

Table of Contents

State/Territory Name: Montana

State Plan Amendment (SPA) #: 20-0027

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

December 21, 2020

Marie Matthews
State Medicaid Director
Montana Department of Public Health
and Human Services
P.O. Box 4210
Helena, MT 59604

Re: Montana 20-0027

Dear Ms. Matthews,

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 20-0027. Effective for services on or after August 1, 2020, this amendment revises the Graduate Medical Education (GME) supplemental payment allocation to eligible hospitals.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 20-0027 is approved effective August 1, 2020. The CMS-179 (HCFA-179) and the amended plan pages are attached.


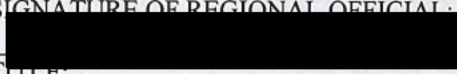
If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

A solid black rectangular box used to redact the signature of the Acting Director.

For

Rory Howe
Acting Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 20-0027	2. STATE Montana
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE 08/01/2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 413.75 42 CFR 447.272 1902(a)(30)(A) of the Social Security Act		7. FEDERAL BUDGET IMPACT: FFY 21 – \$0 FFY 22 – \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19A, Service 1, Inpatient Hospital Services, Pages 15, 15a, and 15b.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19A, Service 1, Inpatient Hospital Services Pages 15 and 15a.	
10. SUBJECT OF AMENDMENT: The purpose of this State Plan Amendment is to revise the Graduate Medical Education (GME) supplemental payment allocation to eligible hospitals, effective August 1, 2020. This will align the distribution of GME Medicaid funding to the cost(s) incurred and the number of residents trained at each eligible hospital.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Single Agency Director Review			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Montana Department of Public Health and Human Services Marie Matthews Attn: Mary Eve Kulawik PO Box 4210 Helena MT 59620	
13. TYPED NAME: Marie Matthews			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: 9-29-2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: 12/21/20	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 8/1/20		20. SIGNATURE OF REGIONAL OFFICIAL:  For	
21. TYPED NAME: Rory Howe		22. TITLE: Acting Director, FMG	
23. REMARKS:			

Effective August 1, 2020, the distribution of the GME payment to each of the eligible hospitals will be computed as follows:

- (1) divide the total amount of GME funding, including federal match, by the total number of primary care and psychiatry resident full-time equivalents (FTE) participating in the program to establish the per-resident amount (PRA);
- (2) divide the number of FTE residents at each eligible hospital by the total number of primary care and psychiatry resident FTEs at all eligible hospitals participating in the program to establish each hospital's resident FTE percentage;
- (3) divide the eligible hospital's Medicaid inpatient days by its total inpatient days to determine each eligible hospital's Medicaid utilization percentage;
- (4) multiply each eligible hospital's Medicaid utilization percentage by its resident FTE percentage and then add the results from all of the eligible hospitals to establish the weighted average Medicaid utilization percentage for all hospitals;
- (5) divide an eligible hospital's Medicaid utilization percentage from (3) by the weighted Medicaid utilization percentage for all eligible hospitals to establish each eligible hospital's Medicaid utilization index;
- (6) multiply the eligible hospital's Medicaid utilization index by the PRA in (1) to establish each eligible hospital's adjusted PRA; and
- (7) multiply the eligible hospital's adjusted PRA by the number of resident FTEs at the hospital to determine the GME payment amount.

The GME payment shall comply with the following criteria:

- (i) If the eligible hospital's cost of hospital services do not exceed the total Montana Medicaid allowed payments for hospital care, the eligible hospital will receive a GME payment as calculated in section J. above;
 - (ii) As filed cost reports from eligible hospitals and information from the Medicaid paid claims database will be used for calculations; and
 - (iii) The GME payment must be for services derived from Medicaid paid claims.
- (A) Dates of service must occur within the eligible hospital's fiscal year end; and
- (B) The hospital's fiscal year must be the year immediately prior to the payment date.
- (iv) At the end of the contract period, the Department will reconcile the total Medicaid payments including the Medicaid GME payments to ensure that the total of these payments do not exceed the Medicaid UPL for the fiscal year.

MONTANA

Attachment 4.19A
 Service 1
 Inpatient Hospital Services
 Page 15b

The following is an example of how the GME payment will be calculated based on four hospitals with eight FTE residents per facility:

Total \$ 10,000,000
 Computable GME
 Pool
 Total FTEs in 100
 State
 Per Resident \$ 100,000 (1)
 Amount (PRA)

	Hospital A	Hospital B	Hospital C	Hospital D	Hospital E	Total
FTE Count	30	10	20	25	15	100
FTE Percentage (2)	30.00%	10.00%	20.00%	25.00%	15.00%	100%
Medicaid Inpatient Days	18,000	11,000	6,000	10,000	7,000	52,000
Total Inpatient Days	75,000	50,000	40,000	25,000	35,000	225,000
Medicaid Utilization Percentage (3)	24.00%	22.00%	15.00%	40.00%	20.00%	
Weighted Medicaid Average (4)	7.20%	2.20%	3.00%	10.00%	3.00%	25.40%
Medicaid Utilization Index (5)	0.945	0.866	0.591	1.575	0.787	
Adjusted PRA (6)	\$94,488.19	\$ 86,614.17	\$59,055.12	\$157,480.31	\$78,740.16	
GME Distribution (7)	\$2,834,645.67	\$866,141.73	\$1,181,102.36	\$3,937,007.87	\$1,181,102.36	\$10,000,000