

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203



Division of Medicaid and Children's Health Operations / Boston Regional Office

September 27, 2010

JudyAnn Bigby, M.D., Secretary
Executive Office of Health and Human Services
One Ashburton Place, Room 1109
Boston, Massachusetts 02108

Dear Dr. Bigby:

We have reviewed Massachusetts State Plan Amendment (SPA) No. 09-015, received in the Boston Regional Office on December 31, 2009. This amendment revises the reimbursement methodology for outpatient hospital services for fiscal year 2010. Based on the information provided, we have approved SPA No. 09-015, effective October 2, 2009.

With regard to the supplemental payments authorized through this SPA, we also wish to remind the State that based on the timely claims filing requirements as described in section 1132 of the Social Security Act (the Act), supplemental payments for Medicaid services made subsequent to the year in which the services were provided are not a current quarter claim and can only be claimed as a prior period adjustment. Therefore, the prior period adjustment for the supplemental payment must occur within two years of the end of the quarter in which the regular Medicaid expenditure for the Medicaid service occurred. Under no circumstances does the approval of this SPA grant authority to the State to claim for payments, including supplemental payments, in a way that violates section 1132 of the Act.

Enclosed is a copy of the CMS-179 form, as well as the approved pages for incorporation in the Massachusetts Medicaid State Plan. The Remarks section of the CMS-179 indicates the changes that were mutually agreed to during the processing of this SPA. Please contact Aaron Wesolowski of my staff if you have any question. Aaron Wesolowski can be reached at 617-565-1325 or by email at aaron.wesolowski@cms.hhs.gov.

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

cc: Terry Dougherty, State Medicaid Director
Michael Coleman, State Plan Coordinator