

## **Table of Contents**

**State/Territory Name: Guam**

**State Plan Amendment (SPA) #: 14-02**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
San Francisco Regional Office  
90 Seventh Street, Suite 5-300 (5W)  
San Francisco, CA 94103-6706



**DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS**

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**JUN 04 2014**

Theresa Archangel  
Division of Public Welfare  
Bureau of Health Care Financing  
PO Box 2816  
Hagatna, GU 96932

Dear Ms. Archangel:

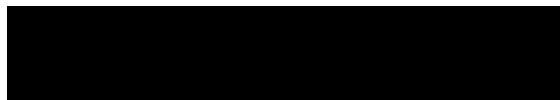
Enclosed is an approved copy of Guam State Plan Amendment (SPA) 14-02, which was submitted to the Centers for Medicare and Medicaid Services (CMS) on March 6, 2014. This amendment updates the State Plan to implement cost sharing for laboratory services, radiology and drugs for the new adult group with income above 100% FPL.

Enclosed are the following approved State Plan pages to be incorporated into your approved State Plan:

- G1: Cost Sharing Requirements
- G2a: Cost Sharing Amounts - Categorically Needy
- G2b: Cost Sharing Amounts - Medically Needy
- C2c: Cost Sharing Amounts - Targeting
- G3: Cost Sharing Limitations
- Section 4, Pages 54-56a, reserved
- Section 4, Pages 56c-56f, reserved
- Attachment 4.18-A, Pages 1-3 deleted
- Attachment 4.18-C, Pages 1-3 deleted

If you have any questions, please have your staff contact Peter Banks at (415) 744-3782 or at [Peter.Banks@cms.hhs.gov](mailto:Peter.Banks@cms.hhs.gov).

Sincerely,



Gloria Nagle, Ph.D., MPA  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

cc: Rebecca Bruno, CMS

**Medicaid Premiums and Cost Sharing: Summary Page (CMS 179)**

**State/Territory**

**name:**

**Guam**

**Transmittal Number:**

Please enter the Transmittal Number (TN) in the format ST-YY-0000 where ST= the state abbreviation, YY = the last two digits of the submission year, and 0000 = a four digit number with leading zeros. The dashes must also be entered.

GU-14-02

**Proposed Effective Date**

01/01/2014

(mm/dd/yyyy)

**Federal Statute/Regulation Citation**

Title XIX of the SSA Section 1916A / 42 CFR Part 447

**Federal Budget Impact**

	<b>Federal Fiscal Year</b>	<b>Amount</b>
<b>First Year</b>	2014	\$ -7799.22
<b>Second Year</b>	2015	\$ -10398.96

**Subject of Amendment**

ABP Cost Sharing Charges

**PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:**

- G1 Cost Sharing Requirements
- G2a Cost Sharing Amounts- Categorically Needy
- G2b Cost Sharing Amounts â€œ Medically Needy
- C2c Cost Sharing Amounts â€œ Targeting
- G3 Cost Sharing Limitations

**PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT**

- Section 4, Pages 54-56a, reserved
- Section 4, Pages 56c-56f, reserved
- Attachment 4.18-A, Pages 1-3 deleted
- Attachment 4.18-C, Pages 1-3 deleted

**Governor's Office Review**

**Governor's office reported no comment**

**Comments of Governor's office received**

**Describe:**

[Empty text box for describing Governor's office comments]

**No reply received within 45 days of submittal**

**Other, as specified**

**Describe:**

[Empty text box for describing other specified information]



# Medicaid Premiums and Cost Sharing

State Name: Guam

OMB Control Number: 0938-1148

Transmittal Number: GU - 14 - 02

Expiration date: 10/31/2014

## Cost Sharing Requirements G1

1916  
1916A  
42 CFR 447.50 through 447.57 (excluding 447.55)

The state charges cost sharing (deductibles, co-insurance or co-payments) to individuals covered under Medicaid.  Yes

- The state assures that it administers cost sharing in accordance with sections 1916 and 1916A of the Social Security Act and 42 CFR 447.50 through 447.57.

### General Provisions

- The cost sharing amounts established by the state for services are always less than the amount the agency pays for the service.
- No provider may deny services to an eligible individual on account of the individual's inability to pay cost sharing, except as elected by the state in accordance with 42 CFR 447.52(e)(1).
- The process used by the state to inform providers whether cost sharing for a specific item or service may be imposed on a beneficiary and whether the provider may require the beneficiary to pay the cost sharing charge, as a condition for receiving the item or service, is (check all that apply):
  - The state includes an indicator in the Medicaid Management Information System (MMIS)
  - The state includes an indicator in the Eligibility and Enrollment System
  - The state includes an indicator in the Eligibility Verification System
  - The state includes an indicator on the Medicaid card, which the beneficiary presents to the provider
  - Other process

Description:

Medicaid Program will send a letter to providers informing them of the New Adult Group's co-payment for certain services and that they can charge clients for the co-payment as a condition of receiving the service or item. The state or Territory shall perform pre-payment manual review of claims to verify/check appropriate payment to providers.

