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State/Territory Name: Montana

State Plan Amendment (SPA) #: 23-0015

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 AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

October 12, 2023

Michael Randol
State Medicaid Director
Montana Department of Public Health
P.O. Box 4210
Helena, MT 59604

Re: Montana 23-0015

Dear Michael Randol:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 23-0015. Effective for dates of services on or after July 1, 2023, this amendment updates the reimbursement methodology for nursing facility services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 23-0015 is approved effective July 1, 2023. The CMS-179 and the amended plan pages are attached.

If you have any questions, please contact Christine Storey at Christine.storey@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of the sender.


Rory Howe
Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2</u> <u>3</u> - <u>0</u> <u>0</u> - <u>1</u> <u>5</u>	2. STATE MT
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <p style="text-align: right;">✓ XIX XXI</p>	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <p style="text-align: center;">July 1, 2023</p>	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447 (250-272)	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2023 \$ 2,488,739 b. FFY 2024 \$ 32,362,611	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Skilled Nursing and Intermediate Care Services, 4.19 D Pages 8 & 9	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Skilled Nursing and Intermediate Care Services, 4.19 D Pages 8 & 9	

9. SUBJECT OF AMENDMENT
Nursing Facility Reimbursement

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

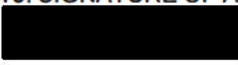
OTHER, AS SPECIFIED:
 Single Agency Review

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Montana Dept. of Public Health and Human Services Mike Randol State Medicaid Director Attn: Mary Kulawik PO Box 4210 Helena, MT 59604
12. TYPED NAME <i>Mike Randol</i>	
13. TITLE: Medicaid and Health Services Executive Director/ State Medicaid Director	
14. DATE SUBMITTED <i>8-29-2023</i>	

FOR CMS USE ONLY

16. DATE RECEIVED: August 29, 2023	17. DATE APPROVED October 12, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL: Rory Howe	21. TITLE OF APPROVING OFFICIAL: Director, Financial Management Group (FMG)

22. REMARKS

NURSING FACILITY REIMBURSEMENT

(1) For nursing facility services, other than ICF/IID services, provided by nursing facilities located within the state of Montana, the Montana Medicaid program will pay a provider, for each Medicaid patient day, a per diem rate determined in accordance with this rule, minus the amount of the Medicaid recipient's patient contribution.

(2) Effective July 1, 2020 and in subsequent rate years, the reimbursement rate for each nursing facility will be determined using the flat rate component specified in (2) (a) and the quality component specified in (2) (b).

(a) The flat rate component is the same per diem rate for each nursing facility and will be determined each year through a public process. Factors that could be considered in the establishment of this flat rate component include cost of providing nursing facility services and Medicaid recipient access to nursing facility services. The flat rate component for state fiscal year (SFY) 2024 is \$257.54.

b) The quality component of each nursing facility's rate is based on the 5-star rating system for nursing facility services calculated by the Center for Medicare and Medicaid Services (CMS). It is set for each facility based on their average 5-star rating for staffing and quality. Facilities with an average rating of 3 to 5 stars will receive a quality component payment. The funding for the quality component payment will be divided by the total estimated Medicaid bed days to determine the quality component per Medicaid bed day. The quality component per bed day is then adjusted based on each facility's 5-star average of staffing and quality component scores. A facility with a 5-star average of staffing and quality component scores will receive 100%, 4-star average will receive 75%, 3-star average will receive 50%, and 1-2 star average facilities will receive 0% of the quality component payment. Funds unused by the first allocation round will be reallocated based on the facility's percentage of unused allocation against the available funds.

(c) The total payment rate available for the period July 1, 2023 through June 30, 2024 will be the rate as computed in (2), plus any additional amount computed in Rate Adjustment for County Funded Rural Nursing Facilities and in Direct Care & Ancillary Services Workers' Rate Reporting. Copies of the department's current nursing facility reimbursement rates per facility are posted at <https://medicaidprovider.mt.gov/26>, or may be obtained from the Department of Public Health and Human Services, Senior & long-Term Care Division, P.O. Box 4210, Helena, MT 59604-4210.

(3) Providers who, as of July 1 of the rate year, have not filed with the department a cost report covering a period of at least six months participation in the Medicaid program in a newly constructed facility will have a rate set at the statewide median price as computed on July 1, 2023. Following a change in provider as defined in Change in Provider Defined, the per diem rate for the new provider will be set at the previous provider's rate, as if no change in provider had occurred

(4) For ICF/IID services provided by nursing facilities located within the state of Montana, the Montana Medicaid program will pay a provider as provided in Reimbursement for Intermediate Care Facilities for Individuals with Intellectual Disabilities.

Reimbursement for Skilled Nursing and Intermediate Care Services, Service 4(A)

(5) In addition to the per diem rate provided under (2) or the reimbursement allowed to an ICF/IID provider under (4), the Montana Medicaid program will pay providers located within the state of Montana for separately billable items, in accordance with Separately Billable Items.

(6) For nursing facility services, including ICF/IID services, provided by nursing facilities located outside the state of Montana, the Montana Medicaid program will pay a provider only as provided in Reimbursement to Out-of-State Facilities.

(7) The Montana Medicaid program will not pay any provider for items billable to residents under the provisions of Items Billable to Residents.

(8) Reimbursement for Medicare co-insurance days will be as follows:

(a) for dually eligible Medicaid and Medicare individuals, reimbursement is limited to the per diem rate, as determined under (1) or Reimbursement for Intermediate Care Facilities for Individuals with Intellectual Disabilities, or the Medicare co-insurance rate, whichever is lower, minus the Medicaid recipient's patient contribution; and

(b) for individual whose Medicare buy-in premium is being paid under the qualified Medicare beneficiary (QMB) program under the Eligibility Requirements for Qualified Medicare Beneficiaries but are not otherwise Medicaid eligible, payment will be made only under the QMB program at the Medicare coinsurance rate.

(9) The department will not make any nursing facility per diem or other reimbursement payments for any patient day for which a resident is not admitted to a facility bed which is licensed and certified as provided in Provider Participation and Termination Requirements as a nursing facility or skilled nursing facility bed.

(10) The department will not reimburse a nursing facility for any patient day for which another nursing facility is holding a bed under the provisions of Bed Hold Payments (1), unless the nursing facility seeking such payment has, prior to admission, notified the facility holding a bed that the resident has been admitted to another nursing facility. The nursing facility seeking such payment must maintain written documentation of such notification.

(11) Providers must bill for all services and supplies in accordance with the provisions of the General Medical Services. The department's fiscal agent will pay a provider on a weekly or monthly basis the amount determined under these rules upon receipt of an appropriate billing which reports the number of patient days of nursing facility services provided to authorized Medicaid recipients during the billing period.

(a) Authorized Medicaid recipients are those residents determined eligible for Medicaid and authorized for nursing facility services as a result of the screening process described in the Level of Care Determinations and in the Preadmission Screening for Skilled Nursing and Intermediate Care Services.

(12) Payments provided under this rule are subject to all limitations and cost settlement provisions specified in applicable laws, regulations, rules and policies. All payments or rights to payments under this rule are subject to recovery or nonpayment, as specifically provided in these rules.