

Table of Contents

State Name: Delaware

State Plan Amendment (SPA) #11-009

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health Operations

SWIFT#: 011720124001

FEB 03 2012

Rosanne Mahaney, Director
Division of Medicaid & Medical Assistance
Delaware Health and Social Services
1901 N. DuPont Highway
New Castle, Delaware 19720-0906

Dear Ms. Mahaney:

We have reviewed Delaware State Plan Amendment (SPA) 11-009, in which you respond to the companion letter for DE SPA 10-004, approved February 10, 2011. This SPA clarifies reimbursement methodologies for Medical and Dental Free-Standing Clinics, Extended Pregnancy Services for Pregnant Women, Optometrists and Opticians, and Emergency Transportation Services. This SPA is acceptable. Therefore, we are approving SPA 11-009 with an effective date of January 1, 2012. Enclosed are the approved SPA pages and signed CMS-179 form.

If you have further questions about this SPA, please contact Melanie Benning at 215-861-4267.

Sincerely,

✓ Francis McCullough
Associate Regional Administrator

Enclosures

Do you know someone who has been denied medical insurance because of a pre-existing condition? If so, they may be eligible for the new Pre-Existing Condition Insurance Plan. Call toll free 1-866-717-5826 (TTY 1-866-561-1604) or visit www.pcip.gov and click on "Find Your State" to learn more

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
SPA #11-009

2. STATE
DELAWARE

FOR: HEALTH CARE FINANCING ADMINISTRATION

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
JANUARY 1, 2012

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:

7. FEDERAL BUDGET IMPACT:

a. FFY 2011 \$ -0-

b. FFY 2012 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

ATTACHMENT 4.19-B, PAGE 2
ATTACHMENT 4.19-B, PAGE 3

ATTACHMENT 4.19-B, PAGE 2
ATTACHMENT 4.19-B, PAGE 3

10. SUBJECT OF AMENDMENT: CLARIFICATION OF DELAWARE REIMBURSEMENT METHODOLOGY FOR MEDICAL
AND DENTAL FREESTANDING CLINICS, OPTOMETRISTS AND OPTICIANS, EXTENDED SERVICES TO PREGNANT
WOMEN AND EMERGENCY TRANSPORTATION SERVICES PER COMPANION LETTER TO DE SPA #10-004.

11. 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

☒ **OTHER, AS SPECIFIED:**
Governor's comments under separate
correspondence

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME:

Rosanne Mahaney, Director, Division of Medicaid and Medical
Assistance

Rosanne Mahaney
Director
Division of Medicaid and Medical Assistance
P.O. Box 906
New Castle, Delaware 19720-0906

14. TITLE: Designee for Rita M. Landgraf, Secretary, Delaware
Health and Social Services

15. DATE SUBMITTED:

11/18/11

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

11/18/2011

18. DATE APPROVED:

FEB 03 2012

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

January 1, 2012

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Francis McCullough

Associate Regional Administrator, DMCHO

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE

Medical free-Standing Clinics that are licensed as a free standing emergency room under section 4404 of Title 16 of the Delaware Administrative Code are paid a negotiated flat rate per encounter. Dialysis clinics are paid 100% of the applicable Medicare rate. All other medical clinics are paid as physicians are paid as described in Attachment 4.19-B Other Types of Care. Physician, Podiatry and Independent Radiology Services. Except as otherwise noted in the Plan, State developed fee schedule rates are the same for both governmental and private medical free-standing clinics.

The agency's fee schedule for free standing emergency rooms was set as of April 1, 2005 and is effective for services provided on or after that date. The fee schedule and any periodic adjustments are published on the DMAP website at: <http://www.dmap.state.de.us/downloads.html>.

Dental free-Standing Clinics are paid the same as non-clinic dentists per EPSDT Dental Treatment, Attachment 4.19-B page 19.

