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State/Territory Name: Utah

State Plan Amendment (SPA) #: UT-10-003

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
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid , CHIP, and Survey & Certification

Mr. Michael T. Hales, Director
Division of Health Care Financing
Utah Department of Health
P.O. Box 143101
Salt Lake City, UT 84114-3101

JUN 23 2010

Re: Utah 10-003

Dear Mr. Hales:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 10-003. Effective for services on or after January 1, 2010, this amendment creates a new reimbursement methodology for inpatient hospital supplemental payments to private hospitals.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 10-003 is approved effective January 1, 2010. We are enclosing the CMS-179 and the amended plan page.

If you have any questions, please call Christine Storey at (303) 844-7044.

Sincerely,

Judy Mann
Director, CMCS

cc: Craig Devashrayee, UT DOH

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
10-003-UT

2. STATE:
Utah

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTHCARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2010

TYPE OF PLAN MATERIAL (Check One)

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.272

7. FEDERAL BUDGET IMPACT:

a. FFY 2010 \$+56,000,000
b. FFY 2011 \$+96,000,000

PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Page 9.1 of Attachment 4.19-A

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

10. SUBJECT OF AMENDMENT:

Inpatient Hospital Assessment and Adjustments to Private Hospitals

11. GOVERNOR'S REVIEW (Check One):

- ☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

David N. Sundwall, MD

14. TITLE:

Executive Director, Utah Department of Health

15. DATE SUBMITTED:

March 31, 2010

16. RETURN TO:

Craig Devashrayee, Manager
Technical Writing Unit
Utah Department of Health
PO Box 143102
Salt Lake City, UT 84114-3102

17. DATE RECEIVED

18. DATE APPROVED:

6-23-10

FOR REGIONAL USE ONLY

19. EFFECTIVE DATE OF APPROVED MATERIAL

JAN - 1 2010

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Deputy Director, CMCS

22. REMARKS

PLAN APPROVED - ONE COPY ATTACHED

INPATIENT HOSPITAL
Section 300 Supplemental Payments for Private Hospitals

300 Introduction - To preserve and improve access to inpatient hospital services in private hospitals, the Division of Health Care Financing will make Medicaid inpatient hospital access payments to all private inpatient hospitals in the State of Utah. The Medicaid inpatient hospital access payments are designed to recognize increases in Medicaid utilization during a recessionary period and to ensure continuous access to care for Medicaid individuals. The Medicaid inpatient hospital access payments are effective for the period January 1, 2010 through June 30, 2013.

310 Medicaid Inpatient Hospital Access Payments - The aggregate Medicaid inpatient hospital access payments shall be equal to the upper payment limit gap for private hospitals as calculated in accordance with 42 CFR 447.272 of Federal regulations. The spending room available under the private hospital UPL will be designated as the Medicaid Inpatient Hospital Access Payment Pool.

Effective for dates of services on or after January 1, 2010, quarterly Medicaid inpatient hospital access payments will be made for the inpatient hospital services rendered during the quarter. The Medicaid inpatient hospital access payments will be calculated as follows:

- (i) In each state fiscal year (SFY), a quarterly payment equal to \$825 per Medicaid inpatient hospital day for all general acute care private hospitals with less than 300 Select Access inpatient cases during SFY 2008; and,
- (ii) For the portion of SFY 2010 and SFY 2011, a quarterly payment for all private hospitals equal to the percentage of each private hospital's proportionate share of total 2008 Medicaid inpatient hospital payments applied to the remaining equal quarterly portion of the Medicaid Inpatient Hospital Access Payment Pool. The total 2008 Medicaid inpatient hospital payments are exclusive of medical education and disproportionate share hospital payments.
- (iii) For SFY 2012, a quarterly payment for all private hospitals equal to the percentage of each private hospital's proportionate share of total 2009 Medicaid inpatient hospital payments applied to the remaining equal quarterly portion of the Medicaid Inpatient Hospital Access Payment Pool. The total 2009 Medicaid inpatient hospital payments are exclusive of medical education and disproportionate share hospital payments.
- (iv) For SFY 2013, a quarterly payment for all private hospitals equal to the percentage of each private hospital's proportionate share of total 2010 Medicaid inpatient hospital payments applied to the remaining equal quarterly portion of the Medicaid Inpatient Hospital Access Payment Pool. The total 2010 Medicaid inpatient hospital payments are exclusive of medical education and disproportionate share hospital payments.

Medicaid inpatient hospital access payments will be made within 15 days after the end of each quarter.

T.N. # 10-003

Approval Date JUN 23 2010

Supersedes T.N. # NEW

Effective Date 1-1-10