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State/Territory Name: ME

State Plan Amendment (SPA) #: 18-0009

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

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



Financial Management Group

May 29, 2019

Jeanne Lambrew, Commissioner
Department of Health and Human Services
221 State Street
11 State House Station
Augusta, ME 04333-0011

RE: Maine 18-0009

Dear Commissioner Lambrew:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 18-0009. Effective October 3, 2018, this amendment proposes reimbursement for psychiatric residential treatment facility (PRTF) services to qualified private and public providers.

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. We are pleased to inform you that Medicaid State plan amendment 18-0009 is approved effective October 3, 2018. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Novena James-Hailey at (617) 565-1291.

Sincerely,

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

Kristin Fan
Director

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

1. TRANSMITTAL NUMBER
18-0009

2. STATE
Maine

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
October 3, 2018

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 §441 Subpart D, 22 M.R.S.A. §§ 42, 3173

7. FEDERAL BUDGET IMPACT
a. FFY 2019 increase: \$ 0
b. FFY 2020 increase: \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-A, Pages 19-20

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable)
N/A

10. SUBJECT OF AMENDMENT Reimbursement for Maine's Psychiatric Residential Treatment Facilities (PRTF)

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

Stefanie Nadeau, Director,
MaineCare Services

12. SIGNATURE OF STATE AGENCY OFFICIAL

Stefanie Nadeau

14. TITLE
Director, MaineCare Services

15. DATE SUBMITTED
November 20, 2018

16. RETURN TO

Stefanie Nadeau
Director, MaineCare Services
#11 State House Station
242 State Street
Augusta, Maine 04333-0011

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED

MAY 29 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

OCT 03 2018

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Kristin Fan

22. TITLE

Director, FMG

23. REMARKS

Pen and ink changes in box #8 per state submission of plan pages.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Maine

Attachment 4.19-A

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PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY SERVICES

PRTF services are reimbursed using a statewide per diem rate for medical, clinical, and direct care costs (direct care services) and using a facility-specific rate for routine and fixed costs (room and board costs) for both governmental or private providers. The routine and fixed costs facility rate is informed by annual cost reporting performed by providers using a state-developed cost report form. The medical, clinical, and direct care per diem rate is not cost settled. The routine and fixed cost rate is cost settled by the Department based on allowable fixed and routine costs.

Consultative services from a Board Certified Behavioral Analyst (BCBA) will be provided through the PRTF as medically necessary. These services include: behavioral assessments, treatment planning development and implementation, staff training, data summary and analysis, coordination of care, parent training, direct behavioral intervention.

PRTF reimbursement includes the following:

1. Psychiatric and Medical Services including:
 - a. Assessment and evaluation
 - b. Medical supervision by nursing staff 24 hours per day, 7 days per week
 - c. Medication management and medication administration
 - d. Behavioral and/or rehabilitative therapies including individual, group, and family therapy
 - e. Comprehensive and individualized discharge planning
 - f. Crisis planning and intervention
 - g. Development of a positive behavioral support plan
 - h. Case management
 - i. Personal Care, activities of daily living, and instrumental activities of daily living
2. Cost settled routine and fixed costs including:
 - a. Room and board costs
 - b. Plant operation and maintenance
 - c. Administrative and professional fees
 - d. Facility supplies and utilities
 - e. Fringe benefits
 - f. Depreciation on buildings and land
 - g. Insurance (property and liability) and property taxes
 - h. Amortization of finance costs
 - i. Amortization of start-up costs and organizational costs

PRTF medical (on-site) staffing is delivered at the following ratios:

- | | |
|----------------------------|---|
| 1. Medical Director: | 1 Full Time Equivalent (FTE) |
| 2. Facility Administrator: | 1 FTE |
| 3. Clinical Coordinator: | 1 FTE |
| 4. Clinician: | 1 FTE per 5 members |
| 5. Nurse: | 1 FTE per 10 members awake, 1 FTE per 20 members asleep |
| 6. Nurse Support: | 1 FTE per 20 members awake |
| 7. Direct Care: | 1 FTE per 2 members awake, 1 FTE per 4 members asleep |

PRTF per diem rate for medical, clinical, and direct care services was developed based the above staffing ratios considering Maine and national Bureau of Labor statistics.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Maine

Attachment 4.19-A

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PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY SERVICES

Payment Rates:

1. The PRTF statewide per diem rate for medical, clinical, and direct care services is \$485.72.
2. Board Certified Behavior Analyst (BCBA) consultation, when medically necessary, will be reimbursed at \$16.60 per 15-minute unit.
 - a. The BCBA consultation reimbursement rate was established by an independent rate study of behavioral health services completed by Burns & Associates, Inc. in February 2017. The hourly wage was based on 50% of the median for job specification code 19-3031, which is 33.46 per hour (May 2016). An 18.9% benefit rate was added to this rate to cover costs which may include, workers' compensation, employment taxes, and other benefits. This rate is then paid based on productivity assumptions. In this case, it was determined the BCBAs are only able to bill for 31.75 hours per week because of activities such as supervisory time, training, and paid time off. These adjustments bring the hourly cost to \$50.12. The rate study then provides for the cost of office space, program support costs, and administration cost. This brings the total reimbursement to \$66.38 per hour or \$16.60 per 15-minute unit of service.
3. The cost settled routine and fixed costs rate is reimbursed according to the facility's rate letter.
4. Medical leave will be reimbursed at the routine and fixed costs rate at a maximum of four consecutive days.
5. Therapeutic leave will be reimbursed at the routine and fixed costs rate at a maximum of seven days per admission to the PRTF.

The payment methodology proposed in this State Plan Amendment will purchase only services covered under section 1905(a)(16) and implementing regulations at 42 CFR 440.160 of the Act.

Routine and Fixed Cost Rate Determination and Cost Settlement:

During the facility's first year of operation, the State develops an initial prospective routine and fixed costs interim rate based on the facility's pro forma submitted to the Department. Based on the cost report, the interim rate is established and paid as a per diem. At the end of the fiscal year, the facility submits their cost report to the Department, which is audited for allowable routine and fixed costs considering occupancy levels to determine the final rate. The final cost settled rate is determined by calculating the difference between the audited final rate and the interim rate paid to the provider multiplied by the MaineCare utilization. Upon the final audit, the Department will calculate a final prospective rate and determine the lump sum settlement amount due to or from the PRTF. As for the Medicare cost principles, the Department will follow the Medicare cost principles with no variations. Cost reports must be submitted within 5 months following the end of facilities' fiscal year. For subsequent years of operation, the interim rate will be based on the most recent cost settlement.