

“Payments hereunder are authorized not to exceed \$18.00 per day, per patient, for Nursing Home Care in Extended Care Facilities and licensed Nursing Homes, provided those homes qualify as skilled nursing homes under the regulations promulgated by the U.S. Department of Health, Education and Welfare under Title XIX of Public Law 89-97 (Medicaid). Such Nursing Homes and Extended Care Facilities shall be reimbursed on the following basis: (A) Verified audited “cost” as that term is determined by the Secretary of Health, Education and Welfare in the administration of Title XVIII of the Social Security Act amendments of 1965; plus (B) an additional sum to be determined by the Board of Public Works, to provide a return greater than that customarily earned by the public service and public utility companies, including a profit of not less than 10% of total costs (including those costs determined by the Board of Public Works). In determining such additional sum the Board of Public Works shall take into account such costs as: amortization, replacement and/or modernization of plants, buildings and equipment, reasonable administrative costs, reasonable rentals, reasonable interest payments for loans by providers, and other lawful business expenses. Homes not submitting audited costs shall be reimbursed at a rate not to exceed \$7.00 per day, per patient.

Fee schedules, items of costs and profit factors established within this Medical Assistance Program shall be eligible for federal matching at Maryland’s applicable federal matching rate for Title XIX for those eligible services under Title XIX. If as a result of fee schedules, items of cost or profit factors various costs of services or portions of