- Contracts with managed care organizations (MCOs) provide that any cost-sharing charges the MCO imposes on Medicaid enrollees are in accordance with the cost sharing specified in the state plan and the requirements set forth in 42 CFR 447.50 through 447.57.

### Cost Sharing for Non-Emergency Services Provided in a Hospital Emergency Department

The state imposes cost sharing for non-emergency services provided in a hospital emergency department.  No

### Cost Sharing for Drugs

The state charges cost sharing for drugs.  Yes

The state has established differential cost sharing for preferred and non-preferred drugs.  No



# Medicaid Premiums and Cost Sharing

- All drugs will be considered preferred drugs.

## Beneficiary and Public Notice Requirements

- Consistent with 42 CFR 447.57, the state makes available a public schedule describing current cost sharing requirements in a manner that ensures that affected applicants, beneficiaries and providers are likely to have access to the notice. Prior to submitting a SPA which establishes or substantially modifies existing cost sharing amounts or policies, the state provides the public with advance notice of the SPA, specifying the amount of cost sharing and who is subject to the charges, and provides reasonable opportunity for stakeholder comment. Documentation demonstrating that the notice requirements have been met are submitted with the SPA. The state also provides opportunity for additional public notice if cost sharing is substantially modified during the SPA approval process.

## Other Relevant Information

### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140114



# Medicaid Premiums and Cost Sharing

State Name:

OMB Control Number: 0938-1148

Transmittal Number: GU - 14 - 02

Expiration date: 10/31/2014

Cost Sharing Amounts - Categorically Needy Individuals	G2a
1916 1916A 42 CFR 447.52 through 54	
The state charges cost sharing to <u>all</u> categorically needy (Mandatory Coverage and Options for Coverage) individuals.	<input type="text" value="No"/>

### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140113



# Medicaid Premiums and Cost Sharing

State Name:

OMB Control Number: 0938-1148

Transmittal Number: GU-14-02

Expiration date: 10/31/2014

Cost Sharing Amounts - Medically Needy Individuals	G2b
1916 1916A 42 CFR 447.52 through 54	
The state charges cost sharing to <u>all</u> medically needy individuals.	<input type="text" value="No"/>

### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140116



# Medicaid Premiums and Cost Sharing

State Name:   
 Transmittal Number:

OMB Control Number: 0938-1148  
 Expiration date: 10/31/2014

**Cost Sharing Amounts - Targeting** G2c

1916  
 1916A  
 42 CFR 447.52 through 54

The state targets cost sharing to a specific group or groups of individuals.  Yes

Population Name (optional):   
 Eligibility Group(s) Included:   
 Incomes Greater than  TO Incomes Less than or Equal to

	Service	Amount	Dollars or Percentage	Unit	Explanation	
+	Diagnostic Laboratory	5.00	\$	Visit	For visit that agency pays \$50 and above	X
+	Diagnostic Radiology	5.00	\$	Visit	For visit that agency pays \$50 and above	X
+	Nuclear Medicine	5.00	\$	Visit	For visit that agency pays \$50 and above	X
+	Prescription Drugs	2.50	\$	Prescription	For drug that agency pays \$25 and above per prescription drug	X

The state permits providers to require individuals to pay cost sharing as a condition for receiving items or services, subject to the conditions specified at 42 CFR 447.52(e)(1). This is only permitted for non-exempt individuals with family income above 100% FPL.  Yes

Providers may require payment of cost sharing as a condition for receiving all items or services listed above.  Yes

**Cost Sharing for Non-preferred Drugs Charged to Otherwise Exempt Individuals**

If the state targets cost sharing for non-preferred drugs to specific groups of individuals (entered above), answer the following question:  
 The state charges cost sharing for non-preferred drugs to otherwise exempt individuals.  No

**Cost Sharing for Non-emergency Services Provided in the Hospital Emergency Department Charged to Otherwise Exempt Individuals**

If the state charges cost sharing for non-emergency services provided in the hospital emergency department to specific individuals (entered above), answer the following question:  
 The state charges cost sharing for non-emergency services provided in the hospital emergency department to otherwise exempt individuals.  No





