Table of Contents State/Territory Name: ME

State Plan Amendment (SPA): ME-25-0005-B

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
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604

Financial Management Group

November 5, 2026

Michelle Probert, Director Office of MaineCare Services
Department of Health and Human Services
109 Capitol Street
11 State House Station
Augusta, Maine 04333-0011

RE: TN 25-0005-B

Dear Director Probert:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Maine state plan amendment (SPA) to Attachment 4.19-B ME-25-0005-B, which was submitted to CMS on March 31, 2025. This plan amendment updates the payment methodology for outpatient hospital services.

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 January 1, 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 Blake Holt at 303-844-6218 or via email at blake.holt@cms.hhs.gov.

Sincerely,

[redacted]

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

DEPARTMENT OF HEALTH ANDHUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 25 0005 -B

2. STATE: Maine (ME)

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIALSECURITY ACT

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

4. PROPOSED EFFECTIVE DATE
01/01/2025

5. FEDERAL STATUTE/REGULATION CITATION
1905(a)(2)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 $ -7,800,213
b. FFY 2026 $ -10,182,110

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B Page 1 (i)(d)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-B Page 1 (i)(d)

9. SUBJECT OF AMENDMENT
Outpatient hospital reimbursement changes effective January 1, 2025.

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
[redacted]

12. TYPED NAME
Michelle Probert

13. TITLE
Director, MaineCare Services

14. DATE SUBMITTED
March 31, 2025

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
March 31, 2025

17. DATE APPROVED
11/5/2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

11/04/2026: State concurs with pen and ink change to Box 1.

Department's Outpatient Obligation to the Acute Care Critical Access Hospital

Effective January 1, 2025 this payment is capped at 104.5% of MaineCare outpatient costs.

MaineCare's share of hospital-based physician costs is reimbursed at 100% of costs.

Prospective Interim Payment

The estimated Departmental total obligation will be calculated to determine the PIP payment using data from the fiscal year from the most recent as filed cost report available, inflated to the current state fiscal year.

Interim Volume Adjustment

The Department initiates an interim PIP adjustment under very limited circumstance, including but not limited to, restructuring payment methodology as reflected in a state plan amendment; when a hospital "changes" categories (e.g. becomes designated critical access); if and when a new population group is made eligible for MaineCare (e.g. the state is contemplating an eligibility expansion to include higher income parents); or a hospital opens or closes resulting in a redistribution of patients among facilities.

Preliminary 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.

Outpatient CAH 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. Recoupments will be returned consistent with 42 CFR 433 subpart F.

PRIVATELY OWNED PSYCHIATRIC HOSPITALS

The payment is capped at 117% of MaineCare outpatient costs inflated to the current state fiscal year using the most recent interim cost-settled report as issued by the Department.

STATE OWNED PSYCHIATRIC HOSPITALS

The Department of Health and Human Services' final obligation to a Hospital is 100% of MaineCare outpatient costs. Costs are determined from standard cost-to-charge ratios using data from the final cost report issued by the Medicare fiscal intermediary and MaineCare paid claims history as measured by the Department.