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State/Territory Name: Minnesota

State Plan Amendment (SPA) #: 20-0020

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 AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

February 22, 2021

Patrick Hultman
Interim Deputy Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

RE: Minnesota State Plan Amendment (SPA) 20-0020

Dear Mr. Hultman:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid state plan submitted under transmittal number (TN) 20-0020. Effective for services on or after November 1, 2020, this amendment authorizes the department to establish provider specific rates for services provided by Psychiatric Residential Treatment Facilities (PRTFs). The amendment also removes outdated language.

We conducted our review of your submittal according to the statutory requirements at Sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act. We hereby inform you that Medicaid State plan amendment 20-0020 is approved effective November 1, 2020. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,

[Redacted Signature]

For

Rory Howe
Acting Director

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER: 20-0020	2. STATE Minnesota
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	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
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TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 11/01/2020
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5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION: Section 1905(a)(16) of the Act Code of Federal Regulations, Title 42, Subpart D	7. FEDERAL BUDGET IMPACT: a. FFY '20 \$0 b. FFY '21 \$0
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 4 to Attachment 4.19-A, page 1.	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): SAME
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10. SUBJECT OF AMENDMENT: Reimbursement rates for Psychiatric Residential Treatment Facilities (PRTF)

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Patrick Hultman Minnesota Department of Human Services 540 Cedar Street, PO Box 64983 St. Paul, MN 55164-0983
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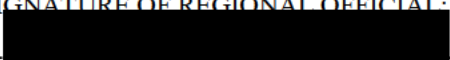
13. TYPED NAME:
Patrick Hultman

14. TITLE:
Interim Deputy Medicaid Director

15. DATE SUBMITTED:
11/25/2020

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: 11/25/2020	18. DATE APPROVED: 02/22/21

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 11/1/2020	20. SIGNATURE OF REGIONAL OFFICIAL:  For
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21. TYPED NAME: Rory Howe	22. TITLE: Acting Director, Financial Management Group
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23. REMARKS:

STATE: MINNESOTA
Effective: November 1, 2020
TN: 20-20
Approved: February 22, 2021
Supersedes: 17-15

Supplement 4 to ATTACHMENT 4.19-A
Page 1

Methods and Standards for Determining Payment Rates for Services Provided by Psychiatric Residential Treatment Facilities as Described in Item 16 of Attachments 3.1-A and 3.1-B.

Providers of services delivered to a child residing in **psychiatric residential treatment facility (PRTF)** are paid a per diem. The per diem is a ~~statewide~~ provider specific rate ~~and~~ informed by annual cost reporting performed by ~~the~~ each individual providers. Providers report costs using a state-developed cost report. The per diem includes costs for the following three components:

1. Allowable direct service expenditures. Direct service expenditures include, costs associated with the program's treatment team (salaries, training and fringe), service-related transportation, and costs for contracted staff participating on the treatment team. This does not include costs associated with services provided under arrangement.
2. Allowable administrative costs. Administrative costs include, but are not limited to, administrative staff costs (salary and fringe), insurance, professional dues, and supplies.
3. Allowable room and board costs. Room and board costs include all costs related to housing the recipient.

~~Effective for services provided on or after January 1, 2018, through June 30, 2019, the per diem is based on the average estimated costs reported by the providers after eliminating outliers. In subsequent years, the statewide p~~Per diem rates are ~~is~~ informed by cost reporting using the actual experience of ~~all~~ each providers during the previous calendar year. The Department recalculates ~~the statewide per diem~~ payment rates annually and implements ~~the~~ new rates July 1 of each year.

Therapeutic leave days, as described in Attachment 4.19-C, are paid at 75% of the established per diem rate.

Hospital leave days, as described in Attachment 4.19-C, are paid at 50% of the established per diem rate.

Services provided under arrangement to a recipient residing in a PRTF ~~on or after January 1, 2018, will be~~ are reimbursed for the particular service as described in Attachment 4.19-B.