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State Name: Delaware

State Plan Amendment (SPA) #14-0016

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179
- 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

FEB 02 2015

Stephen M. Groff, Director
Division of Medicaid and Medical Assistance
Designee for Rita M. Landgraf, Secretary
Delaware Health and Social Services
P.O. Box 906
New Castle, DE. 19720-0906

RE: State Plan Amendment 14-0016

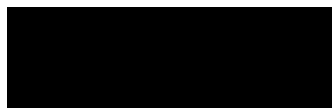
Dear Mr. Groff:

We have completed our review of State Plan Amendment (SPA) 14-0016. This SPA modifies Attachment 4.19-A of Delaware's Title XIX State Plan. Specifically, the amendment establishes the reimbursement methodology for freestanding inpatient rehabilitation hospital services.

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving state plan amendment 14-0016 effective December 1, 2014. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, or require additional information, please call Gary Knight at (304) 347-5723.

Sincerely,



Timothy Hill
Director

Enclosures

**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

1. TRANSMITTAL NUMBER:
SPA #14-0016

2. STATE
DELAWARE

3. PROGRAM IDENTIFICATION: **TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)**

4. PROPOSED EFFECTIVE DATE
DECEMBER 1, 2014

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 1886(j) of the Social Security Act, 42 CFR §412.604, 42 CFR §440.10, 42 CFR §447 Subpart C

7. FEDERAL BUDGET IMPACT:

a. FFY **2014** \$ **-0-**

b. FFY **2015** \$ **-0-**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

ATTACHMENT 4.19-A.2

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

ATTACHMENT 4.19-A.2

10. SUBJECT OF AMENDMENT: **FREESTANDING INPATIENT REHABILITATION HOSPITAL SERVICES REIMBURSEMENT METHODOLOGY**

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:
//Stephen M. Groff – signature//

16. RETURN TO:

13. TYPED NAME:
**Stephen M. Groff, Director, Division of Medicaid and Medical
Assistance**

**Stephen M. Groff
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:
December 12, 2014

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

FEB 02 2015

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
DEC 01 2014

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: **Kristen Fan**

22. TITLE: **Deputy Director, FMC**

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
FOR INPATIENT HOSPITAL SERVICES CONTINUED

Freestanding Inpatient Rehabilitation Hospital Services

For claims with dates of discharge on or after December 1, 2014, the Delaware Medical Assistance Program (DMAP) shall reimburse freestanding inpatient rehabilitation hospital services using the Medicare Inpatient Rehabilitation Facility (IRF) Prospective Payment System (PPS).

The Medicare IRF PPS is based on a Patient Assessment Instrument (PAI). The PAI contains patient clinical and demographic information. The PAI classifies the patient into distinct groups based on their clinical characteristics and what the patient's expected resource needs will be. Separate payment rates are then calculated for each group.

Medicare rates are updated annually to reflect changes in local wages using the hospital wage index. Delaware Medicaid will follow Medicare policy on local wage rate increases.

The fee schedule and any annual/periodic adjustments to the fee schedule and effective dates are available on the Delaware Medical Assistance Program (DMAP) website at:
<http://www.dmap.state.de.us/downloads/feeschedules.html>

Except as otherwise noted in the plan, payment for these services is based on State-developed fee schedule rates, which are the same for both governmental and private providers of freestanding inpatient rehabilitation hospital services.

TN No. SPA #14-0016

Supersedes

TN No. NEW PAGE

Approval Date ~~FEB 02 2015~~

Effective Date December 1, 2014