# Medicaid Premiums and Cost Sharing

<input type="button" value="Remove Population"/>
<input type="button" value="Add Population"/>

### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20140107



# Medicaid Premiums and Cost Sharing

State Name: Guam  
Transmittal Number: GU-14-02

OMB Control Number: 0938-1148  
Expiration date: 10/31/2014

## Cost Sharing Limitations G3

42 CFR 447.56  
1916  
1916A

- The state administers cost sharing in accordance with the limitations described at 42 CFR 447.56, and 1916(a)(2) and (j) and 1916A(b) of the Social Security Act, as follows:

### Exemptions

#### Groups of Individuals - Mandatory Exemptions

The state may not impose cost sharing upon the following groups of individuals:

- Individuals ages 1 and older, and under age 18 eligible under the Infants and Children under Age 18 eligibility group (42 CFR 435.118).
- Infants under age 1 eligible under the Infants and Children under Age 18 eligibility group (42 CFR 435.118), whose income does not exceed the higher of:
  - 133% FPL; and
  - If applicable, the percent FPL described in section 1902(l)(2)(A)(iv) of the Act, up to 185 percent.
- Disabled or blind individuals under age 18 eligible for the following eligibility groups:
  - SSI Beneficiaries (42 CFR 435.120).
  - Blind and Disabled Individuals in 209(b) States (42 CFR 435.121).
  - Individuals Receiving Mandatory State Supplements (42 CFR 435.130).
- Children for whom child welfare services are made available under Part B of title IV of the Act on the basis of being a child in foster care and individuals receiving benefits under Part E of that title, without regard to age.
- Disabled children eligible for Medicaid under the Family Opportunity Act (1902(a)(10)(A)(ii)(XIX) and 1902(cc) of the Act).
- Pregnant women, during pregnancy and through the postpartum period which begins on the last day of pregnancy and extends through the end of the month in which the 60-day period following termination of pregnancy ends, except for cost sharing for services specified in the state plan as not pregnancy-related.
- Any individual whose medical assistance for services furnished in an institution is reduced by amounts reflecting available income other than required for personal needs.
- An individual receiving hospice care, as defined in section 1905(o) of the Act.
- Indians who are currently receiving or have ever received an item or service furnished by an Indian health care provider or through referral under contract health services.
- Individuals who are receiving Medicaid because of the state's election to extend coverage to the Certain Individuals Needing Treatment for Breast or Cervical Cancer eligibility group (42 CFR 435.213).



# Medicaid Premiums and Cost Sharing

## Groups of Individuals - Optional Exemptions

The state may elect to exempt the following groups of individuals from cost sharing:

The state elects to exempt individuals under age 19, 20 or 21, or any reasonable category of individuals 18 years of age or over.

No

The state elects to exempt individuals whose medical assistance for services furnished in a home and community-based setting is reduced by amounts reflecting available income other than required for personal needs.

No

## Services - Mandatory Exemptions

The state may not impose cost sharing for the following services:

- Emergency services as defined at section 1932(b)(2) of the Act and 42 CFR 438.114(a).
- Family planning services and supplies described in section 1905(a)(4)(C) of the Act, including contraceptives and pharmaceuticals for which the state claims or could claim federal match at the enhanced rate under section 1903(a)(5) of the Act for family planning services and supplies.
- Preventive services, at a minimum the services specified at 42 CFR 457.520, provided to children under 18 years of age regardless of family income, which reflect the well-baby and well child care and immunizations in the Bright Futures guidelines issued by the American Academy of Pediatrics.
- Pregnancy-related services, including those defined at 42 CFR 440.210(a)(2) and 440.250(p), and counseling and drugs for cessation of tobacco use. All services provided to pregnant women will be considered pregnancy-related, except those services specifically identified in the state plan as not being related to pregnancy.
- Provider-preventable services as defined in 42 CFR 447.26(b).

## Enforceability of Exemptions

The procedures for implementing and enforcing the exemptions from cost sharing contained in 42 CFR 447.56 are (check all that apply):

- To identify that American Indians/Alaskan Natives (AI/AN) are currently receiving or have ever received an item or service furnished by an Indian health care provider or through referral under contract health services in accordance with 42 CFR 447.56(a)(1)(x), the state uses the following procedures:
  - The state accepts self-attestation
  - The state runs periodic claims reviews
  - The state obtains an Active or Previous User Letter or other Indian Health Services (IHS) document
  - The Eligibility and Enrollment and MMIS systems flag exempt recipients
  - Other procedure

Description:

A statement will be included in both the member handbook and the provider manual that an Indian as defined in 42 CFR 447.51 who is either currently receiving services has ever received an item or service furnished by an Indian Health Service (IHS) facility or an Indian tribe, Tribal Organization, or Urban Indian Organization (ITU) or through a contract health services referral in any State and the other exemptions specified in 42 CFR 447.56(a) is exempt from all cost sharing.



