

## **Table of Contents**

**State/Territory Name: Hawaii**

**State Plan Amendment (SPA) #: 21-0002**

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  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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May 20, 2021

Judy Mohr Peterson, PhD  
Med-QUEST Division Administrator  
Office of the Director  
Department of Human Services  
PO Box 339  
Honolulu, HI 96809-0339

Re: Hawaii State Plan Amendment (SPA) 21-0002

Dear Dr. Mohr Peterson:

We reviewed your proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 21-0002. This amendment proposes to remove limits on smoking cessation counseling and pharmacotherapy services.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that Hawaii's Medicaid SPA Transmittal Number 21-0002 is approved effective January 1, 2021.

If you have any questions, please contact Brian Zolynas at (415) 744-3601 or via email at [Brian.Zolynas@cms.hhs.gov](mailto:Brian.Zolynas@cms.hhs.gov).

Sincerely,

 ly signed by  
G. Scott -S  
021.05.20  
16:20:04 -05'00'

James G. Scott, Director  
Division of Program Operations

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 E. 12<sup>th</sup> St., Room 355  
Kansas City, MO 64106



Medicaid and CHIP Operations Group

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May 20, 2021

Judy Mohr Peterson, PhD  
Med-QUEST Division Administrator  
Office of the Director  
Department of Human Services  
PO Box 339  
Honolulu, HI 96809-0339

Re: Hawaii State Plan Amendment (SPA) 21-0002

Dear Dr. Mohr Peterson:

We are issuing this letter as a companion to the Centers for Medicare and Medicaid Services' (CMS) approval of Hawaii's State Plan Amendment (SPA) 21-0002. SPA 21-0002 removes limits on smoking cessation counseling and pharmacotherapy services. During our review of the SPA, CMS performed a review of home health services associated with the submitted SPA pages. Our comments concerning home health services are as follows:

- 1. Supplement to Attachment 3.1-A and 3.1-B, item 7a to d.** The Medicaid home health final rule published on February 2, 2016 amended the regulatory requirements at 42 CFR § 440.70 to codify longstanding policy prohibiting the application of a homebound requirement to the Medicaid home health benefit. The final rule clarified that home health services may be provided as appropriate, in any setting in which normal life activities take place, other than a hospital, nursing facility, intermediate care facility for individuals with intellectual disabilities or setting in which payment is or could be made under Medicaid for inpatient services that include room and board. The plan page states, "home health services mean the following items and services provided to a recipient at his/her place of residence." To comply with the current federal regulations governing the Medicaid home health benefit, please revise the definition of home health services to align with the final rule.
- 2. Supplement to Attachment 3.1-A and 3.1-B item 7a to d.** In accordance with the Medicaid home health final rule and regulatory requirement at 42 CFR § 440.70, services may be provided as appropriate, in any setting in which normal life activities take place. The plan page states, "daily home visits permitted for home health aide and nursing services in the first two weeks of patient care if part of the written plan of care." Please replace all language referencing "daily home visits" with "daily visits."

Dr. Mohr Peterson  
Page 2

3. **Supplement to Attachment 3.1-A and 3.1-B item 7a to d, item 3.** In accordance with the home health final rule and regulatory requirement at 42 CFR §440.70, medical supplies, equipment, and appliances “suitable for use in home” is not a limitation on the location in which items are used, but rather refers to items that are necessary for everyday activities and not specialized for an institutional setting. The plan page states, medical supplies, equipment, and appliances are “suitable for use in the home.” Medicaid home health services and items are not limited to home settings. Please remove “suitable for use in home.”
4. For your convenience, the Medicaid home health final rule can be found at <https://www.govinfo.gov/content/pkg/FR-2016-02-02/pdf/FR-2016-02-02.pdf>

CMS welcomes the opportunity to work with you and your staff to resolve these issues. Please contact Brian Zolynas at (415) 744-3601 or by email at [Brian.Zolynas@cms.hhs.gov](mailto:Brian.Zolynas@cms.hhs.gov) if you have any questions.

