
Table of Contents

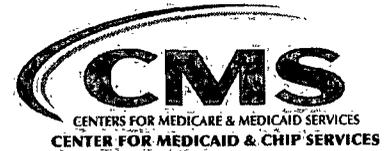
State/Territory Name: Wyoming

State Plan Amendment (SPA) #: WY-13-008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 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



APR 17 2014

Ms. Teri Green
State Medicaid Agent
Office of Health Care Financing
6101 Yellowstone Road, Suite 210
Cheyenne, WY 82002

Re: Wyoming 13-008

Dear Ms. Green:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 13-008. Effective for services on or after July 1, 2014, this amendment updates the reimbursement methodology for psychiatric residential treatment facilities (PRTFs).

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 13-008 is approved effective July 1, 2014. The HCFA-179 and the amended plan pages are attached.

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

Sincerely,



Cindy Mann
Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1 TRANSMITTAL NUMBER: 13-008	2. STATE WYOMING
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 July 1, 2014	
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: 42 CFR 483.352, 42 CFR Part 441, Subpart D; 42 CFR Part 483, Subpart G		7 FEDERAL BUDGET IMPACT: a. FFY 2013 - \$0 b. FFY 2014 - \$0	
8 PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4 19-A, Part 4 Reimbursement of Psychiatric Residential Treatment Facilities for Individuals 21 and Under (PRTF)		9 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4 19-A, Part 4, Reimbursement for Psychiatric Residential Treatment for Individuals 21 and Under (PRTF).	
10. SUBJECT OF AMENDMENT Reimbursement of Psychiatric Residential Treatment Facilities for Individuals 21 and Under (PRTF)			
11. GOVERNOR'S REVIEW (Check One)			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" 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: TERI GREEN STATE MEDICAID AGENT OFFICE OF HEALTH CARE FINANCING 6101 YELLOWSTONE ROAD, SUITE 210 CHEYENNE, WY 82002	
13. TYPED NAME: TERI GREEN		CC:	
14 TITLE. STATE MEDICAID AGENT			
15. DATE SUBMITTED: 11/14/13			

FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED	18. DATE APPROVED: APR 17 2014		
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2014	20. SIGNATURE OF REGIONAL OFFICIAL: 		
21. TYPED NAME: Penny Thompson	22. TITLE: Deputy Director, Policy Financial Mgt. Cms		
23. REMARKS			

Reimbursement of Psychiatric Residential Treatment Facilities For Individuals 21 and Under (PRTF)

Section 1. Authority.

This Attachment is prepared and submitted to CMS for approval pursuant to 42 U.S.C. §1396a (b) and 45 C.F.R. Part 201, Part 201, Subpart A.

Section 2. Purpose and Applicability.

(a) This Attachment shall apply to and govern Medicaid reimbursement of Psychiatric Residential Treatment Facilities (PRTF).

(b) The Department may issue manuals, bulletins, or both, to interpret the provisions of this Attachment. Such manuals and bulletins shall be consistent with and reflect the policies contained in this Attachment. The provisions contained in manuals or bulletins shall be subordinate to the provisions of this Attachment.

(c) The incorporation by reference of any external standard is intended to be the incorporation of that standard as it is in effect on the effective date of this Attachment.

Section 3. General Provisions.

(a) Terminology. Except as otherwise specified, the terminology used in this Attachment is the standard terminology and has the standard meaning used in accounting, health care, Medicaid and Medicare.

(b) General methodology.

(i) All-inclusive rate. Payments for services provided in a Psychiatric Residential Treatment Facility (PRTF) will be made using a prospective per diem rate. The rates will be established by the Department of Health based on reasonable, actual costs for services and treatment of residents in the facility. Rates are provider-specific, all-inclusive for room and board and the treatment services specified in the treatment plan. There is no retroactive cost settlement based on actual costs.

(ii) Other medical and ancillary services paid through Medicaid fee schedules. The costs of medical and ancillary services not provided by the PRTF, excluding those services in the treatment plan, shall not be included in the all-inclusive prospective per diem rate, and shall be billed as a

TN No.: 13-008
Supersedes
TN No : 09-006

Approved Date: APR 17 2014 Effective Date: July 1, 2014

separate service by the provider of those services and Medicaid shall pay for those covered services using the appropriate Medicaid fee schedule.

Section 4: Determination of PRTF Costs – This section summarizes the use of reported costs and adjustments to reported costs required to develop the data needed to calculate the room and board and licensed treatment rate components described in Section 5.

(a) **Reported costs and days.** Reported costs and days data from providers using Medicaid's PRTF cost report.

(i) **Room and board costs.** Reported on the provider cost report as room and board and non-licensed treatment costs.

(ii) **Licensed treatment costs.** Reported on the provider cost report as licensed treatment costs. These services are specified in the individual plan of care and include psychiatric and counseling services provided by licensed mental health professionals, and might also include physical, occupational and speech therapies if specified in the individual plan of care.

(iii) **Administrative costs.** The sum of administrative office employee salaries, contracted administrative office services, total administrative expenses and total liability and other insurance costs reported on provider cost reports.

(iv) **Occupied bed days.** Reported on the provider cost report as the total number of days beds were occupied during the provider's fiscal year.

(b) **Adjustments to reported costs.** Reported costs shall be adjusted to standardize data for analysis and remove non-allowable costs.

(i) **Adjustment for National School Lunch funding.** The revenues associated with the school lunch program shall be subtracted from reported room and board costs if a provider reported such revenue. Excluded National School Lunch costs shall be capped at the lower of food service-related costs or the revenue from the National School Lunch program.

