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State/Territory Name: MN

State Plan Amendment (SPA) #: 25-0019

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

December 3, 2025

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

RE: TN 25-0019

Dear Director Connolly:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Minnesota state plan amendment (SPA) to Attachment 4.19-B 25-0019, which was submitted to CMS on September 16, 2025. This amendment provides a rate increase for newborn screening for metabolic disease and establishes a fee-for-service rate for phototherapy 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 July 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 Matthew Klein at 214-767-4625 or matthew.klein@cms.hhs.gov.

Sincerely,

[Redacted Signature]

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. STATE

3. 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

5. FEDERAL STATUTE/REGULATION CITATION

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY _____ \$ _____

b. FFY _____ \$ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

9. SUBJECT OF AMENDMENT

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

13. TITLE

14. DATE SUBMITTED

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED
09/16/2026

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
07/01/2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillon

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

22. REMARKS

STATE: MINNESOTA

Effective: July 1, 2025

TN: 25-19

Approved: December 3, 2025

Supersedes: 09-25 (07-08, 97-21, 97-05)

ATTACHMENT 4.19-B

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3. Other laboratory and x-ray services.

X-ray services are paid using the same methodology as item 5.a., Physicians' services.

Laboratory services are paid as follows:

(1) Services for which a Medicare upper payment limit applies are paid the lower of:

a) submitted charge; or

(b) the Medicare rate of the local carrier. If the local carrier does not have a current Medicare rate, then the previously established Medicare rate, if available, or according to the methodology below.

(2) Other services are paid the lower of:

(a) submitted charge; or

(b) one of the following:

- 1) 50th percentile of the charges submitted by all providers of the service (except dentists) in the calendar year specified in legislation governing maximum payment rates, less 25%;
- 2) 50th percentile of the charges submitted by all providers of the service (except dentists) in years subsequent to the calendar year specified in legislation governing maximum payment rates, down by the appropriate CPI formula, less 25%;
- 3) an average of a number of independent laboratory providers' charges, less 25%;
- 4) payment rates for comparable services; or
- 5) the Medicare rate.

(c) effective July 1, 2007, the sticker fee for laboratory specimens administered by the Department of Health is \$25.00.

(d) effective July 1, ~~1997~~ 2025, the payment for newborn screening for metabolic disease administered by the Minnesota

STATE: MINNESOTA

ATTACHMENT 4.19-B

Effective: July 1, 2025

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TN: 25-19

Approved: December 3, 2025

Supersedes: 14-11a (11-19, 11-02, 09-25, 07-08, 97-21, 97-05)

3. Other laboratory and x-ray services (continued).

Department of Health is ~~\$21.00~~ included in the fee schedule.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of newborn screening for metabolic disease. The agency's fee schedule rate was set as of July 1, 2025 and is effective for services provided on or after that date. All rates are published on the agency's website: <https://mn.gov/dhs/partners-and-providers/policies-procedures/minnesota-health-care-programs/provider/billing/fee-schedule/mhcp.jsp>

The base rate as described in this item is adjusted by the following clauses of Supplement 2 of this Attachment.

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax Rate Adjustment
- E. Modifiers
- H. Medicare Cap
- I. Exceptions to payment methodology and reconstructing a rate
- U. Facility services 2009 rate decrease
- W. Radiology rates are adjusted by the professional services rate decrease 2011.
- aa. Laboratory rates are adjusted by the miscellaneous services and materials rate decrease 2011.
- gg. Miscellaneous services and materials rate increase effective September 1, 2014.

7.c. Medical supplies, equipment, and appliances suitable for use in any setting in which normal life activities take place(continued).

Effective for services provided on or after October 1, 2021, enteral nutrition and supplies, customized and other specialized tracheostomy tubes and supplies, and durable medical equipment repair and service are paid the lower of:

1. The submitted charge, or
2. manufacturer's suggested retail price minus 20 percent; or
3. if manufacturer's suggested retail price is not available; manufacturer's invoice charge plus 20 percent

Effective for services provided on or after July 1, 2017, pressure support ventilators are paid at the lower of:

1. The submitted charge, or
2. The Medicare fee schedule rate plus 47 percent.

Effective for service on or after January 1, 2014, blood glucose meters and diabetic testing strips are paid at the lower of

1. submitted charge, and
2. the methodology described in Item 12.a.

In addition, the state agency will receive a rebate for preferred blood glucose meters and test strips in accordance with the manufacturer's contract with the state.

Effective September 1, 2011, augmentative and alternative communication device manufacturers and vendors must be paid the lower of the:

- (1) submitted charge; or
- (2) manufacturer's suggested retail price minus 20 percent for providers that are manufacturers of augmentative and alternative communication systems; or
- (3) manufacturer's invoice charge plus 20 percent for providers that are not manufacturers of augmentative and alternative communication systems.

Effective July 1, 2025, phototherapy services provided to newborns in the home setting must include a service fee in the amount of \$520 per patient per episode, in addition to the daily rental rate for the medical equipment. An annual inflation adjustment for the phototherapy service fee will be paid. The index for the inflation adjustment must be based on the Consumer Price Index for All Urban Consumers increase published by the Bureau of Labor Statistics. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of phototherapy services. The fee schedule rate was set as of July 1, 2025 and is effective for services provided on or after that date. All rates are published on the agency's website: <https://mn.gov/dhs/partners-and-providers/policies-procedures/minnesota-health-care-programs/provider/billing/fee-schedule/mhcp.jsp>