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State/Territory Name: Oregon

State Plan Amendment (SPA): 21-0022

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
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

March 17, 2022

Dana Hittle, Interim State Medicaid Director
Oregon Health Authority
Medical Assistance Programs
500 Summer Street NE E-65
Salem, OR 97301

Reference: TN 21-0022

Dear Ms. Hittle:

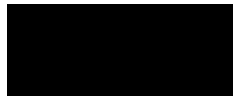
We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 21-0022. This amendment proposes to allow supplemental payments to nursing facilities that participate to support provision of health care premiums for eligible employees as required by Oregon SB 800.

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 Federal regulations at 42 CFR 430.10.

This is to inform you that Medicaid State plan amendment OR 21-0022 is approved effective October 1, 2021. The CMS-179 and the plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Gary Knight at 304.347.5723 or Gary.Knight@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 21-0022	2. STATE Oregon
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Medical Assistance	
FOR: HEALTH CARE FINANCING ADMINISTRATION		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 10/1/21	

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

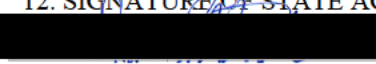
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447 Subpart C	7. FEDERAL BUDGET IMPACT: a. FFY 2022 \$ 29,700,000 \$11,250,000 b. FFY 2023 \$ \$11,250,000
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D, Part 1, page 15-18	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

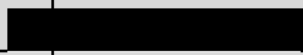
10. SUBJECT OF AMENDMENT: This transmittal is being submitted allow supplemental payments to nursing facilities, and home and community-based residential facilities and in-home agencies that participate to support provision of health care premiums for eligible employees as required by SB 800 passed during the 2021 Legislative session.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: The Governor does not wish to review any plan materials.
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Oregon Health Authority Medical Assistance Programs 500 Summer Street NE E-65 Salem, OR 97301 ATTN: Jesse Anderson, State Plan Manager
13. TYPED NAME Dana Hittle	
14. TITLE: Interim State Medicaid Director, OHA	
15. DATE SUBMITTED: 12/21/21	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: December 21, 2021	18. DATE APPROVED: March 17, 2022

PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2021	REGIONAL OFFICIAL: 
21. TYPED NAME: Rory Howe	22. TITLE: Director, Financial Management Group

23. REMARKS:

Block 7 FFP P&I agreed to with Oregon on 3/15.
Oregon advised of revised CMS 179 effective for submissions on and after 12/1/2021.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Supplemental Payments for Nursing Facilities Participating in the Oregon Essential Workforce Health Care Program

- I. The Oregon Essential Workforce Health Care Program (the Program) provides supplemental payments to qualifying nursing facilities (NFs) to be used by the NFs to provide health care benefits to the employees of their facilities.
 - A. The supplemental payments described in this section will be made in accordance with the applicable regulations regarding Medicaid upper payment limit provisions codified at Title 42 Code of Federal Regulations (CFR) § 447.272.
 - B. Definitions. When used in this section, the following definitions apply:
 1. Aggregate Medicaid supplemental payment limit – A reasonable estimate of the amount that would be paid for the Medicaid allowable services furnished by privately-owned nursing facilities (NFs) under Medicare payment principles during the aggregate Medicaid supplemental payment limit calculation period.
 2. Aggregate Medicaid supplemental payment limit calculation period – The period associated with the most recently completed Medicaid NF upper payment limit (UPL) calculation submitted to the federal Centers for Medicare and Medicaid Services (CMS).
 3. NF-level Medicaid supplemental payment limit – The maximum supplemental payment available to a qualifying NF for a specific NF-level Medicaid supplemental payment limit calculation period.
 4. NF-level Medicaid supplemental payment limit calculation period – The federal fiscal quarter determined by the Oregon Health Authority (OHA) for which supplemental payments are calculated.
 5. OHA – The single state Medicaid agency for Oregon.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

6. Oregon Essential Workforce Health Care Program – An association or group of eligible employers that administers a self-insured program to provide health insurance coverage, excluding disability insurance, to their employees or retired employees or their dependents or a combination of employees and dependents, with or without employee contributions.
7. Privately-owned NF – A NF that is not owned by the state or a non-state governmental entity.

C. Qualifying Criteria. To qualify for a supplemental payment under this section, a NF must:

1. Be a participating provider in the Oregon medical assistance program;
2. Have received a Medicaid payment for a NF claim for services provided during the NF-level Medicaid supplemental payment limit calculation period.
3. Be a privately-owned NF.
4. Participate in evidence-based workforce and quality of care improvements;
5. Annually report quality and other metrics;
6. Participate in the Oregon Essential Workforce Health Care Program; and
7. Have a memorandum of understanding with the OHA that specifies how the supplemental payments will be used.

D. Methodology to calculate aggregate available supplemental payment amount.

1. The aggregate available supplemental payment amount for privately-owned NFs is calculated for each aggregate Medicaid supplemental payment limit calculation period by taking the difference between the aggregate upper payment limit from paragraph (a) of this subsection and the aggregate Medicaid payment from paragraph (b) of this subsection.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

- a. The aggregate upper payment limit for privately-owned NFs, as presented in the most recently completed Medicaid NF UPL calculation submitted to CMS, will be calculated in accordance with the Medicaid UPL provisions codified at Title 42 CFR § 447.272 as follows.
 - i. Determine aggregate costs under Medicare cost principles using the most recently filed or settled CMS 2540 skilled nursing facility cost reports for privately-owned NFs.
 - ii. Determine the per diem cost by dividing the aggregate costs from subparagraph (i) of this paragraph by total days of service associated with the same cost reports.
 - iii. Extract Medicaid days of service for privately-owned NFs from the state's Medicaid Management Information System (MMIS) for the cost reporting periods associated with the cost reports described in clause (i) of this subparagraph.
 - iv. Determine aggregate Medicaid costs by multiplying the per diem Medicaid cost from subparagraph (ii) of this paragraph by Medicaid days of service from subparagraph (iii) of this paragraph.
 - b. The aggregate Medicaid payment is equal to sum of Medicaid payments for privately-owned NFs from the aggregate Medicaid supplemental payment limit calculation period. Payment data includes Medicaid regular per diem payments, per diem drug payments, and per diem client contributions.
2. The aggregate available supplemental payment amount is not to exceed the lower of 95 percent of the aggregate available supplemental payment amount for privately owned NFs from subsection (1) of this section and the general fund revenue allocated to the program plus associated federal matching funds. For the state biennium 2021 – 2023, total general revenue appropriated is \$30,000,000.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

3. The state may further reduce the aggregate available supplement payment amount from paragraph (2) of this subsection if the aggregate upper payment limit for privately-owned NFs from paragraph (1)(a) of this subsection is projected to decrease between the aggregate Medicaid supplemental payment limit calculation period and the federal fiscal year within which the applicable NF-level Medicaid supplemental payment limit calculation period falls,

E. Methodology to calculate NF-specific supplemental payment amounts.

1. Divide the aggregate available supplemental payment amount from subsection (D)(2) of this section by four.
2. Extract Medicaid days of service for privately-owned NFs that have qualified for a supplemental payment as per subsection (C) of this section from the state's MMIS for the NF-level Medicaid supplemental payment limit calculation period.
3. The allocation percentage for each qualifying NF will be determined by dividing the individual NF's total Medicaid days from subsection (2) of this section by the aggregate sum of all qualifying NFs' Medicaid days from the same subsection.
4. The NF-specific supplemental payment for the NF-level Medicaid supplemental payment limit calculation period will equal the aggregate available supplemental payment amount from subsection (1) of this section multiplied by the NF's allocation percentage from subsection (3) of this section.