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## **Table of Contents**

**State/Territory Name:** Montana

**State Plan Amendment (SPA) #:** MT-14-006

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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December 4, 2014

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

Re: SPA MT-14-006

Dear Ms. Dalton:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number MT-14-006. This SPA amends Hearing Aids Services to include language to increase non-Medicare fees approximately 2%, and to clarify the pricing methodology used for items or services where no Medicare fee is available, or when there is no Medicaid history data available for establishing a fee.

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 32.


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  
Mary Eve Kulawik

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 14-006	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 July 1, 2014	
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: Section 1902(a)(30)(A)		7. FEDERAL BUDGET IMPACT: a. FFY 2014      \$569 b. FFY 2015      \$2,261 c. FFY 2016      \$2,240	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Page(s) 1 and 2 of 2 Attachment 4.19B Methods & Standards for Establishing Payment Rates Service 12.c Hearing Aids		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Page(s) 1 of 1 Attachment 4.19B Methods & Standards for Establishing Payment Rates Service 12.c Hearing Aids	
10. SUBJECT OF AMENDMENT: Amend Hearing Aids Services 12.c to include language to increase non- Medicare fees approximately 2%, and to clarify the pricing methodology used for items or services where no Medicare fee is available, or when there is no Medicaid history data available for establishing a fee. The Attachment 4.19B Introduction Page is being amended to update the date of the fee schedule.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: SINGLE AGENCY DIRECTOR REVIEW <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <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: Mary Eve Kulawik PO Box 4210 Helena, MT 59604	
13. TYPED NAME: Mary E. Dalton			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: 6-18-14			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: 6/18/14		18. DATE APPROVED: 12/04/14	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/14		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Richard C. Allen		22. TITLE: ARA, DMCHO	
23. REMARKS:			

MONTANA

- I. Reimbursement for Hearing Aid Services (excluding hearing aids) shall be the lower of the following:
  - a. The provider's usual and customary charge for the service; or
  - b. The Department's fee schedule.
- II. Reimbursement for Hearing Aid(s) shall be:
  - a. The invoice cost for hearing aids from the manufacturer not to exceed the established rate on the fee schedule;
  - b. The invoice cost from the manufacturer for hearing aid repairs; or
  - c. 100% of the Medicare Region D fee for other hearing devices and accessories.
- III. For new services or items that do not have an established set fee, the Department's fee schedule is determined by:
  - a. For services that have been billed less than 50 times by all providers in the aggregate during the previous 12-month period, a fee shall be set at the same rate as a service similar in scope.
  - b. For each service which has been billed at least 50 times by all providers in the aggregate during the previous 12-month period, the fee will be set at 44% of the average charge billed by all providers.
  - c. For supplies and equipment billed less than 50 times during the previous 12-month period, the Department's fee schedule amount will be 75% of the provider's usual and customary charge. A provider's usual and customary charge may not exceed the reasonable charge usually and customarily charged by the provider to all payers. The charge will be considered reasonable if less than or equal to the manufacturer's suggested list price. For items without a manufacturer's suggested list price, the charge will be considered reasonable if the provider's acquisition cost from the manufacturer is at least 50% of the charge amount.

- IV. The agency's rates are set as of the date on the Attachment 4.19B Introduction Page and are published at [www.mtmedicaid.org](http://www.mtmedicaid.org). Unless otherwise noted in the plan, State-developed fee schedule rates are the same for both governmental and private providers.