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State/Territory Name: Maryland

State Plan Amendment (SPA) #: 22-0002

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
April 15, 2022

Ms. Tricia Roddy  
Maryland Department of Health  
201 W. Preston St., 5th Floor  
Baltimore, MD 21201

Re: Maryland (MD) State Plan Amendment (SPA) 22-0002

Dear Ms. Roddy:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 22-0002. This amendment proposes to update the State Plan language regarding the guidance on in-patient delivery hospital stays, clarifying the authorization requirements for both vaginal and cesarean deliveries.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR §440.10. This letter is to inform you that Maryland Medicaid SPA 22-0002 was approved on April 15, 2022, with an effective date of January 1, 2022.

If you have any questions, please contact Talbatha Myatt at 215-861-4259 or via email at Talbatha.Myatt@cms.hhs.gov

Sincerely,

Ruth A. Hughes, Acting Director  
Division of Program Operations

cc: Alison Donley, Medicaid Provider Services Administration  
Nina McHugh, Medicaid Provider Services Administration
April 15, 2022

Ms. Tricia Roddy
Maryland Department of Health
201 W. Preston St., 5th Floor
Baltimore, MD 21201

Re: Companion Letter – Maryland (MD) State Plan Amendment (SPA) 22-0002

Dear Ms. Roddy:

This letter is sent as a companion to Centers for Medicare & Medicaid Services’ (CMS) approval of Maryland (MD) state plan amendment (SPA) Transmittal Number (TN) 22-0002, which updates the inpatient hospital authorization requirements for inpatient delivery stays. During our review of MD 22-0002, we identified the following same page review concerns that need to be addressed.

Inpatient Hospital Services

In the course of our review, we found that the description of inpatient hospital services include services that require admission in a psychiatric hospital, as indicated on page 10 of Attachment 3.1A. Section 1905(a)(1) of the Social Security Act and the Code of Federal Regulations (CFR) at 42 CFR 440.10(a)(3)(i) provide that the inpatient hospital services benefit cannot include services furnished in an institution for mental diseases or at an institution that is maintained primarily for the care and treatment of patients with mental diseases. Thus, the inpatient hospital services benefit cannot include services provided at a psychiatric hospital. Please revise the relevant state plan pages to remove psychiatric hospital services from the inpatient hospital services benefit.

The state has 90 days from the date of this letter to address the issues described above. During this time period, the state must either submit a state plan amendment with the additional information or a corrective action plan describing in detail how the state will resolve the issues in a timely manner. Failure to respond may result in the initiation of a formal compliance process. During the 90-day compliance period, CMS will be available to provide technical assistance if needed.
If you have any questions, please contact Talbatha Myatt at 215-861-4259 or via email at Talbatha.Myatt@cms.hhs.gov

Sincerely,

Ruth A. Hughes, Acting Director
Division of Program Operations

cc: Alison Donley, Medicaid Provider Services Administration
    Nina McHugh, Medicaid Provider Services Administration
**TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL**

**FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

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

**STATE:** MD

**PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT**

<table>
<thead>
<tr>
<th>Title of the Social Security Act</th>
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<tbody>
<tr>
<td>XIX</td>
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<td>XXI</td>
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**PROPOSED EFFECTIVE DATE:** January 1, 2022

**FEDERAL STATUTE/REGULATION CITATION**

<table>
<thead>
<tr>
<th>Citation</th>
<th>Amounts in WHOLE dollars</th>
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<tbody>
<tr>
<td>42 CFR § 440.10</td>
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**PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT**

Attachment 3.1A, pg. 10 (22-0002)

**SUBJECT OF AMENDMENT**

This proposal updates the State Plan language regarding the guidance on in-patient delivery hospital stays, clarifying the authorization requirements for both vaginal and cesarean deliveries.

**GOVERNOR’S REVIEW (Check One)**

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

**SIGNATURE OF STATE AGENCY OFFICIAL**

**TYPED NAME**
Tricia Roddy

**TITLE**
Deputy Medicaid Director

**DATE SUBMITTED**
February 25, 2022

**DATE RECEIVED**
February 25, 2022

**DATE APPROVED**
04/15/2022

**EFFECTIVE DATE OF APPROVED MATERIAL**
01/01/2022

**SIGNATURE OF APPROVING OFFICIAL**
Ruth A. Hughes

**TITLE OF APPROVING OFFICIAL**
Acting Director, Division of Program Operations

**REMARKS**
4-7-22-State requested pen & ink change to Box 5 to update 42 CFR citation

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*Instructions on Back*
STATE PLAN FOR MEDICAL ASSISTANCE
UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MARYLAND

**Description of Services**: INPATIENT SERVICES

Medically necessary services that require admission in an acute, chronic, or psychiatric hospital.

**Provider Types**:

“Hospital” refers to Maryland Licensed institutions that meet the standards of 42 CFR §440.10.

**Limitations**:

Reimbursement will not be made for any services identified by the Department as not medically necessary or not covered.

Authorization by the Department or its designee is required for all non-emergent admissions except deliveries. If a vaginal delivery exceeds 2 days or a cesarean section delivery exceeds 4 days, authorization is required for subsequent inpatient days through the date of discharge.

Concurrent review is also required for all hospital stays for Medicaid participants.