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State/Territory Name: Maine

State Plan Amendment (SPA) #: 20-0003

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

October 20, 2020

Michelle Probert, Director
Maine Department of Health and Human Services
MaineCare Services
Policy Division
11 State House Station
Augusta, Maine 04333-0011

RE: TN 20-0003

Dear Director Probert:

We have reviewed the proposed Maine State Plan Amendment (SPA) to Attachment 4.19-B ME-20-0003, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on February 19, 2020. This plan amendment establishes an alternative payment methodology for Rural Health Clinics based on 100% of the average of the reasonable cost of providing MaineCare-covered services during calendar years 2016 and 2017.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Blake Holt at 415-744-3754 or blake.holt@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER
20 - 003

2. STATE
Maine

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
January 1, 2020

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE 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 447.205

7. FEDERAL BUDGET IMPACT
a. FFY **2020** \$ **2,218,903**
b. FFY **2021** \$ **2,954,363**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Supplement 1 to Attachment 4.19-B Page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Supplement 1 to Attachment 4.19-B Page 1

10. SUBJECT OF AMENDMENT
RHC 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:
**Michelle Probert, Director,
MaineCare Services**

12. CLERK'S NAME AND AGENCY OFFICIAL
[REDACTED]

16. RETURN TO:
**Michelle Probert
Director, MaineCare Services
#11 State House Station
109 Capitol Street
Augusta, Maine 04333-0011**

13. TYPED NAME
Michelle Probert

14. TITLE
Director, MaineCare Services

15. DATE SUBMITTED
02/18/2020

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED
10/20/2020

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL
1/1/2020

20. SIGNATURE OF REGIONAL OFFICIAL
[REDACTED]

21. TYPED NAME
Todd McMillion

22. TITLE
Director, Division of Reimbursement Review

23. REMARKS

Pen and ink concurrences: 02/24/20: Box 15 from "2/18/2020" to "2/19/2020"; 09/15/20: Box 6: From "42 CFR 447.205" to "42 CFR 447 Supbart F"; Box 7: FY20: from "\$2,218,903" to "\$2,434,550" and FY21: from "\$2,954,363" to "\$2,953,457". This is a whole dollar impact, in thousands units the impact is FY20: \$2,435 and FY21: \$2,953.

10/19/2020: Boxes 8 and 9 from "Supplement 1 to Attachment 4.19-B., Page 1" to "Supplement 1 to Attachment 4.19-B., Page 1, 1.2, and 1.3."

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER
TYPES OF CARE

- vii. A change in office hours; or,
- viii. An increase or decrease in the number of encounters.

It is the RHC's responsibility to notify the Department of any "change in the scope of services" and provide proper documentation to support the rate change request. The RHC must submit either at least six (6) months of actual cost data for changes that have already taken place, or twelve (12) months of projected costs for anticipated changes.

When a site submits projected costs for an anticipated change that amounts to a PPS rate change that is greater than or equal to 5%, the Department may request data for a subsequent rate adjustment when at least six (6) months of actual data becomes available. The site must also submit a narrative describing the change. Requests for a rate adjustment based on a prior change must be received no later than one hundred and fifty (150) days after the RHC's fiscal year end in which the "change in scope of services" occurred. The Department will respond to a rate adjustment request within sixty (60) days of receiving a completed application.

Adjustments to the PPS rate for the increase or decrease in scope of services will be reflected in the PPS rate beginning with services provided the first day of the month immediately following either the date the Department approves the "change in scope of services" adjustment or the date an anticipated change will begin, whichever is later.

ii. Fee for Service-based (FFS) Methodology for RHC's:

The State reimburses for out-of-scope RHC services through a fee for service payment as reflected on a fee schedule. State-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of 1/1/2020 and is effective for services provided on or after that date. All fee for service rates are published at:

<https://mainecare.maine.gov/Provider%20Fee%20Schedules/Forms/Publication.aspx?RootFolder=%2FProvider%20Fee%20Schedules%2FRate%20Setting%2FSection%20103%20%2D%20Rural%20Health%20Clinic%20Services&FolderCTID=0x012000264D1FBA0C2BB247BF40A2C571600E81&View=%7B69CEE1D4%2DA5CC%2D4DAE%2D93B6%2D72A66DE366E0%7D>

The services located on this fee schedule may be billed in conjunction with the PPS, APM or as a stand-alone visit based on the provider type that delivers these services.

iii. Encounter-Based Alternate Payment Methodology (APM) for RHC's:

Effective 1/1/2020, RHC's may elect to be reimbursed per the PPS methodology at Paragraph 2.b.i and 2.b.iv, with the following changes: 1) reimbursement will be on the basis of 100% of the average of the reasonable cost of providing MaineCare-covered services during fiscal years 2016 and 2017. 2) The scope of service adjustment will be based on services furnished during FY 2018. Reimbursement will be no less than reimbursement received under the prospective payment system described in section 1902(bb) of the United States Social Security Act. Each RHC must be given the option to be reimbursed under the methodology required by this section or under the existing prospective payment system methodology. The individual health centers receiving payment under the APM methodology must agree to receive the APM.

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER
TYPES OF CARE**iv. Provider Reimbursement by Payment Methodology:**

All services must be provided by individuals appropriately licensed or certified, practicing within their scope of licensure or certification, and in accordance with State rules.

a) Prospective Payment System or Encounter-Based APM Rate Billing

To be eligible to receive the PPS or APM rate for RHC services, there must be a face-to-face service with one of the following PPS-eligible staff members of the RHC: physician, podiatrist, physician assistant, advanced practice registered nurse, psychologist, licensed clinical social worker, licensed clinical professional counselor, and/or dentist and dental hygienist. Visiting nurse services provided by a registered nurse or licensed practical nurse to a homebound member may also receive the PPS or APM rate.

If an encounter does not involve a covered service by one of the above practitioners, the PPS or APM rate should not be billed.

b) FFS Rate Billing

PPS-eligible providers may also bill FFS for out of scope services in addition to the PPS rate when services are delivered on the same day.

When any other provider (i.e. a non-PPS eligible provider) delivers a FFS APM service, only the FFS reimbursement will be made. This payment will be made regardless of whether a PPS-eligible visit was made on that day.

c. Federally Qualified Rural Health Centers (FQHC)·**i. Prospective Payment System:****a) FQHCs that existed prior to BIPA 2000**

- i.** The payment methodology for FQHCs will conform to all of the requirements of section 702 of the BIPA 2000 legislation, including the BIPA 2000 requirements for Prospective Payment System (PPS), FQHCs will be reimbursed on the basis of 100% of the average of their reasonable costs of providing Medicaid-covered services during FY 1999 and FY 2000, adjusted to take into account any increase or decrease in the scope of services furnished during FY 2001 (calculating the amount of payment on per visit basis).
- ii.** Beginning In FY 2002; and for each fiscal year thereafter, each FQHC is entitled to the payment amount (on a per visit basis) to which the center was entitled under the Act in the previous fiscal year, increased by the percentage increase in the Medicare Economic Index (MEI) for primary care services, and adjusted to take into account any increase or decrease in the scope of services furnished during that fiscal year.