

Table of Contents

State/Territory Name: Utah

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



Financial Management Group

October 7, 2020

Nathan Checketts
Medicaid Director
Utah Department of Health
P.O. Box 141000
Salt Lake City, UT 84114-1000

Dear Mr. Checketts:

RE: Utah Transmittal Notice (TN) 20-0011

We have reviewed the proposed Utah State Plan Amendment (SPA) to Attachment 4.19-B, Utah TN#20-0011, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 15, 2020. This State Plan Amendment adjusts the Outpatient Prospective Payment System (OPPS) payments.

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

If you have any additional questions or need further assistance, please contact Tamara Sampson at 214-767-6431 or Tamara.Sampson@cms.hhs.gov.

Sincerely,


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
U T — 20 00 11

2. STATE
Utah

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: October 1, 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 440.90

7. FEDERAL BUDGET IMPACT
a. FFY 2021 (\$864,000)
b. FFY 2022 (\$864,000)

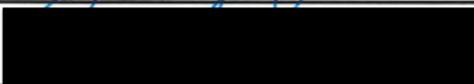
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Page 1 of ATTACHMENT 4.19-B

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)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

10. SUBJECT OF AMENDMENT: Payments for OPPS Hospitals

11. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12.  L

13. TYPED NAME: Richard G. Saunders

14. TITLE: Interim Executive Director, Utah Department of Health

15. DATE SUBMITTED: September 15, 2020

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED
10/7/2020

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL
10/1/2020

20. SIGNATURE OF REGIONAL OFFICIAL


21. TYPED NAME
Todd McMillion

22. TITLE
Director, Division of Reimbursement Review

23. REMARKS

A. OUTPATIENT HOSPITAL AND OTHER SERVICES

1. Effective for service end dates on or after September 1, 2011, the payment for outpatient hospital claims will be based on Medicare's Outpatient Prospective Payment System (OPPS) payment methodology. Medicare's Outpatient Code Editor and CMS pricer will be utilized for payment amounts.

A. OPPS hospitals will be paid per applicable APC, Medicare fee schedule, or reasonable cost method (reasonable cost will be paid using the facility-specific cost-to-charge (CCR) multiplied by the line-item billed charge). A factor, rounded to four (4) decimal places, will then be applied to the rate to offset the annual Medicare inflation changes. The following example is provided for illustrative purposes only:

| Year | Inflation | Change (based on \$100) | Factor | Adjusted Payment |
|------|-----------|-------------------------|--------|------------------|
| 1 | 2.6% | \$102.60 | 0.9747 | \$100.00 |
| 2 | 2.0% | \$104.65 | 0.9555 | \$100.00 |

The CCR used will be the Medicare CCR calculated from the most recently filed Medicare Cost Report as available through the HCRIS database or the Medicare fiscal intermediary.

B. Services not priced using OPPS or CAH methodology will be based on the established Medicaid fee schedule and the reimbursement policies for those services may be found in Attachment 4.19-B as follows:

- Section C – Laboratory and Radiology Services
- Section D – Physicians
- Section E – Anesthesiologist/Anesthetist
- Section F – Podiatrists
- Section G – Optometrists
- Section H – Eyeglasses
- Section K – Medical Supplies and Equipment
- Section M – Dental Services and Dentures
- Section N – Physical and Occupational Therapy
- Section O – Prosthetic Devices and Braces
- Section P – Speech Pathology
- Section Q – Audiology
- Section S – Prescribed Drugs

Typically, these services are not covered by Medicare.

Except as otherwise noted in the plan, payments for these services based on state-developed fee schedule rates, are the same for both governmental and private providers. All rates are published and maintained on the agency's website. Specifically, the fee schedule and any annual/periodic adjustments to the fee schedule are published at <http://health.utah.gov/medicaid/>.

C. Vaccines for Children (VFC) services will be paid using the Medicaid VFC rates. Non-VFC services will be paid using Medicare's pricer. The reimbursement policies for those services may be found on Page 9a of Section 1.5.

D. Revenue code 72[0-9], if not accompanied with procedure code detail, will be paid using the reasonable cost methodology.

E. Transitional Outpatient Payments (TOPs) will be calculated according to Medicare principles and paid on a semi-annual basis to in-state providers only.

F. Dialysis services are paid at the OPPS rate for the first encounter per member per hospital. Subsequent outpatient hospital visits for end-stage renal disease requiring dialysis treatment will reimburse, for all billed services (e.g., labs, evaluation and management, IV fluids, EKG), at the Medicare ESRD PPS Base Rate as stated in Attachment 4.19-B, Page 12a.

2. Critical Access Hospitals (CAH) will be paid 101% of costs using the facility-specific CCR.

The CCR used will be the Medicare CCR calculated from the most recently filed Medicare Cost Report as available through the HCRIS database or the Medicare fiscal intermediary.

3. Out-of-state hospitals will be paid by hospital type (OPPS or CAH) like in-state hospitals, but will not receive any specialty payments (e.g., TOPs).

4. Billed charges shall not exceed the usual and customary charge to private pay patients.

T.N. # 20-0011

Approval Date 10/07/20

Supersedes T.N. # 19-0017

Effective Date 10-1-20