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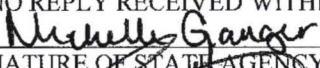

State/Territory Name: WI

State Plan Amendment (SPA) #: 13-012

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
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cc: Al Matano, Wisconsin Department of Health Services

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 13-012	2. STATE Wisconsin
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 07/01/2013	
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: 42 CFR 447.250		7. FEDERAL BUDGET IMPACT: a. FFY 2013 \$0K b. FFY 2014 \$0K	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B pages <u>4</u> to <u> </u>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B pages 1 to 11. Same.	
10. SUBJECT OF AMENDMENT: Outpatient hospital rates and methodologies - enhanced ambulatory patient groupings (EAPG) rate methodologies.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED:			
<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: Brett Davis State Medicaid Director Division of Health Care Access and Accountability 1 W. Wilson St. P.O. Box 309 Madison, WI 53701-0309	
13. TYPED NAME: Brett Davis			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: 9/30/2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 9/30/2013		18. DATE APPROVED: 5/28/2014	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/2013		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Alan Freund		22. TITLE: Acting Associate Regional Administrator	
23. REMARKS:			

4230 Calculating Final EAPG Payment. Each line of an outpatient hospital claim will be assigned to an EAPG and therefore assigned a distinct weight. The calculated hospital base rate will then be multiplied by the weight of each EAPG on a given outpatient hospital claim. The total reimbursement for an outpatient hospital claim is the sum of all claim lines, with the following exceptions:

- Clinical Diagnostic Laboratory Services will be paid on a Fee Schedule.

4240 Exclusions from the EAPG Reimbursement System. The following services are not included under the EAPG reimbursement system:

- Therapy Services
- Clinical Diagnostic Laboratory Services
- Durable Medical Equipment (DME)

4250 Outpatient Access Payment. To promote WMP member access to acute care, children, rehabilitation, and critical access hospitals throughout Wisconsin, WMP will provide a hospital access payment amount per outpatient claim. Access payments are intended to reimburse hospital providers based on WMP volume. Therefore, the payment amounts per claim are not differentiated by hospital based on acuity or individual hospital cost. However, the access payment per claim paid to critical access hospitals are reimbursed at a different payment rate compared to the access payment rate per visit paid to acute care, children, and rehabilitation hospitals.

The amount of the hospital access payment per claim is based on an available funding pool appropriated in the state budget. This amount is divided by the estimated number of paid outpatient claims for the state fiscal year. The access payment per claim is identified on the hospital reimbursement rate web page of the Wisconsin Forward Health website at www.forwardhealth.wi.gov. This payment per claim will be in addition to the EAPG payment described in §4230.

Access payments are subject to the same federal upper payment limit standards as base rate payments. Access payment amounts are not interim payments and are not subject to settlement. Access payments per claim are only provided until the fee-for-service hospital access payment funding pool has been expended for the rate year.

4300 Performance-Based Payments

The Department is modifying its Hospital Pay for Performance (P4P) program for payments for acute care, children's, critical access, and psychiatric hospital services with dates of discharge on or after May 15, 2013. Long term care, rehabilitation and out of state hospitals are exempt from the Hospital P4P Program.

The measurement period will have a 10.5 month duration spanning May 15, 2013 through March 31, 2014. Subsequent measurement periods, beginning April 1, 2014 will be on a 12-month cycle, from April 1 through March 31 of the next calendar year.

For each measurement period, the Department will pay claims for services at the rate of 98.5% of the fee schedule in effect at the beginning of the measurement year. The P4P pool will be calculated as an amount equal to 1.5% of the fee schedule amounts in effect at the beginning of the measurement year for those same claims.

The calculation of the pool amount equal to 1.5% of the fee schedule amounts in effect at the beginning of the measurement year for those same claims does not apply to hospital supplemental payment amounts made to eligible providers, including access payments.

Payments will be made annually by December 31, 2014 and December 31 of each year thereafter.

In order to be eligible for P4P program payments, hospitals are required to report performance measure data and meet performance-based targets as specified in the Hospital Pay-for-Performance (P4P) Guide available at https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/Provider/medicaid/hospital/P4P_MY2014_051513.pdf.spage

TN# 13-012
Supersedes
TN# 13-006

Approval Date 5/28/14

Effective Date 07/01/2013