Table of Contents

State/Territory Name: Florida

State Plan Amendment (SPA) #: 20-0011

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

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

Financial Management Group

March 8, 2021

Ms. Beth Kidder
Deputy Secretary for Medicaid
Agency for Health Care Administration
2727 Mahan Drive, MS #8
Tallahassee, Florida 32308

Re: Florida State Plan Amendment 20-0011

Dear Ms. Kidder:

We have completed our review of State Plan Amendment (SPA) 20-0011. This SPA proposes to change the year October 1, 2020, through September 30, 2021, from a rebasing year to a non-rebasing year for rates paid to ICFs/IID and CRFs/DD providers. This change will positively impact the providers by addressing cost and staffing concerns due to shortfalls during the PHE. To make October 1, 2020, through September 30, 2021 a Non-rebasing year means non-state operated ICFs/IID and CRFs/DD annual Medicaid rate is not established based on a review of their annual financial report covering their most recently completed historical period. The annual Medicaid rate effective during a non-rebasing year shall be determined by adjusting the Medicaid rate from the previous year by an inflation adjustment.

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 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 approving Florida State plan amendment 20-0011 with an effective date of November 6, 2020. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, or require additional information, please call Christie Erickson at (410) 786-8441.

Sincerely,

[redacted]

For
Rory Howe
Acting Director

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 2 0 — 0 0 11

2. STATE: FL

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

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE: November 6, 2020

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 440.160

7. FEDERAL BUDGET IMPACT
a. FFY 20-21 $ 0
b. FFY 21-22 $ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B Page 44 & 44a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-B Page 44

10. SUBJECT OF AMENDMENT
Statewide Inpatient Psychiatric Program Reimbursement

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
[redacted]

13. TYPED NAME
Beth Kidder

14. TITLE
Medicaid Director

15. DATE SUBMITTED

16. RETURN TO

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED
3/8/21

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL
[redacted] For

21. TYPED NAME

22. TITLE
, Financial Management Group

23. REMARKS

Instructions on Back

Reimbursement Methodology

Inpatient Psychiatric Services for Individuals under 21, when provided in a licensed psychiatric Residential Treatment Facility, or in a licensed hospital are reimbursed on a per diem rate. The rate is determined under Medicare's per diem rate-setting methodology (42 CFR 413) for psychiatric inpatient hospital services, based on cost reports submitted in accordance with Medicare's Provider Reimbursement Manual.

Statewide Inpatient Psychiatric Program (SIPP) rate ranges are based on historical expenses for facilities currently providing residential services. Providers must complete the State reporting template annually five months after the facility's fiscal year end, which collects general information, capacity and census data, staff counts for multidisciplinary and non-licensed support personnel and operating expenses for each facility. Providers are required to certify that the data is accurate and completed in accordance with the expense report instructions.

Expense data is summarized by category for each facility and the allowable, patient-related expenses are reviewed at the category level and in total for reasonableness. Credibility is assigned to each facility and the resulting credibility-weighted data for all facilities are combined to establish a weighted average cost per day based on the census for each facility.

SIPP Rate Methodology
The following is used in determining the SIPP rate.

Total Reported Expenses = The total cost related to patient care reported by each provider in the most recently submitted SIPP Cost Report.

Reported SIPP Days = The SIPP days reported by each provider in the SIPP Cost Report.

Credibility Weight = The credibility weight assigned by historical actuarial calculations.

Adjusted SIPP Days = Reported SIPP Days * Credibility Weight

Reweighted Expenses per Day = Total Reported Expenses * Credibility Weight / Adjust SIPP Days

The calculated SIPP rate is the weighted average of the Adjusted SIPP Days and the Reweighted Expenses per Day.

Inpatient Psychiatric Services for Individuals under 21, when provided to individuals 18 through 20 years of age, in acute care settings in psychiatric units of general hospitals will be reimbursed in accordance with Florida Medicaid's current Inpatient Hospital Reimbursement Plan.