Sincerely,

 Digitally signed by  
James G. Scott -S  
Date: 2021.05.20  
16:20:43 -05'00'

James G. Scott, Director  
Division of Program Operations

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

1. TRANSMITTAL NUMBER

2 1 — 0002

2. STATE

Hawaii

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, 2021

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  
~~1902(a)(73) of the Social Security Act~~ Title XIX of the Social Security Act

7. FEDERAL BUDGET IMPACT

a. FFY <sup>2021</sup> \$0.00  
b. FFY <sup>2022</sup> \$0.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement to Attachment 3.1-A and 3.1-B pg. 2, 1, 2, and 4

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

Supplement to Attachment 3.1-A and 3.1-B pg. 2, 1, 2, and 4

10. SUBJECT OF AMENDMENT

Removes smoking cessation counseling and pharmacotherapy limits, which is currently at two quit attempts per year. This will allow smoking cessation services to be provided based on medical need.

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. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME

Judy Mohr Peterson, PhD

14. TITLE

Med-QUEST Division Administrator

15. DATE SUBMITTED

03/05/21

16. RETURN TO

State of Hawaii  
Department of Human Services  
Office of the Director  
P.O. Box 339  
Honolulu, Hawaii 96809-0339

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

March 5, 2021

18. DATE APPROVED

May 20, 2021

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL

Digitally signed by James G. Scott -S  
Date: 2021.05.20 16:21:58 -05'00'

21. TYPED NAME

James G. Scott

22. TITLE

Director, Division of Program Operations

23. REMARKS

Pen-and-ink changes made to Boxes 6, 8, and 9 by CMS with state concurrence on 5/19/2021.

6a. Podiatry services are provided with the following limitations:

- 1) Hospital inpatient services and appliances costing more than \$100.00 require prior approval by the department.

6b. Routine eye exams provided by qualified optometrists are authorized once in a one-year period for individuals under the twenty-years and once in a two-year period for adults age twenty-one years and older. Visit done more frequently may be prior authorized and covered when medically necessary. Emergency eye care shall be covered without prior authorization. The following limitations apply:

- 1) Approval required for contact lenses, subnormal visual aids costing more than \$50.00 and to replace glasses or contacts within one year for individuals under age twenty-one years and within two years for adults age twenty-one and older. Medical justification required for bifocal lenses.
- 2) Trifocal lenses are covered only for those currently wearing these lenses satisfactorily and for specific job requirements.
- 3) Bilateral plano glasses covered as safety glasses for persons with one remaining eye.
- 4) Individuals with presbyopia who require no or minimal distance correction shall be fitted with ready made half glasses instead of bifocals.

6d. Services of a Psychologist are provided with the following limitations:

- 1) Testing is limited to a maximum of 4 hours once every 12 months or to 6 hours, if a comprehensive test is justified.
- 2) Prior authorization is required for all psychological testing except for tests that are requested by the department's professional staff.

The providers for SAT services are psychologists, licensed clinical social workers in behavioral health, advance practice registered nurses (APRN), marriage and family therapists (MFT), and licensed mental health counselors (MHC), in behavioral health. Settings where services will be delivered are in outpatient hospitals/clinics including methadone clinics, and physician/provider offices. Only professional fees are paid when services are provided in an outpatient or clinic setting and are paid at or below the Medicare fee schedule rate.

SAT services that are medically necessary shall be provided with no limits on the number of visits in accordance with the parity law. SAT services that are medically necessary shall be reimbursed with the existing approved Medicaid fee Schedule or PPS methodology.

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'N No. 21-0002  
Supersedes 12-004 Approval Date: 05/20/2021 Effective Date: 01/01/2021  
'N No. 12-004

7a to d. Home health services mean the following items and services, provided to a recipient at his/her place of residence on physician's order as part of a written plan of care:

- 1) Nursing services (as defined in the State Nurse Practice Act and subject to the limitations set forth in 42 CFR 440.70(b)(1));
- 2) Home health aide service provided by a home health agency;
- 3) Medical supplies, equipment, and appliances suitable for use in the home (subject to an annual review by a physician of need for the service); and
- 4) Physical therapy, occupational therapy, or speech pathology and audiology services, provided by a home health agency or by a facility licensed by the State to provide medical rehabilitation services.

