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State/Territory Name: MO

State Plan Amendment (SPA) #: 17-0009

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106



Division of Medicaid and Children's Health Operations

December 22, 2017

Steve Corsi, Psy. D., Acting Director
Department of Social Services
Broadway State Office Building
PO Box 1527
Jefferson City, MO 65102-1527

Dear Dr. Corsi:

On September 28, 2017, the Centers for Medicare & Medicaid Services (CMS) received Missouri's State Plan Amendment (SPA) transmittal #17-0009. This SPA established the Ground Emergency Medical Transport (GEMT) Supplemental reimbursement program. This program is a voluntary program that makes supplemental payments to eligible GEMT providers who furnish qualifying emergency ambulance services to Department of Social Services, MO HealthNet Division (MHD) participants. The supplemental payments are funded using an intergovernmental transfer (IGT) payment method.

SPA #17-0009 was approved December 22, 2017, with an effective date of July 1, 2017, as requested by the state. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Missouri State Plan.

If you have any questions regarding this amendment, please contact Karen Hatcher or Deborah Read at (816) 426-5925.

Sincerely,

12/22/2017

Megan K. Buck
Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

Sign

Enclosure

cc:
Jennifer Tidball, Deputy Director
Debbie Meller

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

1 7 -- 0092. STATE
Missouri3. PROGRAM IDENTIFICATION:
TITLE XIX OF THE SOCIAL SECURITY ACT
(MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
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 433.51

7. FEDERAL BUDGET IMPACT:

a. FFY 2017 \$ 0

b. FFY 2018 \$ 53,084,513

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B

Pages 2-3, 2-4, 2-5, 2-6, 2-7

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

New material

10. SUBJECT OF AMENDMENT:

This amendment is to establish the Ground Emergency Medical Transportation (GEMT) Supplemental Reimbursement Program. This program is a voluntary program that makes supplemental payments to eligible GEMT providers who furnish qualifying emergency ambulance services to Department of Social Services, MO HealthNet Division (MHD) participants. The supplemental payments are funded using an intergovernmental transfer (IGT) payment method.

11. GOVERNOR'S REVIEW (Check One)

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPE NAME: Steve Corsi, Psy.D.

14. TITLE: Acting Director

15. DATE SUBMITTED:

16. RETURN TO:

MO HealthNet Division

P.O. Box 6500

Jefferson City, MO 65102

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: September 28, 2017

18. DATE APPROVED: December 22, 2017

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2017

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Megan K. Buck

22. TITLE: Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

23. REMARKS:

State MissouriRECONCILED COST REIMBURSEMENT FOR QUALIFYING EMERGENCY MEDICAL
TRANSPORTATION SERVICE PROVIDERS

The Ground Emergency Medical Transportation (GEMT) program is a voluntary program that makes reconciled cost reimbursement to eligible GEMT providers who furnish qualifying emergency ambulance services to Department of Social Services, MO HealthNet Division (hereafter referred to as MHD) participants.

MHD makes reconciled cost reimbursement up to the uncompensated Medicaid cost associated with GEMT. Total reimbursements from MHD including the reconciled cost reimbursement will not exceed one hundred percent of actual costs. The supplemental MHD reimbursement shall be distributed to eligible providers based on GEMT services provided to MHD participants on a per-transport basis.

The agency does not consider the reconciled cost reimbursement to be an individual increase to current fee-for-service reimbursement rates.

The GEMT Program must be implemented without any additional expenditure from the state general fund. As a condition of participation under this program an eligible provider must agree to reimburse MHD for any costs associated with implementing the GEMT Program.

This reconciled cost reimbursement applies only to GEMT services rendered to MHD participants by eligible GEMT providers on or after July 1, 2017.

A. To qualify for reconciled cost reimbursement, GEMT providers must meet all of the following:

1. Provides GEMT services to MHD participants.
2. Is enrolled as a MHD provider for the period being claimed.
3. Is owned, operated, or contracted by the state or a political subdivision.

Non-governmental providers may not participate in the GEMT Program.

B. Reconciled Cost Reimbursement Methodology – General Provisions

1. Computation of allowable costs and their allocation methodology must be determined in accordance with the Centers for Medicare and Medicaid Services (CMS) Provider

State Plan TN # MO-17-009Effective Date July 1, 2017Supersedes TN# New MaterialApproval Date December 22, 2017

Reimbursement Manual (CMS Pub. 15-1), CMS non-institutional reimbursement policies, and 2 CFR Part 200, which establish principles and standards for determining allowable costs and the methodology for allocating and apportioning those expenses to the Medicaid program, except as expressly modified below.

1. Base payments to the GEMT providers for providing GEMT services are derived from the ambulance fee-for-service (FFS) fee schedule established for reimbursements payable by the MHD program by procedure code and other MHD reimbursements. The primary source of paid claims data and other MHD reimbursements is the Missouri Medicaid Management Information System (MMIS). The number of paid Medicaid FFS GEMT transports is derived from and supported by the MMIS reports for services during the applicable service period.
2. The total uncompensated care costs of each eligible GEMT provider available to be reimbursed under this reconciled cost reimbursement program will equal the shortfall resulting from the allowable costs determined using the Cost Determination Protocols for each eligible GEMT provider providing GEMT services to MHD participants, net of the amounts received and payable from the MHD program and all other sources of reimbursement for such services provided to MHD participants. If the eligible GEMT provider does not have any uncompensated care costs, then the provider will not receive reimbursement under this supplemental reimbursement program.

