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**Rebasing of Private Non-Medical Institutions for State Fiscal Year 2016  
Pursuant to V.P.N.M.I.R. § 6.5**

This Practices and Procedures Issuance announces the rebase of costs for Private Non-Medical Institutions (PNMI) used for the setting of Medicaid rates for services provided during State Fiscal Year 2016, which begins on July 1, 2015.

**I. BACKGROUND**

Pursuant to V.P.N.M.I.R. § 6.5(b), PNMI costs must be rebased every year. The last full rebase was on July 1, 2014, and the base year used at that time was each provider's fiscal year 2013. **PNMI rates will be rebased again as of July 1, 2015. The base year will be each provider's 2014 fiscal year.** V.P.N.M.I.R. § 6.5(a).

**II. IMPLEMENTATION**

The rebase will be implemented by the Division. When necessary, interim rates will be set based on a preliminary estimate of the rate for each provider to allow for billing while the funding application is being reviewed. Once the Division's findings on a provider's State Fiscal Year 2016 funding application are final, the interim rates will be replaced with the final rate effective on July 1, 2015, subject to the provisions and limitations in V.P.N.M.I.R. § 3.3(d).

V.P.N.M.I.R. § 3.3(d) refers to provider delays in the submission of requested information. There is a process for requesting an extension of time if a deadline cannot be met. See *PNMI Practices and Procedures* Issuance 96.2 and Form 96.2F. Extensions to filing deadlines must be requested by providers prior to the deadline for which an extension is requested. If an extension has been granted, there will be no delay in the July 1, 2014 effective date for the rebased rate. Please monitor deadlines carefully.

Effective: August 13, 2014

  
Kathleen Denette, Director  
Division of Rate Setting