Table of Contents

State Territory Name: New Hampshire

State Plan Amendment (SPA) #: 26-0003

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850

Financial Management Group

September 4, 2026

Henry Lipman
Medicaid Director
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

RE: TN 26-0003

Dear Director Lipman:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New Hampshire state plan amendment (SPA) to Attachment 4.19-A NH-26-0003, which was submitted to CMS on February 10, 2026. This plan amendment expands the enhanced maternity care reimbursement rate to include New Hampshire Medicaid-enrolled critical access hospitals performing obstetrics.

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 Diana Dinh at 410-786-0744 or via email at Diana.Dinh@cms.hhs.gov.

Sincerely,

Rory Howe
Director, Financial Management Group

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 26 — 0003

2. STATE: NH

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
January 1, 2026

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR Part 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2026 $ 13,293
b. FFY 2027 $ 17,724

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-A, Page 4

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-A, page 4 (TN ~~24-0028~~) 25-0018

9. SUBJECT OF AMENDMENT
Enhanced Reimbursement for Labor and Delivery DRGs

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
Signed by: [redacted]

12. TYPED NAME
Ann H. Landry

13. TITLE
Associate Commissioner

14. DATE SUBMITTED
February 10, 2026

15. RETURN TO
Jody Farwell
Division of Medicaid Services/Brown Building
Department of Health and Human Service
129 Pleasant Street
Concord, NH 03301

FOR CMS USE ONLY

16. DATE RECEIVED
February 10, 2026

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL [redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS
Governor comments, if any will follow

Pen-and-ink change made to Box 8 by CMS with state concurrence

Instructions on Back

c. The calculations for DRGs are as follows:

(1) The Department separates inpatient hospital providers into peer groups according to the intensity of care provided in each. The peer groups are set up for general acute care; critical access hospitals (CAH); distinct part units for psychiatric care; Psych Atypical distinct part unit; Designated Receiving Facility (DRF); rehabilitative care; and CAH maternity care. Effective January 1, 2026, the Department set a base rate (Price per Point) for each peer group. The Price per Point values for hospital peer groups are accessible at www.nhmmis.nh.gov, under the "documents and forms" tab under "documentation."

(2) The current Price per Point rates are as follows:

Acute Care =	$7,001.60	Atypical Psychiatric DPU =	$7,701.76
Critical Access Hospital =	$7,351.68	Psychiatric DRF =	$14,400.00
Out-of-State Hospital =	$6,497.77	Rehabilitation =	$15,428.86
Psychiatric DPU =	$7,351.68	CAH Maternity =	$10,037.37

(3) Psych Atypical DPU Price per Point rate is for psychiatric distinct part unit stays that will have a relative weight of 1.2 or greater due to the higher acuity level of care required based on the ICD Diagnosis. Psych DPU Price per Point rate is for psychiatric distinct part unit stays that have a relative weight under 1.2 with a lower acuity Diagnosis. DRF Price per Point rate is for DRGs billed by psychiatric DRFs.

(4) DRG reimbursement is calculated by multiplying the Price per Point for the appropriate peer group times the relative weight assigned to the DRG. Rehabilitation DRGs have a relative weight of 1.

(5) The per diem price associated with a given DRG shall be calculated by dividing the price for that DRG by the geometric mean length of stay associated with that DRG.

4. Direct medical education costs shall be allowed as a pass through payment in accordance with Department guidelines, which shall be based on Medicare guidelines established at 42 CFR 412.2, except that direct medical education pass through payments shall be suspended for the period beginning July 1, 2025.

5. Day outliers shall be reimbursed on a per diem DRG payment in accordance with 3.b.(2). Cost outliers shall not be recognized nor reimbursed. (Also, see 3.b.(2) and 3.c. for day outliers.)

6. Periodic interim payments as made under the Medicare Program shall not be made by the Medicaid Program.

7. Pricing shall be prospective and payment shall be retrospective.

8. Payment rates shall be based on the relative weights and payment rates in effect at the time of discharge, taking into account the requirement to pay the lesser of the usual and customary charge or the computed rate, in accordance with 42 CFR 447.271 and RSA 126-A:3.

9. Providers of hospital services shall make quarterly refunds of Medicaid payments that are in excess of the Medicaid-allowed amounts.