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State Name: Delaware

State Plan Amendment (SPA) #15-007

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# 121120154055

February 26, 2016

Mr. Stephen M. Groff, Director
Division of Medicaid and Medical Assistance
P.O. Box 906
New Castle, DE 19720-0906

Dear Mr. Groff:

We are pleased to inform you of the approval of Delaware State Plan Amendment (SPA) 15-007 to amend the State Plan to ensure compliance with federal law and regulations by updating the methods and standards language governing reimbursement methodology for home health services.


Enclosed is a copy of the approved SPA pages and the signed CMS-179 form. The effective date of this amendment is October 2, 2015. If you have any questions, you may contact Michael Cleary at (215) 861-4282.

Sincerely,

A solid black rectangular box used to redact the signature of Francis McCullough.

Francis McCullough
Associate Regional Administrator

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: SPA #15-007	2. STATE DELAWARE
		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 October 2, 2015	
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 XXX AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 1902(a)(10)(D) of the Social Security Act, Home health services 42 CFR 440.70, Home health services		7. FEDERAL BUDGET IMPACT: a. FFY 2016 \$ (7,543.00) b. FFY 2017 \$ (7,948.00)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B Page 6 Attachment 4.19-B Page 6.1 Attachment 4.19-B Page 11 Attachment 4.19-B Page 11.1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B Page 6 NEW Attachment 4.19-B Page 11 NEW	
10. SUBJECT OF AMENDMENT: HOME HEALTH SERVICES REIMBURSEMENT METHODOLOGY			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		XXX OTHER, AS SPECIFIED: Governor's comments under separate correspondence	
12. SIGNATURE OF STATE AGENCY OFFICIAL: //Stephen M. Groff – signature//		16. RETURN TO: Stephen M. Groff Director Division of Medicaid and Medical Assistance P.O. Box 906 New Castle, Delaware 19720-0906	
13. TYPED NAME: Stephen M. Groff, Director, Division of Medicaid and Medical Assistance			
14. TITLE: Designee for Rita M. Landgraf, Secretary, Delaware Health and Social Services			
15. DATE SUBMITTED: December 10, 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: December 10, 2015		18. DATE APPROVED: 2/26/2016	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 2, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Francis McCullough		22. TITLE: Associate Regional Administrator	
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

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

HOME HEALTH SERVICES

42 CFR 440.70

Home Health Services are reimbursed as follows:

Home Health Services are reimbursed in accordance with 42 CFR 42 CFR 440.70 and when provided as defined in Attachment 3.1-A of this State Plan, subject to the requirements of 42 CFR 441.15 and 42 CFR 441.16.

Home Health agencies must be certified by Medicare and be properly licensed by the State in which they are located.

Effective as of October 2, 2015, payment for Home Health Services shall be reimbursed as follows:

The rates are prospective and are arrayed to determine the seventy-fifth (75th) percentile for each procedure code. The 75th percentile refers to the array of rates with regard to the Delaware Medicaid enrolled providers at the time of the new rate methodology consideration. The rates are then inflated by the four (4) quarter moving average within the CMS Home Health Market Basket Index. The inflated average cost is per fifteen (15) minutes for each procedure code. Supply costs will be reimbursed as part of the skilled nursing and home health aide prospective rates.

An inflation factor will be applied to the prior year's rates to determine the current year's rates. The inflation indices are obtained from the CMS Home Health Market Basket Index.

TN No. SPA #15-007
Supersedes
TN No. SP-391

Approval Date February 26, 2016
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

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

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

HOME HEALTH SERVICES CONTINUED

42 CFR 440.70

The agency's fee schedule rate is based upon the Home Health cost of services for a Home Health Aide, Skilled Nurse, Physical Therapist, Occupational Therapist, and a Speech Therapist.

The agency's fee schedule rate was set as of October 2, 2015 and is effective for services provided on or after this date. The fee schedule and any annual periodic adjustments to the fee schedule are published 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, State-developed fee schedule rates are the same for both government and private providers.

TN No. SPA #15-007
Supersedes
TN No. NEW PAGE

Approval Date February 26, 2016
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

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

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Durable Medical Equipment, Appliances, Prosthetics, Orthotics, and Supplies

42 CFR 440.70

In accordance with 42 CFR 440.70, the Delaware Medical Assistance Program (DMAP) will reimburse Durable Medical Equipment (DME) providers for the purchase/rental of medical equipment, appliances, orthotics and prosthetics and the purchase of medical supplies when ordered by a medical practitioner.

Effective October 2, 2015, reimbursement for Durable Medical Equipment (DME) is determined by the DMAP based on one of the following:

- The Medicare fee schedule received yearly from the Region A - Durable Medical Equipment Regional Carrier (DMERC) OR
- Information received from the DME provider such as catalog pages that include manufacturer's name, item model number, and costs or a copy of the company's invoice that describes the item and gives an itemized explanation of all charges. (It is not permissible for the DME provider to "roll in" other expenses such as labor, delivery, fittings, etc.).

Except where there is a Medicare fee established, DMAP pays the lower of:

- Provider's usual and customary charges
- Cost + 20% (includes administration fee)
- List price.

TN No. SPA #15-007
Supersedes
TN No. SP-373

Approval Date February 26, 2016
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

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

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Durable Medical Equipment, Appliances, Prosthetics, Orthotics, and Supplies

42 CFR 440.70

Augmentative and Alternative Communication Devices/Systems

Effective October 2, 2015 the reimbursement for augmentative and alternative communication devices/systems is determined based on documented actual cost to the provider for the device plus twenty percent (20%) on the first \$1,000 and five percent (5%) on the balance, or the provider's usual and customary charge for the device, whichever is lower.

The agency's fee schedule rate was set as of October 2, 2015 and is effective for services provided on or after this date. The fee schedule and any annual periodic adjustments to these rates are published 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, State-developed fee schedule rates are the same for both government and private individual providers.

TN No. SPA #15-007
Supersedes
TN No. NEW

Approval Date February 26, 2016
Effective Date October 2, 2015