

Table of Contents

State/Territory Name: Minnesota

State Plan Amendment (SPA) #: 21-0001

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
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group – Division of Reimbursement Review

March 16, 2021

Patrick Hultman, Acting Deputy Medicaid Director
Minnesota Department of Human Services
Health Care Administration
P.O. Box 64983
St. Paul, MN 55164-0983

RE: TN 21-0001

Dear Mr. Hultman:

We have reviewed the proposed Minnesota State Plan Amendment (SPA) to Attachment 4.19-B, MN 21-0001, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 19, 2020. This plan amendment updates the reimbursement rates for residential substance-use disorder treatment services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.


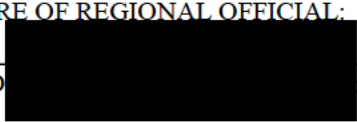
If you have any additional questions or need further assistance, please contact Debi Benson at 1-312-886-0360 or Deborah.Benson@cms.hhs.gov.

Sincerely,

[Redacted Signature]

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 21-0001	2. STATE Minnesota
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <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 (<i>Separate Transmittal for each amendment</i>)		4. PROPOSED EFFECTIVE DATE 01/01/2021	
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.130	7. FEDERAL BUDGET IMPACT: a. FFY '21 \$1,117,416 b. FFY '22 \$1,742,274		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Pages 45e, 45e-2, 45e-3	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Same		
10. SUBJECT OF AMENDMENT: Reimbursement rates for residential substance use disorder treatment services.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Patrick Hultman Minnesota Department of Human Services 540 Cedar Street, PO Box 64983 St. Paul, MN 55164-0983		
13. TYPED NAME: Patrick Hultman			
14. TITLE: Interim Deputy Medicaid Director			
15. DATE SUBMITTED: 12/19/2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 12/19/2020	18. DATE APPROVED: 3/16/2021		
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/2021	20. SIGNATURE OF REGIONAL OFFICIAL: 		
21. TYPED NAME: Todd McMillion	22. TITLE: Director and Review		
23. REMARKS:			

13.d. Rehabilitative services. (continued)*Final Rate Formula:*

1. salaries and fringe benefits ÷ total employment hours
2. item 1 x direct medical assistance direct service hours
3. item 2 ÷ medical assistance encounters
4. item 3 x the cognizant agency's unrestricted indirect cost percentage for the school district

final rate = item 3 + item 4

~~Effective July 1, 2011,~~ Payment for chemical dependency treatment services is pursuant to statewide graduated rate and complexity standards, as reflected on the following charts:

Chemical Dependency Rates-Adolescent Services Rates (Effective ~~January~~ July 1, 2021~~17~~)

Adolescent Service Rates			Complexity		
Treatment Setting Descriptions	Addiction- only Basic Rate	<u>1115</u> <u>Waiver Base</u> <u>Rate</u>	Co-occurring	Special Populations	Medical Services
Outpatient Treatment Rates					
Individual (one hour increments)	\$72.11	<u>\$79.32</u>	+\$6.49	+\$4.32	+\$17.31
Group (one hour increments)	\$35.03	<u>\$38.53</u>	+\$3.15	+\$2.08	+\$8.40
Residential Treatment Rates - acuity addressed in intensity					
<i>High Intensity (Minimum 15 hours/week)</i>	\$216.34		+\$12.98	+\$6.49	+\$12.98
Hospital-Based Residential Per Diem Rates					
	\$309.06		+\$18.55	+\$9.27	

13.d. Rehabilitative services. (continued)Substance Use Disorder ADULT Service Rates (Effective July ~~July~~ January 1, 2020~~1~~)

