SKILLED NURSING FACILITY UPPER PAYMENT LIMIT

Presented to the
Health and Human Services Interim Committee

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OFFICE OF THE UTAH STATE AUDITOR

Key Issues

- **Department of Health and Human Services (DHHS) Oversight**
- **NSGEs Administrative Fees**
  - Only 49% went to the vulnerable population.
- **Seed Money Reclaimed**

DHHS Administrative Fees

- DHHS has formulas that calculate the administrative cost for oversight of a program
- The estimated 2025 administrative cost were $863,981
  - Actual collections: $2,746,288

NSGEs Administrative Fees

Upper Payment Limit - Skilled Nursing Facilities

- Program Overview
  - Seed Money
  - Matched Federal Grants
  - Total funds Improve the facilities and care of the vulnerable population

NSGEs Administrative Fees

Upper Payment Limit - Skilled Nursing Facilities

- Key Audit Findings
  - Out of the nearly $1 Billion received from 2016-2024 only only 49%, ($450,551,307) went to the vulnerable population.
    - The Program designed to support patient care is now being used as a revenue source for the NSGEs.

Seed Money Reclaimed

Upper Payment Limit - Skilled Nursing Facilities

- Key Audit Findings
  - Seed money is intended to establish a cooperative partnership between the provider and the federal program to ensure all parties are committed to providing the best care possible
    - ***100% of the seed money was reclaimed***

Questions and Discussion