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State/Territory Name: DC

State Plan Amendment (SPA) #: 24-0014

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
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

September 17, 2024

Melisa Byrd
Senior Deputy Director/Medicaid Director
441 4th Street, NW, 9th Floor, South
Washington, DC 20001

RE: TN 24-0014

Dear Byrd:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed DC state plan amendment (SPA) to Attachment 4.19-B, 24-0014 which was submitted to CMS on June 28, 2024. This plan amendment is updating the reimbursement re-basing schedule for Federally Qualified Health Centers.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the State, we have approved the amendment with an effective date of May 12, 2024. 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 Lindsay Michael at 410-786-7197 or Lindsay.michael@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: DC-24-0014	2. STATE: District of Columbia
	3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
TO: CENTER DIRECTOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: May 12, 2024	
5. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.201 and Title XIX of the Social Security Act	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars): a. FFY 2024: \$0 b. FFY 2025: \$0	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Part 1 Page 6bb	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B, Part 1 Page 6bb	


9. SUBJECT OF AMENDMENT:

Updating the reimbursement rebasing schedule for Federally Qualified Health Centers.

10. 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

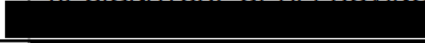
OTHER, AS SPECIFIED:
D.C. Act: 22-434

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Melisa Byrd Senior Deputy Director/Medicaid Director Department of Health Care Finance 441 4 th Street, NW, 9 th Floor, South Washington, DC 20001
12. TYPED NAME Melisa Byrd	
13. TITLE Senior Deputy Director/Medicaid Director	
14. DATE SUBMITTED 6/28/24	

FOR CMS USE ONLY

16. DATE RECEIVED 6/28/24	17. DATE APPROVED September 17, 2024
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PLAN APPROVED – ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL 5/12/24	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL DRR, Director
22. REMARKS	

xiv. **Rebasing for APM**

- A. APM rate rebasing was delayed to mitigate the effects of atypical cost trends caused by the COVID-19 Public Health Emergency. Rebasing will occur no later than January 1, 2026, and every three (3) years thereafter. Rebased rates will be based on the most recent audited cost reports prior to the rebasing year, and in accordance with the methodology set forth in 12.b.iii, 12.b.iv, 12.b.v, and 12.b.vi of this Section.

xv. **Cost Reporting and Record Maintenance**

- A. Each FQHC shall submit a Medicaid cost report, prepared based on the accrual basis of accounting, in accordance with Generally Accepted Accounting Principles. In addition, FQHCs are required to submit their audited financial statements and any supplemental statements as required by DHCF no later than one hundred and fifty days (150) days after the end of each FQHC's fiscal year, unless DHCF grants an extension or the FQHC discontinues participation in the Medicaid program as an FQHC. In the absence of audited financial statements, the FQHC may submit unaudited financial statements prepared by the FQHC.
- B. Each FQHC shall also submit to DHCF its FQHC Medicare cost report that is filed with its respective Medicare fiscal intermediary, if submission of the Medicare cost report is required by the federal Centers for Medicare and Medicaid Services (CMS).
- C. Each FQHC shall maintain adequate financial records and statistical data for proper determination of allowable costs and in support of the costs reflected on each line of the cost report. The financial records shall include the FQHC's accounting and related records including the general ledger and books of original entry, all transactions documents, statistical data, lease and rental agreements and any other original documents which pertain to the determination of costs.
- D. Each FQHC shall maintain the records pertaining to each cost report for a period of not less than ten (10) years after filing of the cost report. If the records relate to a cost reporting period under audit or appeal, records shall be retained until the audit or appeal is completed.
- E. DHCF reserves the right to audit the FQHC's Medicaid cost reports and financial reports at any time. DHCF may review or audit the cost reports to determine allowable costs in the base rate calculation or any rate adjustment as set forth in 12.b of this Section.
- F. If a provider's cost report has not been submitted within hundred and fifty (150) days after the end of the FQHC's fiscal year as set forth in Subsection 12.b.xv.A, or within the deadline granted pursuant to an extension, DHCF reserves the right not to adjust the FQHC's APM rate or PPS rate for services as described in Sections 12.b.ii.C, 12.b.iii.G, 12.b.iv.H, 12.b.v.D and 12.b.vi.D