

## **Table of Contents**

**State/Territory Name: O P**

**State Plan Amendment (SPA) #: 27/2247**

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



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**Financial Management Group**

June 9, 2026

John Connolly, State Medicaid Director  
Minnesota Department of Human Services  
Federal Relations Unit  
540 Cedar Street PO Box 64983  
Saint Paul, MN 55164

RE: TN 25-0025

Dear Director Connolly:

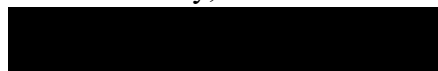
The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Minnesota State Plan Amendment (SPA) to Attachment 4.19-B 25-0025, which was submitted to CMS on December 05, 2025. This amendment provides rate increases for freestanding birth center services and establishes payment rates for home births and home birth supplies.

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, 2026. 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](mailto:matthew.klein@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 <u>2 5</u> — <u>0 0 2 5</u>	2. STATE <u>MN</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

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

4. PROPOSED EFFECTIVE DATE  
**January 1, 2026**

5. FEDERAL STATUTE/REGULATION CITATION  
**42 CFR § 440 and Title XIX of the Social Security Act. (5)(A) Physici**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY <u>2026</u>	\$ <u>73,538</u>
b. FFY <u>2027</u>	\$ <u>99,468</u>

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19-B Page 10a, 76**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**Attachment 4.19-B Page 10a (25-09), 76 (11-19)**

9. SUBJECT OF AMENDMENT  
**Updates the rates for freestanding birth center services and establishes the rate for home birth supplies and 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  
[Redacted Signature]

12. TYPED NAME  
**Patrick Hultman**

13. TITLE  
**Deputy Medicaid Director**

14. DATE SUBMITTED  
**12/5/2025**

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 <b>December 5, 2025</b>	17. DATE APPROVED <b>June 9, 2026</b>
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**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL <b>January 1, 2026</b>	19. SIGNATURE OF APPROVING OFFICIAL [Redacted Signature]
20. TYPED NAME OF APPROVING OFFICIAL <b>Todd McMillion</b>	21. TITLE OF APPROVING OFFICIAL <b>Director, Division of Reimbursement Review</b>

22. REMARKS

STATE: MINNESOTA  
Effective: January 1, 2026  
TN: 25-25  
Approved: June 9, 2026

Supersedes: 25-09 (24-09, 23-03, 22-11, 21-02, 17-03, 14-01,13-03,  
12-07,06,09-25,09-20,08-17,07-12,07-08,07-09,07-06,06-19,05-21)

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5.a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a nursing facility or elsewhere (continued).

Effective for services on or after February 1, 2025, the Resource Based Relative Value Scale conversion factors are:

- Evaluation and Management services: \$25.43
- Obstetric services: \$25.43
- All other physician services: \$25.04

Effective for services on or after April 15, 2014, procedure code 58565 pays the lower of:

- 1) Submitted charge; or
- 2) \$1863.65

Effective July 1, 2007, through June 30, 2009, eligible providers are paid an additional \$125 every six months for each recipient for whom the provider demonstrates optimal diabetic and/or cardiovascular care which includes:

- Blood pressure less than 140/90; and
- Lipids less than 100; and

Home births

Effective for Home Birth services provided on or after January 1, 2026, payment for home birth supplies is the lower of:

1. The submitted charge;
2. 70 percent of the statewide average for a facility payment rate made to the hospital for an uncomplicated vaginal delivery as determined using the most recent calendar year for which complete claims data are available.
3. 15 percent of the average facility payment made to a hospital for the services provided for an uncomplicated vaginal delivery as determined using the most recent calendar year for which complete claims data is available, when a recipient is transported to a hospital prior to the delivery.

Effective for services provided on or after January 1, 2026, traditional midwives (Certified Professional Midwives), Certified Midwives, and Certified Nurse Midwives **Professional Services** are paid the lower of the:

- 1) submitted charge; or
- 2) 100% of the rate paid to a physician performing the same services, using the same methodology as item 5.a., Physician services, Attachment 4.19-B Pages 10-10p. An eligible provider who does not perform the delivery must not bill for any delivery services.

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28. Freestanding birth center services.

Effective January 1, 2026, Traditional midwives (Certified Professional Midwives), Certified Midwives, and Certified Nurse Midwives are paid the lower of the:

- 1) submitted charge; or
- 2) 100% of the rate paid to a physician performing the same services, using the same methodology as item 5.a., Physician services.

Effective for services provided on or after January 1, 2011~~12~~26, payment for birth center facility services is the lower of:

- (1) the submitted charge;
- (2) ~~70~~ 100 percent of the statewide average for a facility fee cost ~~payment rate made~~ to a hospital for an uncomplicated vaginal birth as determined using the most recent calendar year for which complete claims data is available, trended to the payment year using the CMS Inpatient Hospital Market Basket index; or
- (3) ~~15~~ 100 percent of the average facility fee cost ~~payment rate made~~ to a hospital for the services provided for an uncomplicated vaginal delivery as determined using the most recent calendar year for which complete claims data is available, trended to the payment year using the CMS Inpatient Hospital Market Basket index when a recipient is transferred to a hospital prior to the delivery.

Effective for services provided on or after January 1, 2011~~12~~26, payment for newborn ~~nursery care~~ facility services provided by a birth center is the lower of:

- (1) the submitted charge; or
- (2) ~~70~~ 100 percent of the statewide average ~~for a~~ of the hospital facility fee cost for a normal newborn as determined using the most recent year for which complete claims data is available trended to the payment year using the CMS Inpatient Hospital Market Basket Index. ~~payment rate paid to a hospital for a newborn facility fee nursery care as determined using the most recent calendar year for which complete claims data is available.~~

The base rates as described in this item are adjusted by the following clauses of Supplement 2 of this Attachment:

W. Professional services rate decrease 2011