

## **Table of Contents**

**State/Territory Name: Maine**

**State Plan Amendment (SPA) #: 24-0030-A**

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**

August 21, 2025

Michelle Probert  
Director, MaineCare Services  
11 State House Station  
109 Capitol Street  
Augusta, Maine 04333-0011

RE: ME-24-0030-A

Dear Director Probert:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Maine state plan amendment (SPA) to Attachment 4.19-A ME-24-0030-A, which was submitted to CMS on December 31, 2024. This plan amendment updates the total inpatient pool amounts for the Total Critical Access Hospital (CAH) Supplemental Pool and the Total Acute Care Hospital (ACH) Supplemental Pool.

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 November 15, 2024. 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 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  
Financial Management Group

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

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

1. TRANSMITTAL NUMBER

**24 0030A**

2. STATE

**Maine (ME)**

3. PROGRAM IDENTIFICATION: TITLE **XIX** OF THE  
SOCIAL SECURITY ACT

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

**11/15/24**

5. FEDERAL STATUTE/REGULATION CITATION

~~\$1902(a)(1)~~ **1905(a)(1)**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY **2025** \$ ~~3,084,234~~ **-\$4,057,167**

b. FFY **2026** \$ **\$0**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 4.19-A pages ~~7 and 8~~ 7(a), 8, and 8(a).**

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

**Attachment 4.19-A pages ~~7 and 8~~ 7(a) and 8**

9. SUBJECT OF AMENDMENT

**Adjustments to the inpatient supplemental pool payment amounts for Acute Care and Critical Access Hospitals.**

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

**Michelle Probert**

13. TITLE

**Director, MaineCare Services**

14. DATE SUBMITTED

December 31, 2024

15. RETURN TO

**Michelle Probert  
Director, MaineCare Services  
#11 State House Station  
109 Capitol Street  
Augusta, Maine 04333-0011**

**FOR CMS USE ONLY**

16. DATE RECEIVED

December 31, 2024

17. DATE APPROVED

August 21, 2025

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

November 15, 2024

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 3/4/25, Maine sent permission to make the following pen-and-ink changes:

Block 5: strike 1902(a)(1) and add 1905(a)(1)

Block 6a: -\$4,057,167, Block 6b: 2026 \$0

Blocks 7 and 8 to indicate Attachment 4.19-A pages 7(a) and 8. (JGF)

On 8/1/25, Maine provided permission for the following pen-and-ink change:

Block 7 to indicate Attachment 4.19-A pages 7(a), 8, and 8(a).

## Inpatient Hospital Services Detailed Description of Reimbursement

Page 7(a)

A Hospital approved by the Department for conversion to an Acute Care Critical Access Hospital must submit cost report data to determine the hospital's PIP estimate prior to the effective date of the facility's new status as an Acute Care Critical Access Hospital. The hospital must complete a Critical Access Hospital Cost Report, as published by the Division of Audit, for the fiscal year determined by the Department.

## E-1 Department's Inpatient Obligation to the Hospital

## A. Inpatient Facility Services

**Distinct Psychiatric and Substance Use Disorder Units**

The Department will pay Distinct Psychiatric Unit and Distinct Substance Use Disorder (SUD) Units using a per diem base rate adjusted for length of stay and MS-DRG weight as described in Appendix.

**All Other Inpatient Facility Services** (not including Distinct Psychiatric or Substance Use Disorder Unit Discharges)

The Department will reimburse one hundred and nine percent (109%) of allowable costs through December 31, 2024.

Additionally, a supplemental pool will be allocated on the basis of the hospital's relative share of Medicaid payments for private critical access hospitals only, not those hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board or public hospitals. Effective November 14, 2019 the amount will be \$5,613,061. Effective November 14, 2020 the amount will increase to \$5,672,482. Effective November 10, 2021 the amount will increase to \$6,980,970. Effective November 15, 2024, the amount will equal \$6,396,901.

The relative share is defined as:

$$\frac{\text{total Medicaid payments to CAH hospital} \times \text{pool amount}}{\text{total Medicaid payments to all CAH hospitals}}$$

## B. MaineCare Member Days Awaiting Placement (DAP) at a Nursing Facility (NF)

Reimbursement will be made prospectively at the estimated statewide average rate per member day for NF services. The Department shall adopt the prospective statewide average rates per member day for NF services that are specified in the 4.19D Principles of Reimbursement for Nursing Facilities. The average statewide rate per member day shall be computed based on the simple average of the N F rate per member day for the applicable State fiscal year(s) and prorated for a hospital's fiscal year.

