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State/Territory Name: Montana

State Plan Amendment (SPA) #: 21-0021

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
Financial Management Group

December 20, 2021

Marie Matthews, State Medicaid Director
Montana Department of Public Health & Human Services
Attn: Mary Eve Kulawik
P.O. Box 4210
Helena, MT 59604

RE: Montana State Plan Amendment (SPA) Transmittal Number 21-0021

Dear Director Matthews:

We have reviewed the proposed Montana State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 24, 2021. This plan amendment increases the Targeted Case Management (TCM) State Plan Services rate and conversion factor to reflect the 2021 legislative appropriation of a 1% increase.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact LaJoshica (Josh) Smith via 214-767-6453 or lajoshica.smith@cms.hhs.gov.

Sincerely,

[Redacted]

Todd McMillon
Director
Division of Reimbursement Review
# Transmittal and Notice of Approval of State Plan Material

**For: Health Care Financing Administration**

**To: Regional Administrator**
Health Care Financing Administration
Department of Health and Human Services

**Type of Plan Material (Check One):**
- [ ] New State Plan
- [x] Amendment to be considered as new plan
- [ ] Amendment

**Complete Blocks 6 Thru 10 If This Is an Amendment (Separate Transmittal for each amendment)**

**Transmittal Number:** 21-0021

**State:** Montana

**Program Identification:** Title XIX of The Social Security Act (Medicaid)

**Proposed Effective Date:** 07/01/2021

**Federal Statute/Regulation Citation:**
- 42 CFR Part 440.169
- 42 CFR Part 441.18
- 42 CFR Par 447 Subpart F

**Page Number of the Plan Section or Attachment:**
- Standards for Attachment 4.19B, Methods & Standards for Establishing Payment Rates, Service 19c, Targeted Case Management Services for Individuals with Developmental Disabilities Enrolled in the 0208 1915(c) Waiver or Eligible Individuals Age 16 and Over
  - Pages 1-2 of 2

**Page Number of the Superseded Plan Section or Attachment (If Applicable):**
- Standards for Attachment 4.19B, Methods & Standards for Establishing Payment Rates, Service 19c, Targeted Case Management Services for Individuals with Developmental Disabilities Enrolled in the 0208 1915(c) Waiver or Eligible Individuals Age 16 and Over
  - Pages 1-2 of 2

**Subject of Amendment:**
Effective July 1, 2021, Targeted Case Management (TCM) State Plan Services rate and conversion factor will be increased to reflect the 2021 legislative appropriation of 1.00% increase.

**Governor’s Review (Check One):**
- [ ] Governor’s Office Reported No Comment
- [ ] Comments of Governor’s Office Enclosed
- [ ] No Reply Received Within 45 Days of Submittal
- [x] Other, As Specified: Single Agency Director Review

**Signature of State Agency Official:**

**Typed Name:** Marie Matthews

**Title:** State Medicaid Director

**Date Submitted:** 9/24/2021

**For Regional Office Use Only**

**Date Received:** 09/24/21

**Date Approved:** December 20, 2021

**Effective Date of Approved Material:** 07/01/21

**Signature of Regional Official:**

**Typed Name:** Todd McMillion

**Title:** Director, Division of Reimbursement Review

**Remarks:**
Pen and Ink (P&I) change authorized by the state to adjust for correct language in Boxes #8 and #9.

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**Form HCFA-179 (07-92)**
Targeted case management (TCM) services for individuals enrolled in the 0208 1915(c) Waiver or with developmental disabilities age 16 and over are provided by State of Montana employees and private contracted case management agencies. TCM services include comprehensive assessment and periodic reassessment of individual needs; development (and periodic revision) of a specific care plan that is based on the information collected through the assessment; referral and related activities; and monitoring and follow-up activities. These four TCM services are described in more detail in Supplement 1C to Attachment 3.1A of the state plan. State TCM services are paid based on actual cost as described in number 1 below; contracted TCM services are paid via a monthly rate as described in number 2 below.

1. TCM services provided by State-employed targeted case managers are reimbursed via actual cost. Cost applicable to TCM services provided by State-employed targeted case managers is recorded within the State’s Cost Allocation System (CAS). The following expenditures can be included as part of the State’s case management claim of expenditure on the CMS-64. These expenditures are captured and allocated through CAS:

- Salaries/Wages of the applicable case managers
- Fringe benefits for the applicable case managers
- Consult and Professional Services
- Broadcast Distribution Services
- Photocopy Pool Services
- Photo and Reproduction
- Telephone Equipment
- Telephone Voice and Long Distance Services
- Mileage
- Motor Pool Expenses
- Meals Expenses (Overnight)
- Postage
- Leased Vehicles
- Rent
- Vehicles

In order to identify the portion of the above expenditures that is applicable to Medicaid, the State maintains a record of TCM units delivery by its targeted case managers. A unit of service is expressed in 15-minute increments. The State records the total units of TCM delivered within a month, as well as the number of units delivered to Medicaid beneficiaries. The ratio of Medicaid units over total units is then applied to the amounts applicable to the above expenditures to determine the portion of total cost to be claimed as the State’s case management expenditure. As the State’s claim of expenditure is made via the CMS-64, the State repeats this process for the remaining months within the quarter and includes its expenditure for the applicable three-month period on the CMS-64.
MONTANA

2. The payment unit for private contractors is a monthly unit. The rate does not include costs related to room and board or other unallowable facility costs. Private TCM agency documents contacts with, or on behalf of members on caseloads. In addition to the date of contact, the contracted targeted case manager documents the type of contact, with whom, and a summary of the content. The contractor is paid through the bundled payment rate, based on the previous month’s membership, and cannot bill separately for services included in the bundle. The monthly payment rate shall not be paid unless an allowable TCM service is provided to an eligible beneficiary within the month. Any Medicaid providers delivering separate services outside of the bundle may bill for those services in accordance with the state’s Medicaid billing procedures.

The Department’s fee schedule rate for private providers was determined as July 1, 2021, and is effective for services provided on or after that date. All rates are published on the agency’s website at medicaidprovider.mt.gov.

The state periodically monitors the actual provision of targeted case management services paid under the bundled rate to ensure that beneficiaries receive the types, quantity, and intensity of services required to meet their medical needs and to ensure that the rates remain economic and efficient based on the services that are actually provided as part of the bundle.