

Table of Contents

State/Territory Name: KANSAS

State Plan Amendment (SPA) #: KS-25-0021

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

November 7, 2025

Christine Osterlund
Medicaid Director
Deputy Secretary of Agency Integration and Medicaid
KDHE, Division of Health Care Finance
Landon State Office Building
900 SW Jackson, Room 900-N
Topeka, KS 66612-1220

RE: **TN 25-0021**

Dear Medicaid Director Osterlund,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Kansas State Plan Amendment (SPA) to Attachment 4.19-A, KS-25-0021, which was submitted to CMS on August 20, 2025. This plan amendment adds the definition of “Rural Emergency Hospital” (REH).

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 July 18, 2025. 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 Fred Sebree at Frederick.Sebree@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 2 1

2. STATE

KS3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

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

4. PROPOSED EFFECTIVE DATE

July 18, 2025

5. FEDERAL STATUTE/REGULATION CITATION

1905(a)(1)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 0b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A, Page 4

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19-A, Page 4

9. SUBJECT OF AMENDMENT

The Kansas Department of Health and Environment, Division of Health Care Finance (KDHE-DHCF) is amending the Kansas Medicaid State Plan to add the definition of "Rural Emergency Hospital" (REH).

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:
Christine Osterlund is the
Governor's Designee

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Christine Osterlund13. TITLE
Medicaid Director14. DATE SUBMITTED
August 20, 2025

15. RETURN TO

Christine Osterlund
Medicaid Director
Deputy Secretary of Agency Integration and Medicaid
KDHE, Division of Health Care Finance
Landon State Office Building
900 SW Jackson, Room 900-N
Topeka, KS 66612-1220**FOR CMS USE ONLY**16. DATE RECEIVED
8/20/202517. DATE APPROVED
November 7, 2025**PLAN APPROVED - ONE COPY ATTACHED**18. EFFECTIVE DATE OF APPROVED MATERIAL
7/18/2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS

Methods and Standards for Establishing Payment Rates - Inpatient Hospital Care

1.0000 continued

- z. "Readmission" means the subsequent admission of a recipient as an inpatient into a hospital within 15 days of discharge as an inpatient from the same or another hospital participating in the DRG reimbursement system.
- aa. "Recalibration" means the adjustment of all DRG weights to reflect changes in relative resource use associated with all existing DRG categories and/or the creation or elimination of DRG categories.
- bb. "Standard diagnosis related group (DRG) amount" means the amount computed by multiplying the group reimbursement rate for the general hospital by the diagnosis related group weight.
- cc. "State-operated hospital" means an establishment operated by the State of Kansas with an organized medical staff of physicians, with permanent facilities that include inpatient beds, with medical services, including physician services and continuous registered professional nursing services for not less than 24 hours of every day, and which provides diagnosis and treatment for nonrelated patients.
- dd. "Stay as an inpatient in a general hospital" means the period of time spent in a general hospital from admission to discharge.
- ee. "Transfer" means the movement of an individual receiving hospital inpatient services from one hospital to another hospital, or different units within the same hospital, for additional related inpatient care after admission to the previous hospital, hospitals, or hospital units.
- ff. "Transferring hospital" means the hospital which transfers a recipient to another hospital. There may be more than one transferring hospital for the same recipient until discharge.
- gg. "Critical Access Hospital": Hospitals that are certified as critical access hospitals by Medicare.
- hh. "Border city children's hospital" is defined as a comprehensive pediatric medical center with 200 beds or more, a level I pediatric trauma center, and at least a level IIIc intensive care nursery. The border city children's hospital must be located in a Kansas border city. A Kansas border city means those communities outside of the state of Kansas, but within a 50-mile range of the state border.
- ii. "Hospital located in a frontier county": A hospital located within a county where the population is fewer than 6.90 persons/sq. mi. The population density is taken from the 2010 Census.
- jj. "Hospital located in a rural county": A hospital located within a county where the population is 6.0 – 19.9 person/sq. mi. The population density is taken from the 2010 Census.
- kk. "Hospital located in a densely-settled rural county": A hospital located within a county where the population is 20.0 - 39.9 persons/sq. mi. The population density is taken from the 2010 Census.
- ll. "Large Hospital" is defined as any hospital in the State of Kansas with 500 or more available beds, as reported on the Medicare cost report, defined in Section 6.2000 B.
- mm. "State Institutional Alternatives (SIA)" are defined as facilities that provide inpatient psychiatric treatment and are authorized by the Kansas Department of Aging and Disability Services (KDADS) to serve as an alternative to placement in a state mental health institution.
- nn. "Rural Emergency Hospital (REH)" is defined as a licensed general hospital or a critical access hospital that applies for and receives licensure as a rural emergency hospital. REH facilities must meet regulatory requirements set by Medicare.