

## **Table of Contents**

**State/Territory Name: KS**

**State Plan Amendment (SPA) #: 17-0011**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

---

**Financial Management Group**

**DEC 12 2017**

Jon Hamdorf, Interim Director  
Kansas Department of Health and Environment  
Division of Health Care Finance  
Landon State Office Building  
900 SW Jackson, Room 900-N  
Topeka, KS 66612-1220

RE: Kansas State Plan Amendment TN: 17-011

Dear Mr. Hamdorf:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 17-011. This amendment updates the plan to reflect the State's current policy of allowing inpatient hospital interim bills for inpatient hospital stays that exceed 30 days.

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. This is to inform you that Medicaid State plan amendment 17-011 is approved effective July 1, 2017. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tim Weidler at (816) 426-6429.

Sincerely,

Kristin Fan  
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER:  
KS 17-011

2. STATE  
Kansas

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

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
July 1, 2017

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 447-250

7. FEDERAL BUDGET IMPACT

a. FFY 2017 0

b. FFY 2018 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A, Page 25b

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

Attachment 4.19-A, Page 25b

10. SUBJECT OF AMENDMENT

Interim Billing for inpatient hospital stays

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:

Michael Randol is the  
Governor's Designee

12. SIGNATURE OF STATE AGENCY OFFICIAL

16. RETURN TO

Michael Randol, Director  
KDHE, Division of Health Care Finance  
Landon State Office Building  
900 SW Jackson, Room 900-N  
Topeka, KS 66612-1220

13. TYPED NAME

for Michael Randol

14. TITLE

Medicaid Director, Division of Health Care Finance Director

15. DATE SUBMITTED

September 29, 2017

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

18. DATE APPROVED **DEC 12 2017**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

**JUL 01 2017**

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

*Tristin Fan*

22. TITLE

*Director, FMC*

23. REMARKS

## KANSAS MEDICAID STATE PLAN

Attachment 4.19-A  
Page 25b

### Methods and Standards for Establishing Payment Rates - Inpatient Hospital Care

#### 2.5600 Recipient Eligibility Changes

If a recipient is determined ineligible for the Medicaid/MediKan Program for a portion of the inpatient stay, reimbursement shall be made to the general hospital only for those days of stay which were also days of eligibility. No reimbursement shall be made for services provided on days when a recipient was ineligible for the Medicaid/MediKan Program.

The payment amount will consist of the DRG daily rate for each eligible day during the inpatient stay in the hospital. No more than the standard DRG payment plus any outlier payment (if applicable), will be allowed as the total payment. Only the Medicaid covered inpatient days and charges will be used for outlier payment computation.

#### 2.5700 Payment for Interim Billings

Hospitals will be allowed to submit interim bills for inpatient stays longer than 30 days. Each interim bill must cover 30 or more continuous days of service except the discharge billing and the federal fiscal year end cut-off billing, each of which may include less than 30 days as the situation may be.

##### 2.5710 Payment for First Interim Billing

The first interim bill will be treated like any other claim, in the sense that it will be tested to determine if it meets the cost and/or day outlier criteria. If the stay covered in the first interim bill does not qualify as an outlier, only the standard DRG amount would be paid. If the claim exceeds the cost and/or day outlier limit(s), an appropriate outlier payment will be made in addition to the base amount.

##### 2.5720 Payment for Second and Subsequent Interim Billings

At the time of each interim bill after the first, an outlier payment amount will be determined using the cumulative cost and days since the date of admission through the last service date included in the current interim billing. One of the following two situations may occur:

Up to 360 Days: Up until 360 days of continuous stay, the Department will authorize the fiscal agent to pay the higher of cost and day outlier amounts for each interim bill.

Longer than 360 Days: When the stay becomes longer than 360 days, only day outlier payments will be made.