C. Cost Determination Protocols

1. An eligible GEMT provider's specific allowable cost per-medical transport rate will be calculated based on the provider's audited financial data reported on the CMS-approved cost report. The per-medical transport cost rate will be the sum of actual allowable direct and indirect costs of providing medical transport services divided by the actual number of medical transports provided for the applicable service period.
2. Direct costs for providing medical transport services include only the unallocated payroll costs for the shifts in which personnel dedicate 100 percent of their time to providing medical transport services, medical equipment and supplies, and other costs directly related to the delivery of covered services, such as first-line supervision, materials and supplies, professional and contracted services, capital outlay, travel, and training. These costs must be in compliance with federal Medicaid non-institutional reimbursement policy and are directly attributable to the provision of the medical transport services.
3. Indirect costs are determined in accordance to one of the following options.

- a. GEMT providers that receive more than \$35 million in direct federal awards must either have a Cost Allocation Plan (CAP) or a cognizant agency approved indirect rate agreement in place with its federal cognizant agency to identify indirect cost. If the GEMT provider does not have a CAP or an indirect rate agreement in place with its federal cognizant agency and it would like to claim indirect cost in association with a non-institutional service, it must obtain one or the other before it can claim any indirect cost.
 - b. GEMT providers that receive less than \$35 million of direct federal awards are required to develop and maintain an indirect rate proposal for purposes of audit. In the absence of an indirect rate proposal, GEMT providers may use methods originating from a CAP to identify its indirect cost. If the GEMT provider does not have an indirect rate proposal on file or a CAP in place and it would like to claim indirect cost in association with a non-institutional service, it must secure one or the other before it can claim any indirect cost.
 - c. GEMT providers which receive no direct federal funding can use any of the following previously established methodologies to identify indirect cost:
 - i. A CAP with its local government
 - ii. An indirect rate negotiated with its local government
 - iii. Direct identification through use of a cost report
 - d. If the GEMT provider never established any of the above methodologies, it may do so, or it may elect to use the 10% de minimis rate to identify its indirect cost.
1. Cost incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect cost. For example, any cost incurred by a GEMT provider which includes both cost incurred applicable to firefighting as well as Emergency Medical Transportation (EMT) services must be consistently direct or indirect in its entirety.
 2. The GEMT provider-specific per-medical transport cost rate is calculated by dividing the total net medical transport allowable costs of the specific provider by the total number of medical transports provided by the provider for the applicable service period.

D. Initial Cost Settlement

1. Each eligible GEMT provider must compute the annual cost in accordance with the Cost Determination Protocols (Section C) and must submit the completed annual as-filed cost report, to the MHD within five (5) months after the close of the State's Fiscal Year (SFY).

1. The MHD will make initial cost settlement payments to eligible GEMT providers. The initial cost settlement payments for each provider is based on the provider's completed annual cost report in the format prescribed by the MHD and approved by CMS for the applicable cost reporting year.
2. To determine the GEMT payment rate, the MHD must use the most recently filed cost reports of all qualifying providers. The MHD will then determine an average cost per transport which will vary between the qualifying providers.

E. Cost Settlement Process

1. The GEMT MO HealthNet Division payments and the number of transport data reported in the as-filed cost report will be reconciled to the MMIS reports generated for the cost reporting period within two (2) years of receipt of the as-filed cost report. The MHD will make adjustments to the as-filed cost report based on the reconciliation results of the most recently retrieved MMIS report.
2. Each provider will receive reimbursement in an amount equal to the greater of the interim payment or the total CMS approved Medicaid-allowable costs for GEMT services.
3. If, at the end of the final reconciliation, it is determined that the GEMT provider has been overpaid, the provider will return the overpayment to the MHD and the MHD will return the overpayment to the federal government pursuant to section 433.316 of Title 42 of the Code of Federal Regulations. If an underpayment is determined, then the GEMT provider will receive a reconciled cost reimbursement in the amount of the underpayment.

F. Eligible GEMT Provider Reporting Requirements

1. Eligible providers will submit cost reports no later than five (5) months after the close of the SFY, unless a provider has made a written request for an extension and such request is granted by the Agency.
2. Provide supporting documentation to serve as evidence supporting information on the cost report and the cost determination as specified by MHD.
3. Keep, maintain, and have readily retrievable, such records as specified by MHD, to fully disclose reimbursement amounts to which the eligible governmental entity is entitled, and any other records required by CMS.
4. Comply with the allowable cost requirements provided in Part 413 of Title 42 of the Code of Federal Regulations, 2 CFR Part 200 and federal Medicaid non-institutional reimbursement policy.

G. Agency Responsibilities

1. The MHD will submit to CMS claims based on total computable certified expenditures for GEMT services provided, that are allowable and in compliance with federal laws and regulations and federal Medicaid non-institutional reimbursement policy.
2. The MHD will, on an annual basis, submit any necessary materials to the federal government to provide assurances that claims will include only those expenditures that are allowable under federal law.
3. The MHD will complete the audit and reconciliation process of the initial cost settlement payments for the service period within three years of the postmark date of the cost report and conduct on-site audits as necessary.