHS accessibility.
- Floor plans, diagrams, and drawings should be sized to reasonably allow a person to view the PDF on a computer screen without significant magnification.

Questions? Please email any questions to the AHCA team at SNFRoomClass@arhealthcare.com.

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