# Medicaid Premiums and Cost Sharing

Additional description of procedures used is provided below (optional):

To identify all other individuals exempt from cost sharing, the state uses the following procedures (check all that apply):

- The MMIS system flags recipients who are exempt
- The Eligibility and Enrollment System flags recipients who are exempt
- The Medicaid card indicates if beneficiary is exempt
- The Eligibility Verification System notifies providers when a beneficiary is exempt
- Other procedure

Additional description of procedures used is provided below (optional):

Since this cost sharing is targeted to the New Adult Group, none of the individuals who are exempt from cost sharing under the same statute or regulation would be subject to cost sharing. As mentioned above we will be enforcing the Indian exemption by providing information in member handbooks and provider manuals.

## Payments to Providers

- The state reduces the payment it makes to a provider by the amount of a beneficiary's cost sharing obligation, regardless of whether the provider has collected the payment or waived the cost sharing, except as provided under 42 CFR 447.56(c).

## Payments to Managed Care Organizations

The state contracts with one or more managed care organizations to deliver services under Medicaid.

No

## Aggregate Limits

- Medicaid premiums and cost sharing incurred by all individuals in the Medicaid household do not exceed an aggregate limit of 5 percent of the family's income applied on a quarterly or monthly basis.

The percentage of family income used for the aggregate limit is:

5%

4%

3%

2%

1%

Other:  %

The state calculates family income for the purpose of the aggregate limit on the following basis:

Quarterly



# Medicaid Premiums and Cost Sharing

Monthly

The state has a process to track each family's incurred premiums and cost sharing through a mechanism that does not rely on beneficiary documentation.

No

Explain why the state's premium and cost sharing rules do not place beneficiaries at risk of reaching the aggregate family limit:

Guam Medicaid bases the aggregate limit for everyone on the 101% income guideline for a household size of one. Guam provided the following analysis to CMS showing that with the limited cost sharing being proposed it is very unlikely that anyone would reach the aggregate limit of 5% of the individual or family's income per month.

HH Size	100%		110%		120%		133%	
	Monthly	5%	Monthly	5%	Monthly	5%	Monthly	5%
1	\$958	\$48	\$1054	\$53	\$1,149	\$57	\$1,274	\$64
2	\$1293	\$65	\$1422	\$71	\$1,551	\$78	\$1,719	\$86

Total cost per month if patient utilizes all the above services with co-pay:

Services	Co-payment Amount
Laboratory- once	\$5
Radiology- once	\$5
Nuclear Medicine-once*	\$5
Prescription - five	\$12.50

Total Cost Per Month \$27.50

\* This is a type of radiology service that is not frequently utilized. It is very unlikely that the individual would use this service more than once or twice in a year.

The state has a documented appeals process for families that believe they have incurred premiums or cost sharing over the aggregate limit for the current monthly or quarterly cap period.

Yes

Describe the appeals process used:

The Medicaid Program has a Fair Hearing Procedures. The client submits the Fair Hearing form to the Fair Hearing Coordinator(FHC). The FHC schedule a Fair Hearing Conference with the agency to discuss the appeal. If the client is not satisfied with the result of the Fair Hearing Conference, then the Fair Hearing is elevated to the Fair Hearing Officer for the final decision.

Describe the process used to reimburse beneficiaries and/or providers if the family is identified as paying over the aggregate limit for the month/quarter:

Based on the client's/providers appeal, the program shall calculate the aggregate income of the client and calculate the correct cost share/co-payment and reimburse the client through direct payment. For providers, the program shall adjust and reprocess the corrected claim to reimburse the providers.

Describe the process for beneficiaries to request a reassessment of their family aggregate limit if they have a change in circumstances or if they are being terminated for failure to pay a premium:

Not applicable because Guam bases the 5% aggregate limit at 101% of the income guidelines for a household of one regardless of family size, which is the lowest amount for the affected eligibility group, there would not be a need for anyone to have their aggregate limit adjusted.



# Medicaid Premiums and Cost Sharing

The state imposes additional aggregate limits, consistent with 42 CFR 447.56(f)(5).

No

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V.20140116

Reserved

State/Territory: Guam

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Supersedes TN: 87-2



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