



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region 10
2201 Sixth Avenue, MS/RX-43
Seattle, Washington 98121

November 5, 2010

Richard Armstrong, Director
Department of Health and Welfare
Towers Building – Tenth Floor
Post Office Box 83720
Boise, Idaho 83720-0036

RE: Idaho State Plan Amendment 10-008

Dear Mr. Armstrong:

The Centers for Medicare & Medicaid Services (CMS) National Institutional Reimbursement Team (NIRT) recently approved Idaho State Plan Amendment (SPA) 10-008.

Although the NIRT Team has already sent the State a copy of the approval for this SPA, the Seattle Regional office is following up with an additional copy for the reason that we were in receipt of the original, signed amendment request.

Therefore, enclosed you will find a copy of the official CMS form 179, amended page(s), and copy of the approval letter from the NIRT Team for your records.

If you have any questions or require assistance concerning the Seattle Regional office role in the processing of this state plan amendment, please contact me, or have your staff contact Jan Mertel at (206) 615-2317 or jan.mertel@cms.hhs.gov.

Sincerely,

Barbara K. Richards
Associate Regional Administrator
Division of Medicaid and Children's Health
Operations

Enclosure

Cc: Leslie Clement, Administrator, Idaho Department of Health and Welfare

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP, and Survey & Certification

Richard Armstrong, Director
Department of Health & Welfare
Towers Building – Tenth Floor
PO Box 83720
Boise, Idaho 83720-0036

NOV 2 2010

RE: Idaho SPA TN# 10-008

Dear Mr. Armstrong,

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 10-008. This amendment delays implementation of the new prospective reimbursement system for ICF/MRs to SFY 2012 (for one year), and eliminates the efficiency incentive for ICF/MR allowable capped per diem costs.

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 10-008 is approved effective as of July 1, 2010. For your files, we are enclosing the HCFA-179 transmittal form and the amended plan pages.

If you have any questions concerning this state plan amendment, please contact Tom Couch, CMS' Boise Outstation Office, at 208-334-9482 or Thomas.Couch@cms.hhs.gov.

Sincerely,

Cindy Mann
Director
Center for Medicaid, CHIP, and Survey & Certification

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 10-008	2. STATE IDAHO
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2010

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: 42 CFR 447.201	7. FEDERAL BUDGET IMPACT: Total (\$) Federal Funds Savings FFY 2010 (07/01/10-09/30/10) (\$203,889) FFY 2011 (10/01/10-06/30/11) (\$611,666)
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D. page 28 and 40.	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-D. page 28 and 40.
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10. SUBJECT OF AMENDMENT:
We are requesting this amendment to our State Plan to revise dates for the prospective reimbursement rates paid to ICF/MRs without cost or cost limit adjustments for inflation, and removing the efficiency incentives.

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: 13. TYPED NAME: Leslie M. Clement	14. TITLE: Administrator	15. DATE SUBMITTED: 7/30/10	16. RETURN TO: Leslie M. Clement, Administrator Idaho Department of Health and Welfare Division of Medicaid PO Box 83720 Boise ID 83720-0036
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17. DATE RECEIVED: AUGUST 4 2010	18. DATE APPROVED: NOV 02 2010
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FOR REGIONAL OFFICE USE ONLY

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2010	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME: Barbara K Richards	22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health
23. REMARKS:	

INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED (ICF/MR)

I. Introduction

Except as otherwise provided in this section, rates calculated for state fiscal year 2011 (July 1, 2010 through June 30, 2011) will be calculated by using finalized cost reports ended in calendar year 2008 with no cost or cost limit adjustments for inflation to the rate period of July 1, 2010 through June 30, 2011.

01. Rate setting principles and methods for ICF/MR is contained in Idaho Administrative Code 16.03.10.588-621 (effective 3/19/07), 16.03.10.622 (effective 7/1/10) and 16.03.10.623-633 (effective 3/19/07).

- Idaho's methodology is a cost-based prospective reimbursement system. New rates are effective July 1st of each year and rebased annually.
- In no case will the rate be set higher than the charge for like services to private pay patients in effect for the period for which payment is made as computed by the lower of costs or customary charges.
- Reimbursement rates will be set based on the most recently audited cost data from cost reports and audit reports.

02. Data Sources used by the Department of Health and Welfare, Division of Medicaid are the following:

- a. Year end reports which contain historical financial and statistical information submitted by the facility for past rate-setting years.
- b. Utilization and payment history report.

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