(ii) **Adjustment for services paid through a Medicaid fee schedule,** as determined through a review of Medicaid paid claims data. Costs of services billed and paid on a fee-for-service basis shall be subtracted from total costs as these are not part of the services paid through the per

diem rate. Medicaid revenue for these payments shall be subtracted from the provider's reported treatment costs, not to exceed the costs reported on the cost report for that service.

(iii) **Adjustments for inflation.** Reported costs shall be inflated to the midpoint of the SFY of the rate-setting period, for those providers who reported costs for a reporting period different than the period immediately prior to the rate-setting period (i.e., if the current SFY is 2012, providers who submitted cost reports based on Calendar Year 2011 or SFY 2011). Inflation factors shall be determined using publicly available Wyoming-specific data from the National Bureau of Labor Statistics' Quarterly Census of Employment and Wages for Wyoming Nursing and Residential Care.

(c) **Administrative costs adjustments.**

(i) **In-state median licensed treatment administrative costs.** The licensed treatment administrative rate for in-state PRTFs shall be calculated as the ratio of inflated licensed treatment administrative costs to total inflated costs and arrayed from high to low to determine the median value.

(ii) **In-state median room and board administrative costs.** The room and board administrative rate for in-state PRTFs shall be calculated as the ratio of inflated room and board administrative costs to total inflated costs and arrayed from high to low to determine the median value.

(iii) **Adjusted licensed treatment administrative costs.** A provider's inflated licensed treatment administrative costs shall be adjusted if a provider's inflated licensed treatment administrative percentage exceeds the benchmark percentage (i.e., the median licensed treatment administrative percentage). The provider's inflated licensed treatment administrative costs shall be capped to equal administrative costs at the benchmark percentage.

(iv) **Adjusted room and board administrative costs.** A provider's inflated room and board administrative costs shall be adjusted if a provider's inflated room and board administrative percentage exceeds the benchmark percentage (i.e., the median room and board administrative percentage). The provider's inflated room and board administrative costs shall be capped to equal administrative costs at the benchmark percentage.

(d) **Adjustments to reported days.**

TN No.: 13-008
Supersedes
TN No.: 09-006

Approved Date: APR 17 2014 Effective Date: July 1, 2014

(i) **In-state median occupancy level.** The occupancy rate for in-state PRTFs shall be calculated as the ratio of reported occupied days to total days and arrayed from high to low to determine the median value. Total days shall be calculated as the number of beds multiplied by the number of days the facility was open.

(ii) **Adjusted days.** The total number of residential days shall be adjusted to reflect in-state PRTF median occupancy levels. If a provider's occupancy rate was lower than the benchmark occupancy rate (i.e., the median), the residential days shall be recalculated as the number of days that equals the median occupancy rate of in-state PRTF providers.

(e) **Final costs and days for rate setting.**

(i) **Final room and board costs.** Final room and board costs shall be calculated by subtracting adjusted room and board administrative costs (Section 4(c)(iii)) from adjusted room and board costs (Section 4(b)).

(ii) **Final licensed treatment costs.** Final licensed treatment costs shall be calculated by subtracting adjusted licensed treatment administrative costs (Section 4(c)(iv)) from adjusted licensed treatment costs (Section 4(b)).

(iii) **Final occupancy days.** Final occupancy days shall be determined as reported days for providers with occupancy rates above the in-state median occupancy level. For providers below the in-state median occupancy level, adjusted days determined in Section 4(d)(ii) shall be used.

(iv) **Median room and board per diem cap.** Calculate the median room and board per diem cap for in-state and out-of-state providers.

(A) **In-state median room and board per diem cap.** For each in-state provider, the room and board per diem shall be calculated as final room and board costs divided by final occupancy days and arrayed from high to low to determine the median value.

(B) **Out-of-state median room and board per diem cap.** For each out-of-state provider, the room and board per diem shall be calculated as final room and board costs divided by final occupancy days and arrayed from high to low to determine the median value.

(ii) The total Wyoming Medicaid payments to the provider in the previous State Fiscal Year (i.e., July 1 to June 30) were at least \$50,000.

Section 7. Audits.

(a) **Desk reviews.** The Department may perform a desk review of a provider at any time to determine the accuracy and reasonableness of cost reports or whether the PRTF has received overpayments.

(b) **Adjustments.** If any adjustments are made as a result of a desk audit, the facility will be notified immediately upon determination of the finding and adjustment.

Section 7. Rebasing. The Department shall rebase the all-inclusive PRTF per diem periodically using the most recent provider cost report data.

Section 8. Payment of Claims. The timing and frequency of payments to PRTF providers is monthly.

Section 9. Recovery of Overpayments. The Department shall recover overpayments pursuant to Chapter 16, which is incorporated by this reference.

Section 10. Reconsideration. A provider may request reconsideration of the decision to recover overpayments pursuant to the provisions of Chapter 16.

Section 11. Delegation of Duties. The Department may delegate any of its duties under this rule to the Wyoming Attorney General, HHS, any other agency of the federal, state or local government, or a private entity which is capable of performing such functions, provided that the Department shall retain the authority to impose sanctions, recover overpayments or take any other final action authorized by this Attachment.

Section 12. Interpretation of Attachment.

(a) The order in which the provisions of this Attachment appear is not to be construed to mean that any one provision is more or less important than any other provision.

(b) The text of this Attachment shall control the titles of various provisions.

Section 13. Superseding Effect. This Attachment supersedes all prior Attachments or policy statements issued by the Department, including manuals and bulletins, which are inconsistent with this Attachment, except as otherwise specified in this Attachment.

Section 14. **Severability.** If any portion of this Attachment is found to be invalid or unenforceable, the remainder shall continue in effect.

TN No.: 13-008
Supersedes
TN No.: 09-006

Approved Date: APR 17 2014 Effective Date: July 1, 2014