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## Table of Contents

**State/Territory Name:** Montana

**State Plan Amendment (SPA) #:** MT-14-0031

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  
1600 Broadway, Suite 700  
Denver, CO 80202-4967



## **Region VIII**

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November 6, 2014

Mary Dalton, Medicaid & Health Services Manager  
Montana Department of Health & Human Services  
1400 Broadway  
PO Box 202951  
Helena, MT 59620

Re: SPA MT-14-031

Dear Ms. Dalton:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number MT-14-031. This SPA amendment will update the payment methodology and include a 2% provider rate increase for Personal Care Services.

Please be informed that this State Plan Amendment was approved today with an effective date of July 1, 2014. We are enclosing the summary page and the amended plan page(s).

In order to track expenditures associated with this amendment, Montana should follow the CMS-64 reporting instructions outlined in Section 2500 of the State Medicaid Manual (SMM).

For those individuals whose expenditures qualify for the newly eligible federal medical assistance percentage report on the Form CMS-64.9 VIII and those not enrolled in the new adult group, claims should be reported on the Form CMS-64.9 Base.

This amendment would affect expenditures reported on Line 23A.


If you have any questions regarding this SPA please contact Cindy Smith at 303-844-7041.

Sincerely,

/s/

Richard C. Allen  
Associate Regional Administrator  
Division for Medicaid and Children's Health Operations

Cc: Richard Opper, Department Director  
Duane Preshinger  
Jo Thompson

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 14-031	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 07/01/14	
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:		7. FEDERAL BUDGET IMPACT: a. FFY 14: \$ 280,804 b. FFY 15: \$1,127,845 c. FFY 16: \$ 848,245	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19B, Pages 1 - 3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19B, Pages 1 - 3	
10. SUBJECT OF AMENDMENT: The amendment will adjust the payment methodology and include a 2% provider rate increase.			
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 Attn: Mary Eve Kulawik PO Box 4210 Helena MT 59620	
13. TYPED NAME: Mary E. Dalton			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED:  9-11-14			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>September 11, 2014</b>		18. DATE APPROVED: <b>November 6, 2014</b>	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>July 1, 2014</b>		20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>	
21. TYPED NAME: <b>Richard C. Allen</b>		22. TITLE: <b>ARA, DMCHO</b>	
23. REMARKS:			

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 PCS. The agency's fee schedule rate was set as of July 1, 2014, and is effective for services provided on or after that date. All rates are published on the agency's website [www.mtmedicaid.org](http://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 the individual. A unit of nursing supervision service is 15 minutes and means an on-site visit to the individual and related activity specific to that individual.

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 July 1, 2014 through June 30, 2016, additional payments will be made to PCS providers for direct care wage reimbursement. These funds will be distributed proportionally to the participating PCS providers based on the number of units of Medicaid PCS 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%	$\$500,000 \times .30$	\$150,000	\$75,000	\$75,000
B	15,000	30%	$\$500,000 \times .30$	\$150,000	\$75,000	\$75,000
c	20,000	40%	$\$500,000 \times .40$	\$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:

July 1, 2014 - June 30 2015	\$50,560	December 2014 January 2015 April 2015
July 1, 2015 - June 20, 2016	\$50,560	September 2015 December 2015 January 2016 April 2016

c. PCS Health Insurance for Health Care Worker Funding

Effective July 1, 2014 through June 30, 2016, additional payments will be made to PCS 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 PCS provided by each provider according to the following schedule and pool amounts. Payments are made monthly.

July 1, 2014 - June 30, 2015                      \$236,803  
 July 1, 2015 - June 30, 2016                      \$236,803

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 x .30	\$150,000	\$12,500
B	15,000	30%	\$500,000 x .30	\$150,000	\$12,500
C	20,000	40%	\$500,000 x .40	\$200,000	\$16,667
Total	50,000	100%		\$500,000	\$41,667

2. Out of State Personal Care Services

Reimbursement for PCS 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](http://www.mtmedicaid.org) as of July, 1, 2014.

Consideration may be given to reimburse out of state PCS providers, up to their state's established Medicaid usual and customary reimbursement rate, if Montana established rates are lower.