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**State/Territory Name: Utah**

**State Plan Amendment (SPA) #: 18-0005**

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

**AUG 14 2018**

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

Re: Utah 18-0005

Dear Mr. Checketts:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 18-0005. Effective for services on or July 1, 2018, this amendment updates the methodology for the State Teaching Hospital Payment.

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 and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 18-0005 is approved effective July 1, 2018. The HCFA-179 and the amended plan page are attached.

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

Sincerely,



Kristin Fan  
Director

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:  
18-0005-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  
July 1, 2018

5. 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)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.272

7. FEDERAL BUDGET IMPACT:

a. FFY 2018 \$0

b. FFY 2019 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Page 17b of ATTACHMENT 4.19-A

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Page 17b of ATTACHMENT 4.19-A

10. SUBJECT OF AMENDMENT: State Teaching Hospital Payments

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: [REDACTED]

14. TITLE: Executive Director, Utah Department of Health

15. DATE SUBMITTED: May 22, 2018

16.

17. DATE RECEIVED:

16. RETURN TO:

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

18. DATE APPROVED:

AUG 14 2018

FOR REGIONAL USE ONLY

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JUL 01 2018

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Kristin Fan

22. TITLE:

Director, FMC

PLAN APPROVED - ONE COPY ATTACHED

23. REMARKS

INPATIENT HOSPITAL  
Section 800 State Teaching Hospital Supplemental Payment

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800 State Teaching Hospital Payments – Effective for State Fiscal Year (SFY) 2010, state-owned or operated teaching hospitals shall be eligible for a State Teaching Hospital Payment. The amount of the payment shall equal the difference between the upper payment limit (UPL) described in 42 CFR 447.272 and other FFS payments (including DGME payments) made to such hospitals for inpatient services.

During each SFY, the State will make quarterly State Teaching Hospital Payments based on the projected gap of the UPL, adjusted for inflation and utilization trends, based on the most recently filed cost report data and total projected current year inpatient hospital services payments. The State will submit the projected UPL to CMS prior to making quarterly payments. Only data that relates to FFS inpatient hospital services will be used for purposes of the projected or actual UPL demonstration (the UPL demonstration will include FFS discharges for patients enrolled in any prepaid ambulatory health plan).

The base year utilized to determine each Medicaid upper payment limit shall be trended to the applicable spending year as follows:

- Inflation trend shall be an annual average calculated using the consumer price index available the December prior to the start of each state fiscal year for "Inpatient Hospital Services" as published by the U.S. Department of Labor, U.S. Bureau of Labor Statistics as compared to the previous December.
- Utilization trend shall be calculated using historical Utah Medicaid inpatient hospital services data.

801 Upper Payment Limit – The aggregate FFS Medicaid hospital payments, DGME payments and teaching hospital payments covered in this section, will not exceed the amount that would be paid for the services furnished under Medicare payment principles in compliance with the 42 CFR 447.272 upper payment limit regulations for each category of hospitals.

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T.N. # 18-0005

Approval Date AUG 14 2018

Supersedes T.N. # 11-007

Effective Date 7-1-18