C. **Hospital-Based Professional Services and Graduate Medical Education Costs:** 100% of MaineCare's share of inpatient hospital based physician costs + MaineCare's share of graduate medical education costs.

## E-2 Prospective Interim Payment (PIP)

The estimated departmental annual inpatient obligation, described above, will be calculated using the most recent MaineCare Supplemental Data Form increased by the rate of inflation to the beginning of the current state fiscal year. Third party liability payments are subtracted from the PIP obligation. The PIP payment does not include DSH payments or the hospital's share of the supplemental pool as described below.

**Interim Adjustment**

The State would expect to initiate an interim adjustment under very limited circumstances, including but not limited to, restructuring payment methodology as reflected in the state plan amendment; when a hospital "changes" categories (e.g. becomes designated critical access);

**Inpatient Hospital Services Detailed Description of Reimbursement**

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if and when a new population group was made eligible for MaineCare (e.g., the State is contemplating an eligibility expansion to include higher income parents); or a hospital closes or opens and there is a redistribution of patients among facilities.

**E-4 Interim Settlement**

The Department of Health and Human Services' interim settlement with a hospital is calculated using the same methodology as is used when calculating the PIP, except that the data sources used will be the hospital's as filed cost report and MaineCare paid claims history for the year for which reconciliation is being performed.

**E-5 Final Settlement**

The Department of Health and Human Services' final settlement with a hospital is calculated using the same methodology as is used when calculating the PIP, except that the data sources used will be the hospital's final cost report from the Medicare fiscal intermediary and MaineCare paid claims history for the year for which settlement is being performed.

**F. SUPPLEMENTAL POOL FOR NON CRITICAL ACCESS HOSPITALS, AND REHABILITATION HOSPITALS**

The Department will allocate a supplemental pool for each state fiscal year among the privately owned and operated Acute Care Non-Critical Access hospitals, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board and rehabilitation hospitals. Effective November 14, 2019 the total pool (inpatient and outpatient) shall equal \$80,575,379, up to \$42,481,159 will be allocated to inpatient services. Effective November 14, 2020 the total pool (inpatient and outpatient) shall equal \$80,914,112, up to \$42,819,892 will be allocated to inpatient services. Effective November 10, 2021 the total pool (inpatient and outpatient) shall equal \$90,701,615; up to \$52,607,395 will be allocated to inpatient services. Effective November 15, 2024, the inpatient pool shall equal \$47,638,238. Subject to compliance with all applicable federal rules and payment limits, including 42 CFR 447.271 and 42 CFR 447.272, the amount allocated to inpatient services will not exceed the allowable aggregate upper payment limits. The allocated inpatient pool amount will be distributed based on each hospital's relative share of inpatient MaineCare payments, defined as the hospital's inpatient MaineCare payment in the applicable state fiscal year, divided by inpatient MaineCare payments made to all privately owned and operated Acute Care Non-Critical Access hospitals, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board, and rehabilitation hospitals; multiplied by the supplemental pool. For state fiscal years beginning on or after July 1, 2024, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2020.

Each hospital in the pool will receive its relative share of this supplemental payment. Supplemental payments will be distributed semiannually, in November and May. This pool will be decreased by the amount a hospital would have received if that hospital was in the pool when the total pool amount was set and subsequently becomes an approved critical access hospital. This supplemental pool payment is not subject to cost settlement.

Effective July 1, 2024, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board are no longer eligible for this payment.

**SUPPLEMENTAL PAYMENTS FOR ACUTE CARE HOSPITALS CONVERTING FROM ACUTE CARE CRITICAL ACCESS HOSPITAL REIMBURSEMENT TO ACUTE CARE NON-CRITICAL ACCESS HOSPITAL REIMBURSEMENT**

Acute Care Hospitals Converting from Acute Care Critical Access Hospital Reimbursement to Acute Care Non-Critical Access Hospital Reimbursement are eligible to receive a supplemental payment of eight million dollars (\$8,000,000) for each State Fiscal Year beginning July 1, 2024 and ending June 30, 2029. Subject to compliance with all applicable federal rules and payment limits, including 42 CFR 447.271 and 42 CFR 447.272, the amount allocated to inpatient services will not exceed the allowable aggregate upper payment limits. This supplemental payment will be distributed to eligible hospitals in two equal payments in May and November. This supplemental pool payment is not subject to cost settlement.