School-Based Wellness Center (SBWC) Clinic Services:

1. **Payment Methodology:** SBWC Clinic Services are reimbursed based on a prospective single visit per day for each day on which a medical service is provided effective for dates of service on or after October 1, 2010. The visit rate shall be calculated by dividing provider costs for the prior year by actual visits for the prior year submitted in a format specified by the Medicaid agency. The State-developed prospective visit rates for this service are the same for both governmental and private providers of this service.
2. **UPL Calculation.** Payments for clinic services will not exceed the upper payment limits set forth in 42 CFR 447.321. Providers will complete the Delaware Medicaid SBWC Cost Report annually within four months after the close of each fiscal year. The Medicaid SBWC Cost Report is based on the Medicare FQHC Cost Report (CMS 222) adjusted to account for the difference in the operating period for the SBWCs from a full year clinic. The actual annual visits as reported on the Cost Report shall be used as the denominator to calculate a visit rate that approximates a Medicare rate. The Medicare rate will be multiplied by the annual aggregate Medicaid visits for dates of service in the applicable state fiscal year to approximate the Medicare payment which will be compared to the actual payments for the fiscal year to determine whether the upper payment limit test is met.

EPSDT Services are reimbursed as follows:

See Page 19

Family Planning Clinic Services are reimbursed a flat fee per service. The fee schedule is established as of October 1 of each year. Family Planning providers are notified of the rates for family planning services. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers of family planning services and the fee schedule is available to providers upon request.

TN No. SPA #11-009

Supersedes

TN No. SPA #10-004

Approval Date

FEB 03 2012

Effective Date

January 1, 2012

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE DELAWAREMETHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE

Transportation Services are reimbursed as follows:

1. **Emergency Transportation:** Effective for dates of service on or after January 1, 2012, emergency transportation is reimbursed as a percentage of the Medicare Fee Schedule for Delaware as follows:
 - Ground Mileage, per Statute Mile will be 22%
 - Advanced Life Support, Emergency Transport will be 13%
 - Basic Life Support, Emergency Transport will be 17%
 - Conventional Air Services, Transport One Way (Rotary Wing) will be 39%
 - Rotary Wing Air Mileage, per Statute Mile will be 38%
2. **Non-emergency Transportation.** The broker is reimbursed a monthly capitated rate for each Medicaid client residing in the State.

Optometrists and Opticians are reimbursed for examinations as physicians are paid as described in Attachment 4.19-B Other Types of Care, Physician, Podiatry and Independent Radiology Services.

Except as otherwise noted in the Plan, State-developed fee schedule rates are the same for both governmental and private individual practitioners. The fee schedule and any annual/periodic adjustments to the fee schedule are published and found at: <http://www.dmap.state.de.us/downloads/hcpcs.html>.

Spectacle frames and lenses and contact lenses are reimbursed based on Level II HCPCS procedure codes. The agency's fee schedule rate for these procedure codes was set on July 1, 2002 and is available on the DMAP website.

Out-of-State Services, for which Delaware has established a universal rate or cap, will be reimbursed at the provider's usual and customary charge or Delaware's rate/cap, whichever is lower.

Where there is no universal rate/cap (i.e., providers are paid a provider-specific rate), Delaware Medicaid will establish a rate or cap that is consistent with the reimbursement methodology defined in other sections of Attachment 4.19-B for that specific service, and pay the provider the lower of that rate/cap or their usual and customary charge.

Extended Services to Pregnant Women -- Government providers are reimbursed on a negotiated rate basis which will not exceed actual costs which result from efficient and economic operation of the provider. Reimbursement of non-governmental providers will be based on reasonable charges which will not exceed the prevailing charges in the locality for comparable services as determined from the annual DMAP Nursing Wage Survey. The agency's fee schedule rate was set as of June 1, 2002 and is effective for services on or after that date. The fee schedule and any periodic adjustments are published on the DMAP website at: <http://www.dmap.state.de.us/downloads.html>.

TN No. SPA #11-009

Supersedes

TN No. SPA #10-004

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January 1, 2012