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State/Territory Name: Montana

State Plan Amendment (SPA) #: MT-13-011

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1600 Broadway, Suite 700
Denver, CO 80202-4967



Region VIII

December 2, 2013

Ms. Mary E. Dalton
State Medicaid and CHIP Director
PO Box 4210
Helena, MT 59601-4210

Re: Montana 13-011


Dear Ms. Dalton:

This letter is being sent as a companion to our approval of Montana State plan amendment (SPA) 13-011, which was submitted to clarify the reimbursement methodology for Personal Care Services (PCS) and incorporates the reimbursement methodology for direct care worker wage funding and health insurance for health care worker funding for PCS providers. During the review of this SPA, CMS performed a corresponding review of the approved PCS coverage page. This analysis revealed the State Plan did not contain the required provider qualifications for providers of personal care services within the state plan coverage pages. This will require the State to provide additional information and to revise the PCS coverage page in the State Plan. We welcome the opportunity to work with you and your staff to amend your PCS coverage pages.

Please respond to this letter by March 1, 2014, with a state plan amendment. Failure to respond timely will result in our initiation of the formal compliance process. During the 90 days, we are willing to provide any required technical assistance. If you have any questions, please contact Cindy Smith of my staff at either 303-844-7041 or by email at Cindy.Smith@cms.hhs.gov.

Sincerely,

Richard C. Allen
Associate Regional Administrator
Divisions of Medicaid & Children's Health Operations

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 13-011	2. STATE Montana
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. 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 2/8/13	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> 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 13: \$ 3,013,532 b. FFY 14: \$ 3,813,957 c. FFY 15: \$ 3,813,957	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19B, Personal Care Services ^{24f} 17f , Pages 1 and 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19B, Personal Care Services 17f, Page 1	
10. SUBJECT OF AMENDMENT: Amend Personal Care Services to incorporate reimbursement methodology for direct care worker wage supplemental funding and health insurance for health care worker funding for PCS providers.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Single Agency Director Review. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Montana Dept. of Public Health and Human Services Mary E. Dalton State Medicaid Director Attn: Jo Thompson PO Box 4210 Helena, MT 59604	
13. TYPED NAME: Mary E. Dalton		17. DATE RECEIVED: 3-25-13	
14. TITLE: State Medicaid Director		18. DATE APPROVED: 12-2-13	
15. DATE SUBMITTED: 3-25-13		FOR REGIONAL OFFICE USE ONLY	
PLAN APPROVED - ONE COPY ATTACHED		19. EFFECTIVE DATE OF APPROVED MATERIAL: 2-8-13	
21. TYPED NAME: RICHARD C. ALLEN		22. TITLE: ARA, DMCHO	
23. REMARKS: Pen & ink change in box 8 requested via email 1/13/13 (JTC)			

MONTANA

1. In-State Personal Care Services (PCS)

a. PCS Reimbursement

The PCS rate is a set fee established by the department based upon historical costs and adjusted at the beginning of each state fiscal year for services on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of personal care services. The agency's fee schedule rate was set as of July 1, 2013 and is effective for services provided on or after that date. All rates are published on the agency's website www.mtmedicaid.org.

The Department will pay a provider for each Medicaid unit of PCS. A unit of service means a unit of attendant service or a unit of nursing supervision service. A unit of attendant service is 15 minutes and means an on-site visit specific to a recipient. A unit of nursing supervision service is 15 minutes and means an on-site recipient visit and related activity specific to that recipient.

Medicaid payment for attendant services is not allowable for services provided in a hospital or nursing facility as defined in 50-5-101, MCA and licensed under 50-5-201, MCA.

b. PCS Direct Care Wage Add-on Funding

Effective on and after February 8, 2013 through June 30, 2015, additional payments will be made to personal care service providers for direct care wage reimbursement. These funds will be distributed proportionally to the participating personal care providers based on the number of units of Medicaid personal care services provided by each provider. The calculated pro rata amount is distributed to each participating provider two times a year. Providers select the two distribution dates from the available distribution periods identified by the Department.

Example: If the total to be distributed was \$500,000

Provider	Units	Percentage	Allocation Formula	Annual Pro Rata Share	First Payment	Second Payment
A	15,000	30%	\$500,000 x .30	\$150,000	\$75,000	\$75,000
B	15,000	30%	\$500,000 x .30	\$150,000	\$75,000	\$75,000
c	20,000	40%	\$500,000 x .40	\$200,000	\$100,000	\$100,000
Total	50,000	100%		\$500,000	\$250,000	\$250,000

Payments will be made according to the following schedule and pool amount:

February 8, 2013 - June 30, 2013	\$506,954	April 2013
July 1, 2013 - June 30 2014	\$ 1,013,909	December 2013 January 2014 April 2014
July 1, 2014 - June 20, 2015	\$ 1,013,909	September 2014 December 2014 January 2015 April 2015

c. PCS Health Insurance for Health Care Worker Funding

Effective on and after February 8, 2013 through June 30, 2015, additional payments will be made to personal care service providers for health insurance for health care workers reimbursement, for the purpose of providing health insurance coverage to eligible PCS workers. These funds will be distributed proportionally to the participating personal care providers based on the number of units of Medicaid personal care services provided by each provider according to the following schedule and pool amounts. Payments are made monthly.

February 8, 2013 - June 30, 2013	\$2,368,032
July 1, 2013 - June 30, 2014	\$4,736,064
July 1, 2014 - June 30, 2015	\$4,736,064

Example: If the total to be distributed was \$500,000

Provider	Units	Percentage	Allocation Formula	Annual Pro Rata Share	Monthly Payment
A	15,000	30%	$\$500,000 \times .30$	\$150,000	\$12,500
B	15,000	30%	$\$500,000 \times .30$	\$150,000	\$12,500
C	20,000	40%	$\$500,000 \times .40$	\$200,000	\$16,667
Total	50,000	100%		\$500,000	\$41,667

2. Out of State Personal Care Services

Reimbursement for personal care services for services provided outside the borders of the State of Montana is established by the Department and published on the agency's website at www.mtmedicaid.org as of July, 1, 2013. Consideration may be given to reimburse out of state personal care service providers, up to their states established Medicaid usual and customary reimbursement rate, if Montana established rates are lower.