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**State/Territory Name: Montana**

**State Plan Amendment (SPA) #: 18-0046**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Denver Regional Office  
1961 Stout Street, Room 08-148  
Denver, CO 80294



**REGION VIII - DENVER**

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October 18, 2018

Marie Matthews, Medicaid & CHIP Director  
Montana Department of Public Health & Human Services  
P.O. Box 4210  
Helena, MT 59604

Dear Ms. Matthews:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number MT-18-0046. This amendment for Lab & XRay restores rate methodology to previously approved language by eliminating the percentage reduction driven by the State's 2017 budget.

Please be informed that this State Plan Amendment was approved today, with an effective date of July 1, 2018. 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.

If you have any questions regarding this SPA please contact Barbara Prehmus at (303) 844-7472.

Sincerely,

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

cc: Sheila Hogan, Department Director  
Duane Preshinger  
Mary Eve Kulawik

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 18-0046	2. STATE Montana
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		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 07/01/18	
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:  1905 (a) (3) of the Social Security Act 1902(a)(30)(A) of the Social Security Act		7. FEDERAL BUDGET IMPACT:  a. FFY 2018: \$ 0 b. FFY 2019: \$ 0 c. FFY 2020: \$ 0 Amounts are reflected on the MT 18-0040 Reimbursement Introduction Page.	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19B, Service 3, Methods & Standards for Establishing Payment Rates, Other Laboratory & X-ray Services, Page 1 of 1.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19B, Service 3, Methods & Standards for Establishing Payment Rates, Other Laboratory & X-ray Services, Page 1 of 1.	
10. SUBJECT OF AMENDMENT: Effective July 1, 2018, this amendment restores the across the board Medicaid provider rates and fee schedules that were reduced by 2.99% effective January 1, 2018, due to budget shortfalls in State Fiscal year 2018. The proposed 2.99% rate reversal is the result of two Temporary Restraining Orders (TRO).			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Single Agency Director Review			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Montana Department of Public Health and Human Services Marie Matthews Attn: Mary Eve Kulawik PO Box 4210 Helena MT 59620	
13. TYPED NAME: Marie Matthews			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: 9-8-18			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 8, 2018		18. DATE APPROVED: October 18, 2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Richard C. Allen		22. TITLE: ARA, DMCHO	
23. REMARKS:			

MONTANA

I. Reimbursement for X-Ray Services shall be:

A. The lower of:

1. The provider's usual and customary charge for the service;  
or
2. The fee determined using the Montana Medicaid Resource Based Relative Value Scale (RBRVS) reimbursement methodology described in Attachment 4.19B, Methods & Standards for Establishing Payment Rates for Service 5(a), Physicians' Services, for the professional component payment.

II. Reimbursement for Laboratory Services shall be:

A. The lower of:

1. The provider's usual and customary charge for the service; or
2. 60% of the Medicare fee.

III. For services not included in the RBRVS methodology, a Medicaid fee is determined by:

- A. Reviewing cost information for the service if available or by reviewing the reimbursement of similar services if cost information is not available for procedure codes that are new (less than one year in existence); have no or low utilization; or have inconsistent charges.
- B. For procedure codes that cannot be determined by the methodology in III.A., by multiplying the average charge for the service by the payment-to-charge ratio. The payment-to-charge ratio means the percent determined by dividing the previous state fiscal year's total Medicaid reimbursement for RBRVS provider covered services by the previous state fiscal year's total Medicaid charges for RBRVS provider covered services.

IV. Unless otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of laboratory and x-ray services. The agency's rates were set as of the date on the Attachment 4.19B Introduction Page and are published at <http://medicaidprovider.mt.gov>.