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State/Territory Name: MN

State Plan Amendment (SPA) #: 09-004

This file contains the following documents in the order listed:

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

Department of Health & Human Services
Centers for Medicare & Medicaid Services
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519



October 5, 2009

Brian Osberg, State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Mr. Osberg:

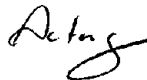
Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #09-004 - Provider Rate Reduction
-- Effective Date: January 1, 2009

If you have any additional questions, please have a member of your staff contact Charles Friedrich at (608) 442-9125 or by e-mail at Charles.Friedrich@cms.hhs.gov.

Sincerely,


Verlon Johnson

 Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: Lisa Knazan, MDHS

Enclosure

**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:
09-04

2. STATE
Minnesota

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

4. PROPOSED EFFECTIVE DATE
January 1, 2009

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 §§ 447.201(b)

7. FEDERAL BUDGET IMPACT: (in thousands)
a. FFY '09: 0
b. FFY '10: 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 3.1-A, pp. 12a, 19, 20
Att. 3.1-B, pp. 11a, 18, 19
Att. 4.19-B, p 1a.1

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

10. SUBJECT OF AMENDMENT:
Provider rate reduction

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:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME:

Ann Berg

14. TITLE:

Deputy Medicaid Director

15. DATE SUBMITTED:

March 30, 2009

Lisa Knazan
Minnesota Department of Human Services
Federal Relations Unit
PO Box 64983
St. Paul, MN 55164-0983

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

March 30, 2009

18. DATE APPROVED:

October 5, 2009

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

January 1, 2009

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Ruth Hughes

Acting Associate Regional Administrator

23. REMARKS:

STATE: MINNESOTA
Effective: January 1, 2009
TN: 09-04
Approved:
Supersedes: ~~061-21~~ **OCT-5 2009** (01-14)

ATTACHMENT 3.1-A
Page 12a

2.a. Outpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, when such pregnant woman suffers from a physical disorder, injury or illness, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- Coverage of physical therapy, occupational therapy, audiology, and speech language pathology is limited to services within the limitations provided under items 11.a. to 11.c., physical therapy and related services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

STATE: MINNESOTA

Effective: January 1, 2009

TN: 09-04

Approved: OCT - 5 2009

Supersedes: 08-16 (07-08, 06-02, 03-35, 01-21)

ATTACHMENT 3.1-A

Page 19

5.a. Physicians' services:

- **Psychiatric services** may require prior authorization as specified in the *State Register*. Coverage includes: diagnostic assessment, psychological testing, neuropsychological services, individual psychotherapy, family psychotherapy, multiple family group psychotherapy, group psychotherapy, medication management, electroconvulsive therapy single seizure, explanation of findings, unlisted psychiatric service or procedure, and biofeedback training.
- **Sterilization procedures:** Physicians must comply with regulations concerning informed consent for voluntary sterilization procedures.
- ~~**Laboratory services:** These services must be ordered by a physician or other licensed practitioner within the scope of their practice under state law. Only laboratory services provided by Medicare certified laboratories are eligible for MA payment. In addition, such services must be provided by laboratories that comply with the requirements of §353 of the Public Health Service Act (the Clinical Laboratory Improvement Amendments (CLIA) of 1988, Pub. L. 100-578). Payment to physicians is done in accordance with 42 CFR §447.10(g).~~
- **Abortion services:** These services are covered when due to a physical condition, the abortion is medically necessary to prevent death of a pregnant woman, and in cases where the pregnancy is the result of rape or incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- **Telemedicine consultation services:** These services must be made via two-way, interactive video or store-and-forward technology. The patient record must include a written opinion from the consulting physician providing the telemedicine consultation. Coverage is limited to three consultations per recipient per calendar week. Consultations made between psychiatrists and primary care physicians and other providers authorized to bill for physician services via two-way, interactive video or store-and-forward technology are covered under physician services as psychiatric consultations.
- **Psychiatric consultations:** Consultations with psychiatrists by primary care physicians and other providers authorized to bill for physician services are covered services. If the recipient consents, consultation may occur without the recipient present. Payment for the consultation is made pursuant to Attachment 4.19-B, item 5.a.

STATE: MINNESOTA

Effective: January 1, 2009

TN: 09-04

Approved: **OCT - 5 2009**

Supersedes: 94-07 (93-26)

ATTACHMENT 3.1-A

Page 20

5.b. Medical and surgical services furnished by a dentist (in accordance with section 1905(a)(5)(B) of the Act

~~Limitations to coverage are the same as those identified in item 10, Dental services.~~

STATE: MINNESOTA

Effective: January 1, 2009

TN: 09-04

Approved: OCT - 5 2009

Supersedes: 01-21 (01-14)

ATTACHMENT 3.1-B

Page 11a

2.a. Outpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, when such pregnant woman suffers from a physical disorder, injury or illness, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
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ATTACHMENT 3.1-B

Page 18

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TN: 09-04

Approved: OCT - 5 2009

Supersedes: 08-11, 04-02, 03-25

Attachment 4.19-B

Page 1a.1

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
Other Types of Care (continued)

Rate Decrease Effective July 1, 2008: Total payment paid to hospitals for outpatient hospital facility services provided on or after July 1, 2008, before third party liability and spenddown, is decreased by 3 percent. This decrease does not include psychiatric diagnostic categories or services provided by IHS or 638 facilities.

Rate Decrease Effective January 1, 2009 for certain professional services and eyeglasses: A \$3.00 rate reduction is applicable to the following services provided to recipients for whom a copay had been required prior to January 1, 2009:

- Eyeglass services;
- Non-preventive services provided by the following:
 - Physicians
 - Public health nursing
 - Optometrists
 - Podiatrists
 - Chiropractors
 - Audiologists
 - Opticians
 - Nurse practitioners
 - Nurse midwives
 - Clinical nurse specialists
 - Physician assistants