

## **Table of Contents**

**State Name:** Maryland

**State Plan Amendment (SPA)#:** 19-0008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Thirteen (13) SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

October 28, 2019

Mr. Dennis Schrader, Director  
Medicaid  
Maryland Department of Health  
201 W. Preston Street, First Floor  
Baltimore, MD 21201

RE: State Plan Amendment 19-0008

Dear Mr. Schrader:

We have completed our review of State Plan Amendment (SPA) 19-0008. This SPA modifies Attachment 4.19-D of Maryland's Title XIX State Plan. Specifically, this SPA increases nursing facility rates by three percent and updates geographic regions for rate setting purposes.

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving state plan amendment 19-0008 effective July 1, 2019. We are enclosing the CMS-179 and the amended plan pages.

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

Sincerely,

/S/

Kristin Fan  
Director

cc:  
Lisa Carroll  
Gary Knight

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER: 19-0008	2. STATE Maryland
	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, 2019	

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: N/A	7. FEDERAL BUDGET IMPACT: a. FFY 2019: \$5,350 b. FFY 2020: \$16,050
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Att. 4.19D pg. 1 (19-0008) Att. 4.19D pg. 8-9 (19-0008) Att. 4.19D pg. 10, 16 (19-0008) Att. 4.19D pg. 11 (19-0008) Att. 4.19D pg. 12-13, 15, 17 (19-0008) Att. 4.19D pg. 14 (19-0008) Att. 4.19D pg. 18 (19-0008) Att. 4.19D pg. 20 (19-0008)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Att. 4.19D pg. 1 (18-0010) Att. 4.19D pg. 8-9 (04-10) Att. 4.19D pg. 10, 16 (08-03) Att. 4.19D pg. 11 (13-14) Att. 4.19D pg. 12-13, 15, 17 (07-01) Att. 4.19D pg. 14 (94-2) Att. 4.19D pg. 18 (12-08) Att. 4.19D pg. 20(NEW)

10. SUBJECT OF AMENDMENT: To reflect changes in State regulations related to reimbursement for nursing facility services.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      Mark A. Leeds, Director  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL      Long Term Services & Supports

12. SIGNATURE OF STATE AGENCY OFFICIAL: /S/	16. RETURN TO: Mark A. Leeds, Director Long Term Services & Supports — MDH 201 W. Preston St., 1 <sup>st</sup> floor Baltimore, MD 21201
13. TYPED NAME: Dennis Schrader	
14. TITLE: Medicaid Director Maryland Department of Health	
15. DATE SUBMITTED: September 26, 2019	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:	18. DATE APPROVED: OCT 28 2019
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2019	20. SIGNATURE OF REGIONAL OFFICIAL: /S/
21. TYPED NAME: Kristin Fan	22. TITLE: Director, FMG

23. REMARKS:

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MarylandProgram/Service

4.19(d) Nursing facility payment rates, based on Code of Maryland regulations (COMAR) 10.09.10, account for the cost of services required to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident eligible for Medicaid benefits.

Payment rates for nursing facilities are based on a prospective reimbursement methodology.

Payment rates for nursing facilities are based on pricing and are the sum of per diem reimbursement calculations in four cost centers: administrative/routine, other patient care, capital, and nursing services (which include certain direct care costs such as therapies). Prospective payments are considered paid in full.

Additional allowable ancillary payments are listed and are paid prospectively and in full.

In accordance with the Omnibus Budget Reconciliation Act of 1987, nursing facility payment rates, effective October 1, 1990, take into account the costs of nursing facilities' compliance with the requirements of Sections 1919(b) (other than paragraph (3)(F)), 1919(c), and 1919(d) of the Social Security Act.

Aggregate payments for these facilities may not exceed Medicare upper payment limits as specified at 42 CFR 447.272.

A provider that renders care to Maryland Medicaid recipients of less than 1,000 days of care during the provider's fiscal year may choose to not be subject to cost reporting requirements and to accept as payment the Medicaid statewide average payment for each day of care. Any provider choosing this option is exempt from the subsequent nursing cost center wage survey.

