

## **Table of Contents**

**State/Territory Name: Georgia**

**State Plan Amendment (SPA) #: GA-22-0003**

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  
7500 Security Boulevard, Mail Stop S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

March 29, 2023

Lynnette R. Rhodes, Esq.  
Executive Director, Medical Assistance Plans  
Department of Community Health  
2 Peachtree St., 36th Floor  
Atlanta, Georgia 30303

RE: State Plan Amendment (SPA) GA-22-0003

Dear Director Rhodes:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State Plan submitted under transmittal number (TN) 22-0003. This State Plan Amendment adjusts base per diem rates for Psychiatric Residential Treatment Facility (PRTF) services rendered to persons under age 21 as follows: PRTFs will be reimbursed at provider-specific prospective rates based on the SFY 2020 or more recently available cost reports, including a 5% inflation factor and removing a cost cap provision. The per diem rate for children with a co-occurring diagnosis of autism will be at prospective rates based on 2020 or more recently available cost reports specific to service delivery of children with co-occurring diagnoses. The amendment also removes a utilization standard of 90% operation capacity.

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.

This is to inform you that Medicaid State Plan Amendment GA-22-0003 is approved effective January 14, 2022. The CMS-179 and the amended plan pages are attached.

If you have any questions or need further assistance, please contact James Francis at 857-357-6378 or via email at [James.Francis@cms.hhs.gov](mailto:James.Francis@cms.hhs.gov).

Sincerely,



Rory Howe  
Director

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

1. TRANSMITTAL NUMBER <u>2 2</u> — <u>0 0 0 3</u>	2. STATE <u>GA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
1/14/2022

5. FEDERAL STATUTE/REGULATION CITATION  
42 CFR 447 Subpart F

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2022 \$ 1,064,913  
b. FFY 2023 \$ 2,129,827

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
Attachment 4.19-A, Page 25 - 26

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
Attachment 4.19-A, Page 25-26  
Attachment 4.19-A, Supplement 1, Page 1 (deleted)

9. SUBJECT OF AMENDMENT  
Adjustment of Per Diem Rates for Psychiatric Residential Treatment Facilities

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:

11. SIGNATURE OF STATE AGENCY OFFICIAL  


12. TYPED NAME  
Lynnette R. Rhodes

13. TITLE  
Executive Director

14. DATE SUBMITTED  
~~3/3/2023~~ 3/31/2022

15. RETURN TO  
Lynnette R. Rhodes  
Executive Director  
Medical Assistance Plans Division  
Georgia Department of Community Health  
2 Peachtree St., 36th Floor  
Atlanta, Georgia 30303

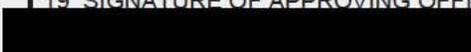
**FOR CMS USE ONLY**

16. DATE RECEIVED  
3/31/2022

17. DATE APPROVED  
March 29, 2023

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
1/14/2022

19. SIGNATURE OF APPROVING OFFICIAL  


20. TYPED NAME OF APPROVING OFFICIAL  
Rory Howe

21. TITLE OF APPROVING OFFICIAL  
Director, Financial Management Group

22. REMARKS  
On 3/16/23, Georgia requested pen-and-ink change to add to Block 8: "Attachment 4.19-A, Supplement 1, Page 1 (deleted)." (JGF)  
On 3/16/23, Georgia requested pen-and-ink change to Block 14 to use the initial SPA submission date of "3/31/2022." (JGF)

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR  
OTHER TYPES OF CARE OR SERVICE

W. Inpatient Psychiatric Facility Services (Psychiatric Residential Treatment  
Facility Services)

For claims with dates of service July 1, 2008, through December 31, 2018, Psychiatric Residential Treatment Facilities (PRTFs) will be reimbursed at provider specific prospective rates based on 2006, or more recently available cost reports, not to exceed the maximum amount of \$370 per day (the cap). PRTFs will be reimbursed at a provider-specific, prospective per diem rate based on allowable costs as reported on the provider's Fiscal Year 2006, or more recent, cost reports filed with the Department of Community Health (DCH).

Effective January 1, 2019, PRTFs will be reimbursed at provider specific prospective rates based on 2017, or more recently available cost reports, not to exceed the maximum amount of \$407 per day (the cap). PRTFs will be reimbursed at a provider-specific, prospective per diem rate based on allowable costs as reported on the provider's Fiscal Year 2017, or more recent, cost reports filed with the DCH.

Effective January 1, 2019, for members with a co-occurring diagnosis of autism, PRTFs will be reimbursed at prospective rates based on 2017, or more recently available cost reports, not to exceed the maximum amount of \$440 per day (the cap). PRTFs will be reimbursed at a prospective per diem rate based on allowable costs as reported on the Fiscal Year 2017, or more recent, cost reports filed with the DCH Annual reporting of audited allowable costs and utilization data adjusted to 90% of licensed capacity is used to find the program specific per-diem costs. DCH will apply the utilization standard of 90% of operational capacity for those PRTFs demonstrating appropriate staff to child ratios as described in Section 600.5.B. of the provider manual (Part II: Policies and Procedures for Psychiatric Residential Treatment Facilities).

Effective January 14, 2022, PRTFs will be reimbursed at provider specific prospective rates based on the 2020, or more recently available cost reports. Cost caps that limit the reimbursement rates have been removed. A five percent inflation factor will be added to the reimbursement rates. For members with a co-occurring diagnosis of autism, PRTFs will be reimbursed at prospective rates based on 2020, or more recently available cost reports, specific to service delivery of children with co-occurring diagnoses. Cost reports filed with the DCH annually are subject to auditing. Utilization standard of 90% operation capacity have been removed.

To ensure sufficient access and provider stability, in the event that a PRTF's provider specific rate as calculated utilizing its most recent cost report decreases by more than 25% from its prior rate, DCH will reimburse the PRTF at its prior rate.

New PRTF providers may submit per diem rate proposals based on budgeted estimates so long as these estimates are no greater than the median of rates then in effect. Upon notice of the provider specific rate, providers will have 30 days to appeal their new rates based on the submission of an amended cost report.

PRTFs shall submit a cost report annually using a uniform cost report form prescribed by DCH and supported by the facilities most recent certified financial audit. Cost reports are used as the basis for rate setting as well as establishing documentary support for federal reimbursement.

The definitions for allowable and unallowable costs and expenditures for federal claiming are based on federal criteria. Cost principles defining allowability for non-governmental entities follow Medicare reimbursement principles in the CMS Provider Reimbursement Manual (PRM 15-I).

Allocation of reasonable costs to the program shall be supported by approved methodology and documentation retained by the reporting agency.

Cost reports are subject to federal and state audit.