Adult Service Rates				Complexity		
Treatment Setting Descriptions	Addiction Only Basic Rate	1115 Waiver Base Rate	Co-occurring	Special Populations	Civilly Committed	Medical Services
Assessment						
Comprehensive Assessment (per session)	\$162.24					
Outpatient Treatment Rates						
Individual (one hour increments)	\$72.11	<u>\$79.32</u>	+\$6.49	+\$4.32		+\$17.31
Group (one hour increments)	\$35.03	<u>\$38.53</u>	+\$3.15	+\$2.10		+\$8.40
Treatment Coordination (per 15 minutes)	\$11.71					
Peer Recovery Support (per 15 minutes)	\$15.02					
Medication Assisted Therapy-Methadone-per diem	\$13.39	<u>\$14.73</u>	+\$1.20	+\$0.81		+\$3.21
Medication Assisted Therapy-all other-per diem	\$22.66	<u>\$24.93</u>	+\$2.04	+\$1.36		+\$5.44
Medication Assisted Therapy-Methadone-PLUS-per diem (minimum 9 hours counseling services per week)	\$48.42	<u>\$53.26</u>	+\$4.35	+\$2.91		+\$11.63
Medication Assisted Therapy-all other-PLUS (same as above) per diem	\$57.69	<u>\$63.46</u>	+\$5.19	+\$3.46		+\$13.85
Residential Treatment Rates - acuity addressed in intensity						
High Intensity (Minimum 30 hours/week)	\$179.25	\$206.14	+\$10.76	+\$5.37	\$151.50	+\$10.76
Medium Intensity (Minimum 15 hours/week)	\$132.90	\$152.83	+\$7.97	+\$3.99		+\$11.96
Low Intensity (Minimum 5 hours/week)	\$63.87	\$73.45	+\$3.83	+\$1.92		+\$11.49
Hospital-Based Residential Per Diem Rates	\$309.06		+\$18.54	+\$9.27		
Withdrawal Management						
Clinically Managed (per diem)	\$400					
Medically Monitored (per diem)	\$515					

All programs maintain data documenting the nature and extent, or number of service units provided to each recipient. Room and board is not eligible for medical assistance payment as substance use disorder treatment.

Approved: 3/16/21

Supersedes: 20-15-A (19-02, 18-05, 15-17, 15-16, 11-10, 10-22, 09-17, 08-06, 04-15(a), 04-08)

13.d. Rehabilitative services. (continued)

Payment rates for **individual and group therapy services** are based on efficiency standards by which counseling-staff cost are at least 50% of all costs for providing both group and individual therapy. Providers can bill up to three hours of individual therapy and ten hours of group therapy per day.

Payment rates for **medication assisted therapy services** and **medication assisted therapy services plus additional counseling services** include the administration of methadone and other drugs in combination with counseling. Rates are based on standards of efficiency by which counseling staff costs are at least 50% of all service costs to provide the minimum number of treatment hours, to which the drug dosing cost is added. Medication assisted therapy services are generally provided daily, on an outpatient basis. For services provided in a residential setting, the daily residential rate is increased by the dosing cost.

Payment rates for **high Intensity residential treatment services**, provided on a daily basis to equal a minimum of 30 treatment hours per week, are based on an averaging of historical rates for this intensity.

Payment rates for **medium intensity residential treatment services**, provided on a daily basis to equal a minimum of 15 treatment hours per week, are based on an averaging of historical rates for this intensity.

Payment rates for **low intensity residential treatment services**, provided on a daily basis to equal a minimum of five treatment hours per week, are based on an averaging of historical rates for this intensity.

Payment rates for substance use disorder services provided in a hospital-based residential program are based on an averaging of historical rates for these programs.

Payment rates for **withdrawal management** are based on historical costs of direct and indirect services and account for variation in the intensity of the treatment and the required staffing levels.

The following adjustments to the base rates apply to services rendered by SUD providers certified by the Commissioner as meeting the standards of Minnesota's substance use disorder demonstration waiver. Providers eligible for this adjustment must offer Medication Assisted Treatment (MAT) services onsite or facilitate access to MAT services offsite and maintain formal referral arrangements with other demonstration providers offering step up and step down levels of care. Adjustments under this section are contingent on provider certification and Minnesota's continued participation in the federal demonstration waiver.

Payment is increased by 15 percent for low, medium, and high intensity residential treatment services. Eligible providers must have medical, psychological, laboratory, toxicology, and pharmacological services available through consultation and referral in accordance with standards published by the Commissioner.

Payment is increased by 10 percent for outpatient SUD treatment services including individual and group therapy services in licensed adult and adolescent programs and medication assisted therapy in adult programs. Eligible providers must have medical, psychological, laboratory, toxicology, and pharmacological services available through consultation and referral in accordance with standards published by the Commissioner.