Home health services shall be reimbursed on the basis of "per visit"; Daily home visits permitted for home health aide and nursing services in the first two weeks of patient care if part of the written plan of care; No more than three visits per week for each service for the third week to the seventh week of care; No more than one visit a week for each service from the eighth week to the fifteenth week of care; No more than one visit every other month for each service from the sixteenth week of care. Services exceeding these parameters shall be prior authorized by the medical consultant or it's authorized representative. Medical social services not covered.

Medical supplies, equipment and appliances require prior authorization by the department when the cost exceeds \$50.00 per item.

Physical and occupational therapy and services for speech, hearing and language disorders are subject to the limitations set forth in #11.

Initial physical therapy and occupational therapy evaluations do not require prior approval. However, physical and occupational therapy and reevaluations require approval of the medical consultant providing diagnosis, recommended therapy including frequency and duration, and for chronic cases, long term goals and a plan of care.

All speech, hearing, and language evaluations and therapy require authorization by the medical consultant including rental or purchase of hearing aids.

9. Limitations on the amount, duration or scope of clinic services are the same as the limitations included for state plan outpatient services listed in Attachment 3.1-A and 3.1-B of the state plan, not to include inpatient services (hospital, nursing facility, psychiatric facility services for individuals under 22 years of age, emergency hospital services). Physicians that provide direction/supervision of others in the clinic assume professional responsibility for the care of the patients.

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TN No. 21-0002  
Supersedes  
TN No. 12-004

Approval Date: 05/20/2021

Effective Date: 01/01/2021

12d. Same as 6b.

13a. The diagnostic procedures or out of state procedures requiring prior authorization are:

- Psychological testing
- Neuropsychological testing
- Standardized cognitive testing

13c. Preventive services assigned a grade A or B recommendation by the United States Preventive Services Task Force (USPSTF), approved vaccines and their administration recommended by the Advisory Committee on Immunization Practices (ACIP), preventive care and screening of infants, children and adolescents recommended by HRSA's Bright Futures program and additional preventive services for women recommended by the Institute of Medicine (IOM) will be covered without cost-sharing in accordance with section 2713 of the Public Health Service Act, which is in alignment with the Alternative Benefit Plan.

The state will maintain documentation supporting expenditures claimed for and ensure that coverage and billing codes comply with USPSTF or ACIP recommendations, in accordance with section 4106 of the Affordable Care Act.

Preventive services are covered under the rural health clinic, federally qualified health center, EPSDT, family planning services and supplies for individuals of child-bearing age, physician, other licensed practitioner, clinic, preventive, nurse midwife and nurse practitioner service benefits and are reimbursed according to the methodologies provided in Attachment 4.19-B for such services.

Smoking cessation counseling and pharmacotherapy shall be consistent with the Treating Tobacco Use and Dependence practice guidelines issued by the Agency for Healthcare Research and Quality. Two quit attempts per benefit period and a minimum of four in person counseling sessions per quit attempt provided by trained and licensed providers practicing within their scope of practice shall constitute each quit attempt. Two effective components of counseling, practical counseling and social support delivered as part of the treatment is emphasized. Settings where services will be delivered are in outpatient hospital/clinics and physician/provider offices. Limits may be exceeded based on medical necessity.

Smoking cessation counseling services can be provided by the following licensed providers: psychologists, licensed clinical social workers in behavioral health, advance practice registered nurses (APRN), dentist, licensed mental health counselors (MHC) in behavioral health and Certified Tobacco Treatment Specialists under the supervision of a licensed provider and the supervision is within the scope of practice of the licensed practitioner.

13d. Rehabilitative services are subject to the limitations specified on these supplement pages for particular services, i.e., physical therapy, speech therapy, etc.

**Community Mental Health Rehabilitative Services:**

The covered Community Mental Health Rehabilitative Services will be available to all Medicaid eligibles who are medically determined to need mental health and/or drug abuse/alcohol services. These services must be recommended by a physician or other licensed practitioner to promote the maximum reduction and/or restoration of a recipient to his/her best possible functional level relevant to their diagnosis of mental illness and/or abuse of drugs/alcohol.

These services are to be provided by the following qualified mental health professionals: licensed psychiatrist, licensed psychologist, licensed clinical social worker (CSW) with experience in behavioral health, licensed advance practical nurse (APRN) in behavioral health, or a licensed Marriage and Family Therapist (LMFT) with experience in behavioral health. Additionally, provider qualification must be in