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State/Territory Name: MN

State Plan Amendment (SPA) #: 24-0013

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 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 7, 2024

John Connolly, Assistant Commissioner
State Medicaid Director
State of Minnesota, Department of Human Services
540 Cedar Street PO Box 64983
ST. Paul, MN 55167-0983

RE: TN 24-0013

Dear Director Connolly:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Minnesota state plan amendment (SPA) to Attachment 4.19-B 24-0013, which was submitted to CMS on March 28, 2024. This plan amendment adds a daily bundled payment rate for Recuperative Care 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, 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 Debi Benson at 312-886-0360 or via email at Deborah.Benson@cms.hhs.gov.

Sincerely,

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 1 3

2. STATE

MN3. 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

January 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

1905(a)(5); 42 CFR 440.50

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 2,124,287b. FFY 2025 \$ 3,641,634

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, NEW page 10p

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19-B, NEW page 10p

9. SUBJECT OF AMENDMENT

Adding recuperative care benefit under physician services

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

Patrick Hultman

13. TITLE

Deputy Medicaid Director

14. DATE SUBMITTED

March 28, 2024

15. RETURN TO

Patrick Hultman

Minnesota Department of Human Services

Federal Relations Unit

540 Cedar Street

PO Box 64983

Saint Paul, MN 55164

FOR CMS USE ONLY

16. DATE RECEIVED

March 28, 2024

17. DATE APPROVED

November 7, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

5.a. Physician services (continued)

Recuperative Care Services

Recuperative care services are a model of care provided by enrolled recuperative care providers.

The recuperative care services include the following state plan benefits: nursing services described in item 6.d., intermittent or part-time nursing services under item 7.a., and physician services or rehabilitative services provided by community health workers under items 5.a. or 13.d.

Recuperative care is available for up to 60 days, subject to extensions that are prior approved by the Commissioner. Rates are based on direct service expenditures and physical plant costs based on the percentage of the facility devoted to treatment.

The per diem payment rate for services provided in the care plan and under physician orders is the lower of –

- 1) Submitted charges; or
- 2) \$300 per day

Approved recuperative care settings may bill under this rate.

Not included in payment:

- Physical plant costs of administrative or residential space
- Room and board costs

Any provider delivering services through a per diem is paid through that per diem and cannot bill separately. Medicaid providers delivering services outside of the per diem must bill for those separate services in accordance with the state's billing procedures.

At least one of the services must be provided within the service payment unit for the provider to bill the per diem rate.

The state will annually monitor the actual provision of services paid under the per diem rate to ensure that beneficiaries receive the types, quantity, and intensity of services required to meet their medical needs and that rates remain in compliance with 1902(a)(30)(A) based on the actual provision of services.