

---

## **Table of Contents**

**State/Territory Name: Montana**

**State Plan Amendment (SPA) #: 18-0054**

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**

---

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-18-0054. This amendment restores the rate for Hearing Aid Services methodology to previously approved language by eliminating the percentage reduction driven by the State's budget challenges in 2017.

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,

A solid black rectangular box used to redact the signature of Richard C. Allen.

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: 18-0054	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 07/01/2018	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):			
<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 ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:  SECTION 1902(a)(30)(A)		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 4.19 B, Methods and Standards for Establishing Payment Rates, Service 12.e, Hearing Aids, Pages 1 & 2 of 2.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Attachment 4.19 B, Methods and Standards for Establishing Payment Rates, Service 12.e, Hearing Aids, Pages 1 & 2 of 2.	
10. SUBJECT OF AMENDMENT:  Hearing Aids reimbursement rates will increase to 100% of the Medicare Region D fee; and services paid by Manufacturer's Suggested Retail Price will increase to 75%.			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <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:  9-7-18			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:  September 7, 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 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 that 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 the payment-to-charge ratio in accordance with ARM 37.85.105(2)(d).
  - 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.medicaidprovider.mt.gov](http://www.medicaidprovider.mt.gov). Unless otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers.