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State/Territory Name: Guam

State Plan Amendment (SPA) #: 14-03

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Additional Companion letter
- 3) CMS 179 Form/Summary Form (with 179-like data)
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

MAY 30 2014

Theresa Archangel
Division of Public Welfare
Bureau of Health Care Financing
PO Box 2816
Hagatna, GU 96932

Dear Ms. Archangel:

Enclosed is an approved copy of Guam State Plan Amendment (SPA) 14-03, which was submitted to the Centers for Medicare and Medicaid Services (CMS) on March 27, 2014. This amendment updates the State Plan to align Guam's reimbursement methodology (Attachment 4.19-B) with the services provided in its Alternative Benefit Plan (ABP).

Enclosed are the following approved State Plan pages to be incorporated within your approved State Plan:

- Attachment 4.19-B, pages 4 and 5

If you have any questions, please have your staff contact Peter Banks at (415) 744-3782 or at Peter.Banks@cms.hhs.gov.

Sincerely,

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

Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Tom Schenck, CMS
Irene Cheng, CMS

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DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

Theresa Archangel
Division of Public Welfare
Bureau of Health Care Financing
PO Box 2816
Hagatna, GU 96932

MAY 30 2014

Dear Ms. Archangel,

This letter is being sent as a companion to our approval of Guam State Plan Amendment (SPA) 14-03, which was submitted to the Centers for Medicare and Medicaid (CMS) on March 27, 2014. This amendment updates the State Plan to align Guam's reimbursement methodology (Attachment 4.19-B) with its Alternative Benefit Plan (ABP). The pages reviewed were:

- Attachment 4.19-B, pages 4 and 5

We have determined that the territory will need to update its State Plan and clarify certain reimbursement methodology language described in the pages listed below. It is CMS's understanding, based on on-going conversations with the Guam Medicaid office, that the changes and clarifications requested below will be addressed through a forthcoming State Plan Amendment (SPA).

Requested State Plan Changes:

- Attachment 4.19-B, page 4
 - Item P: Medical Transportation Services
 - Item Q: Free-Standing Birthing Center Services
 - Paragraph 1: Services that cannot be provided by a provider that accepts payments under (A) through (S).

Please respond no later than 90 days from the date of this letter with a corrective action plan describing how the territory will resolve the issues identified above. Failure to respond timely will result in our initiation of a formal compliance process. During the 90 days, we are willing to provide any needed technical assistance. If you have any questions, please contact Peter Banks at 415-744-3782 or via email at peter.banks@cms.hhs.gov.

Sincerely,


Gloria Nagle, Ph.D., MPA
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

**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:
14-03

2. STATE
Guam

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
Title XIX of the Social Security Act (Medicaid)

4. PROPOSED EFFECTIVE DATE
January 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:
Title XIX of the Social Security Act
Patient Protection and Affordable Care Act (PPACA), Section 2001

7. FEDERAL BUDGET IMPACT:
a. FFY 2014 \$447,397.50
b. FFY 2015 \$596,530.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Page 4-5 of 5 Attachment 4.19-B.

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):
Page 4-5 of 5 Attachment 4.19-B.

10. SUBJECT OF AMENDMENT:
Reimbursements

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:
The Governor's Office does not
wish to review the State Plan Amendment.

12. SIGNATURE OF STATE OFFICIAL:
 MAR 26 2014

13. TYPED NAME:
EDDIE BAZA CALVO

16. RETURN TO:
Department of Public Health & Social Services
Bureau of Health Care Financing Administration
123 Chalan Kareta
Mangilao, GU 96913-6304

14. TITLE:
GOVERNOR OF GUAM

15. DATE SUBMITTED:

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 3/27/14

18. DATE APPROVED: MAY 30 2014

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/14

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: Gloria Nagle

22. Associate Regional Administrator

23. REMARKS:

O. Hospice Care

Effective January 1, 2011, Medicaid will pay according to the Annual Hospice Rates Established under Medicare published at www.cms.gov/center/hospice.asp.

P. Medical Transportation Services

Effective January 1, 2011, Medicaid will pay medical transportation services on negotiated rates starting at Current Hawaii Medicare Fee Schedule published at the contracted provider's website and not to exceed 70% of Provider's Usual Customary Charges.

Medicaid does not reimburse for non-emergency medical transportation expense on the usage of their car or transportation provided by friends, family or bus because Guam is 30 miles long and 4 miles to 12 miles wide, and the distance of travel and associated costs are minimal.

Q. Free-Standing Birthing Center Services

Effective January 1, 2011, Medicaid will pay according to the negotiated rates starting at the Guam Memorial Hospital Authority's (GMHA) Current Medicare Interim Rates and not to exceed 70% of Provider's Usual Customary Charges.

R. Outpatient Hemodialysis Services

Effective January 1, 2011, Medicaid will pay according to the Facility's Current Medicare Interim Rate.

S. Outpatient and Emergency Room Services

Medicaid will pay according to the Facility's Current Medicare Interim Rate.

T. Wellness and Fitness Services-Applicable to the Alternative Benefit Plan only

Medicaid will pay provider charges for Wellness services not to exceed two hundred dollars (\$200.00) per Medicaid beneficiary annually, unless prior authorization is granted. Medicaid will pay providers for Fitness services not to exceed 90% of the monthly membership fees.

For services that cannot be provided by a provider that accepts payments under (A) through (S) and the service is evident to save life or significantly alter an adverse prognosis or the prognosis for survival and recovery requires the immediate medical service, Medicaid will negotiate competitive rates starting at Current Hawaii Medicare Fee Schedule published at contracted provider's website and not to exceed 70% of Provider's Usual Customary Charges.

Out of Country Providers will be reimbursed based on negotiated rate not to exceed the Current Hawaii Medicare Fee Schedule for service under (A) through (S) above. If the fee schedule is not available and not covered by Medicare, reimbursement will be based on negotiated rate not to exceed 100% of Contracted Out-of-Country Provider's Usual Customary Charges/Acquisition Cost.

Except as otherwise noted in the plan, territory-developed fee schedule rates are the same for both governmental and private providers.

All providers are required to submit claims within one (1) year from the date of service except for Medicaid with Third Party Liability (TPL) which should be submitted within sixty (60) days from the receipt date of the TPL payments/statements.

Medicaid will pay the full amount of deductible, co-payment, and co-insurance for recipients who have Medicaid with TPL coverage provided the service charges are covered under the Guam Medicaid State Plan and not to exceed the Medicaid applicable reimbursement methodology outlined under (A) through (T) above.

Medicaid does not pay Non-Participating except in emergency cases, Medicaid will pay up to the Medicaid applicable reimbursement methodology outlined under (A) through (S) above and Medicaid is the Payor of Last Resort.

Non-Payment for Health Care-Acquired Conditions and Provider-Preventable Conditions
[42 CFR 447, 434, 438, and 1902(a)(4), 1902(a)(6), and 1903]

- Payment Adjustment for Provider-Preventable Conditions

The Medicaid agency meets the requirements of 42 CFR Part 447, Subpart A, and sections 1902(a)(4), 1902(a)(6), and 1903 with respect to non-payment for provider-preventable conditions.

- Other Provider-Preventable Conditions (OPPC)

Guam identifies the following Other Provider-Preventable Conditions for non-payment under Section 4.19-B of this State Plan.

 X Wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient.

 Additional Other Provider-Preventable Conditions identified below:

Any charges related to OPPC shall be denied.