

## **Table of Contents**

**State/Territory Name: North Dakota**

**State Plan Amendment (SPA) #: 19-0006**

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



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**Financial Management Group**

June 30, 2020

Caprice Knapp  
Director  
ND Department of Human Services  
600 East Boulevard Avenue, Dept. 325  
Bismarck, ND 58505-0250

Re: North Dakota 19-0006

Dear Ms. Knapp:


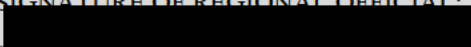
We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 19-0006. Effective for services on or after July 1, 2019, this amendment updates the state plan by extending the supplemental payment for critical access hospitals (CAHs) for an additional two-year period.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 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 19-0006 is approved effective July 1, 2019. The CMS-179 and the amended plan page are attached.

If you have any questions, please contact Christine Storey at (303) 844-7044.

Sincerely,

  
Karen Shields  
Acting Director

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: <b>19-0006</b>	2. STATE <b>North Dakota</b>
	3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	4. PROPOSED EFFECTIVE DATE <b>July 1, 2019</b>	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)	
6. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR 447 subpart C</b>	7. FEDERAL BUDGET IMPACT: a. FFY <u>2019</u> <u>\$462,000</u> b. FFY <u>2020</u> <u>\$607,000</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-A, page 9</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Attachment 4.19-A, page 9</b>	
10. SUBJECT OF AMENDMENT: <b>Amends the State Plan to update the supplement payment for Critical Access Hospitals effective July 1, 2019.</b>		
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <u>Caprice Knapp, Director</u> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <u>Medical Services Division</u>		
12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: <b>Caprice Knapp, Director Medical Services Division ND Department of Human Services 600 East Boulevard Avenue Dept 325 Bismarck ND 58505-0250</b>	
13. TYPED NAME: <b>Caprice Knapp</b>		
14. TITLE: <b>Director, Medical Services Division</b>		
15. DATE SUBMITTED: <b>Original Date: September 23, 2019 Resubmission Date: April 15, 2020</b>		
<b>FOR REGIONAL OFFICE USE ONLY</b>		
17. DATE RECEIVED:	18. DATE APPROVED: <b>6/30/20</b>	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>		
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>7/1/19</b>	20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Karen Shields</b>	22. TITLE: <b>Acting Director, FMG</b>	
23. REMARKS:		

**Supplemental Payment for Inpatient Hospital Services provided by Critical Access Hospitals.**

Effective July 1, 2019, a North Dakota in-state critical access hospital shall receive up to three supplemental payments payable with the first payment being made no sooner than the quarter ending September 30, 2019 but not later than the quarter ending June 30, 2020, the second payment being made no sooner than the quarter ending September 30, 2020 but no later than the quarter ending December 31, 2020 and the third payment being made no sooner than the quarter ending March 31, 2021 but no later than the quarter ending June 30, 2021. The supplemental payment shall be made in combination with the cost settlement to reasonable costs.

The purpose of the supplemental payments is to provide additional payment to qualifying hospitals for inpatient services provided to Medicaid eligible individuals. The calculation of the annual supplemental payment shall be made based on the hospital's costs for inpatient and outpatient laboratory and certified registered nurse anesthetists services provided to Medicaid eligible individuals as reported on the hospital's most recent Medicare cost report that has been audited and finalized by the Medicare fiscal intermediary less the payment, from all funding sources, received during the same cost report period for covered laboratory and certified registered nurse anesthetist services provided to Medicaid eligible individuals.

The supplemental payment established in accordance with this provision may not exceed the difference between the inpatient Medicaid expenditures and the Medicare upper payment limit, in the aggregate, for inpatient hospital services, as defined in 42 CFR 447.272. If a payment is made during the first, second or third quarter of the state fiscal year (SFY), it will not exceed 25, 50 or 75 percent of the available UPL, respectively. If the payment amount is not paid in its entirety due to its exceeding the UPL availability for any given quarter, then the remainder not paid during that quarter will be paid in the following quarter, up to the available UPL room left for the SFY.

The supplemental payment applies to private and nonstate governmental critical access hospitals. Qualifying providers are exempt from the cost limitations on page 2 of this section.