Nursing facilities that are owned and operated by the State are not paid in accordance with these provisions. These facilities are reimbursed reasonable costs based upon Medicare principles of reasonable cost as described at 42 CFR 413.

Unless otherwise defined, indexing noted under the Prospective Reimbursement Methodology refer to the latest Skilled Nursing Home without Capital Market Basket Index, published 2 months before the period for which rates are being calculated.

During the period July 1, 2019 through June 30, 2020, provider payment rates shall be reduced by 3.4 percent from the methodology described herein.

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TN #: 19-0008

Approval Date: OCT 28 2019

Effective Date: July 1, 2019

Supersedes TN #: 18-00010

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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**Program/Service**

Reserve for future use

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TN #: 19-0008

Supersedes TN #: 04-10

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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**Program/Service**

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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Program/Service

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Supersedes TN #: 08-03

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

**Program/Service**

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TN #: 19-0008

Supersedes TN #: 13-14

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

**Program/Service**

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TN #: 19-0008

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Supersedes TN #: 07-01

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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**Program/Service**

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TN #: 19-0008

Supersedes TN #: 94-02

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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TN #: 19-0008

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

**Program/Service**

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TN #: 19-0008

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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Program/Service

Reserve for future use

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Effective Date: July 1, 2019

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

**Program/Service**

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**Appendix A**  
**COMAR 10.09.10.30**

**.30 Reimbursement Classes.**

A. The reimbursement classes for the Administrative and Routine cost center are as follows:

(1) Facilities in the Baltimore metropolitan region consisting of the following counties:

- (a) Anne Arundel,
- (b) Baltimore,
- (c) Carroll,
- (d) Harford, and
- (e) Howard;

(1-1) Facilities in Baltimore City;

(2) Facilities in the Washington region consisting of the following counties:

- (a) Charles,
- (b) Montgomery, and
- (c) Prince George's;

(3) Facilities in the nonmetropolitan region consisting of the following counties:

- (a) Allegany,
- (b) Calvert,
- (c) Caroline,
- (d) Cecil,
- (e) Dorchester,
- (f) Frederick,
- (g) Garrett,
- (h) Kent,
- (i) Queen Anne's,
- (j) St. Mary's,
- (k) Somerset,
- (l) Talbot,
- (m) Washington,
- (n) Wicomico, and
- (o) Worcester.

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TN #: 19-0008

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Effective Date: July 1, 2019

Supersedes TN #: 12-08

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Maryland

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**Program/Service**

D. Effective July 1, 2020, the reimbursement classes for the Nursing Service cost center are as follows:

(1) Facilities in the Baltimore Metro region consisting of Baltimore City and the following counties:

- (a) Anne Arundel;
- (b) Baltimore;
- (c) Carroll;
- (d) Cecil;
- (e) Harford; and
- (f) Howard;

(2) Facilities in the Washington Metro region consisting of the following counties:

- (a) Calvert;
- (b) Charles;
- (c) Frederick;
- (d) Montgomery;
- (e) Prince George's; and
- (f) St. Mary's;

(3) Facilities in the Eastern region consisting of the following counties:

- (a) Caroline;
- (b) Dorchester;
- (c) Kent;
- (d) Queen Anne's;
- (e) Somerset;
- (f) Talbot;
- (g) Wicomico; and
- (h) Worcester; and

(4) Facilities in the Western region consisting of the following counties:

- (a) Allegany;
- (b) Garrett; and
- (c) Washington.

E. During the period July 1, 2019 through June 30, 2020, reimbursement for the Nursing Service cost center shall be the sum of 50 percent of the amount calculated in accordance with the reimbursement classes under §C of this regulation and 50 percent of the amount calculated in accordance with the reimbursement classes under §D of this regulation.

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TN #: 19-0008Supersedes TN #: NEWApproval Date: OCT 28 2019Effective Date: July 1, 2019