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State/Territory Name: Minnesota

State Plan Amendment (SPA) #: MN 13-022

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 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

DEC 15 2015

Marie Zimmerman State Medicaid Director Minnesota Department of Human Services 540 Cedar Street P.O. Box 64983 St. Paul, MN 55164-0983

RE: Minnesota State Plan Amendment (SPA) 13-022

Dear Ms. Zimmerman:

We have reviewed the proposed amendment to Attachment 4.19-A and 4.19-B of your Medicaid State plan submitted under transmittal number (TN) 13-022. Effective for services on or after July 1, 2013, this SPA amends the supplemental payment related to medical education costs for various provider types, including enrolled hospital, medical center, clinic, practitioner, or other organization that provides accredited clinical training of: physicians (medical students and residents), doctor of pharmacy practitioners, doctors of chiropractic, dentists, advance practice nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), and physician assistants, and effective July 1, 2015, dental therapists, advanced dental therapists, psychologists, clinical social workers, community paramedics, and community health workers.

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 regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 13-022 is approved effective July 1, 2013. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,

Kristin Fan Director

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES		FORM APPROVED
CENTERS FOR MEDICARE & MEDICAID SERVICES		OMB NO. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE
STATE PLAN MATERIAL		
FOR: CENTER FOR MEDICARE & MEDICAID SERVICES	13-22	Minnesota
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2013	
5. TYPE OF PLAN MATERIAL (Check One):		
□ NEW STATE PLAN □ AMENDMENT TO BE CONSIDERED AS NEW PLAN X AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT: a. FFY 2014: \$0 b. FFY 2015: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
Attachment 4.19-A, Supplement 3	Same	
Attachment 4.19-B, page 16b	·	
Attachment 4.19-B, Supplement 2, pages 13-14		
10. SUBJECT OF AMENDMENT:		
Supplemental payment for medical education		
11. GOVERNOR'S REVIEW (Check One):		
x GOVERNOR'S OFFICE REPORTED NO COMMENT	CE REPORTED NO COMMENT OTHER, AS SPECIFIED:	
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	•	
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
12. SIGNATORE OF STATE HOMEON OF THOMES.	Sean Barrett	
	Minnesota Department of Human Services	
	540 Cedar Street, PO Box 64983	
	St. Paul, MN 55164-0983	
13. TYPED NAME:		
Ann Berg		
14. TITLE:		
Deputy Medicaid Director		
15. DATE SUBMITTED;		
September 25, 2013		
FOR REGIONAL OFFICE USE ONLY		

15. DATE SUBMITTED:
September 25, 2013

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
JUL 0 1 2013

21. TYPED NAME:

Austin FAN

Director: FMC

23. REMARKS:

State: Minnesota Supplement 3 to Attachment 4.19-A Effective Date: July 1, 2013 Medical Education Supplemental Payment

Page 1

TN: 13-22

Approved: DEC 15 2015 Supersedes: 12-25

Supplemental Payment for Medical Education

In addition to Medical Assistance payments included in this Attachment, Medical Assistance provides for an additional annual payment by April 30 of each year for the previous state fiscal year for distribution to Medical Assistance-enrolled eligible teaching hospitals. A single pool of money equal to \$7,575,000 is used to make supplemental payments to qualifying providers that include both institutional eligible training sites, and non-institutional eligible training sites described in Attachment 4.19-B Supplement 2. The Medical Assistance payment is increased in an amount equal to:

- (1) \$7,575,000, multiplied by a proportion equal to the hospital's public program revenue divided by the total amount of public program revenue of all <u>qualifying providers eligible training</u> sites. Public program revenue is the sum of a provider's revenue from medical assistance, prepaid medical assistance, <u>and through June 30, 2014, general assistance medical care and prepaid general assistance medical care.</u>
- (2) For hospitals with public program revenue equal to or greater than 0.98 percent of the total public program revenue of all <u>qualifying providers</u> eligible training sites, payments are increased by 20 percent.
- (3) Payments to hospitals training sites with public program revenue less than 0.98 percent of the total public program revenue of all qualifying providers eligible training sites are reduced proportionately to fund the payment increases described in subitem (2).

Effective July 1, 2015:

- (4) Subitems (2) and (3) above no longer apply.
- (5) Qualifying providers Training sites with no public program revenue, fewer than .1 FTE eligible trainees, or whose payment under subitem (1) would result in less than \$5,000, are not eligible for increased payments.
- (6) No qualifying provider shall receive a payment that is in excess of the 95th percentile for payment per FTE across all qualified providers. Excess payments shall be redistributed according to the formula above.

For State Fiscal Year 2013 only, the amount available in paragraph (1) above is \$7,275,000, and prior to the formula in paragraphs (1) to (4), the annual payment to Gillette Children's Specialty Healthcare is increased by \$300,000.

State: Minnesota Supplement 3 to Attachment 4.19-A Effective Date: July 1, 2013 Medical Education Supplemental Payment

Page 2

TN: 13-22

Approved: DEC 15 2015 Supersedes: 12-25

Supplemental Payment for Medical Education (cont'd)

Qualifying Provider. "Qualifying provider" means a Medical Assistance enrolled hospital, medical center, clinic, practitioner, or other organization that provides accredited clinical training of: physicians (medical students and residents), doctor of pharmacy practitioners, doctors of chiropractic, dentists, advance practice nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), and physician assistants, and effective July 1, 2015, dental therapists, advanced dental therapists, psychologists, clinical social workers, community paramedics, and community health workers; and that has successfully applied for this payment, in accordance with Minnesota Statutes § 62J.692.

ATTACHMENT 4.19-B

Page 16b

STATE: MINNESOTA

Effective: July 1, 2013

TN: 13-22

Approved: **DEC 15 2015** Supersedes: 11-02

6.d. Other practitioners' services. (continued)

The base rate as described in this item is adjusted by the following clauses of Supplement 2 of this Attachment.

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax Rate Adjustment
- E. Modifiers
- G. Community and Public health Centers
- I. Exceptions to payment methodology and reconstructing a rate
- P. Rate Increase Effective July 1, 2007
- T. Rate increase July 1, 2010
- cc. Supplemental payment for medical education

Supplement 2 to ATTACHMENT 4.19-B
Page 13

Effective: July 1, 2013

STATE: MINNESOTA

TN: 13-22

Approved: **DEC 15 2015**Supersedes: 12-25

cc. Supplemental payment for medical education

In addition to Medical Assistance payments included in this Attachment, Medical Assistance provides for an additional annual payment by April 30 of each year for the previous state fiscal year for distribution to Medical Assistance-enrolled qualified providers. A single pool of money equal to \$7,575,000 is used to make supplemental payments to qualifying providers that include both non-institutional eligible training sites, and institutional eligible training sites described in Attachment 4.19-A Supplement 3. The Medical Assistance payment is increased in an amount equal to:

- (1) \$7,575,000, multiplied by a proportion equal to the <u>qualifying</u> <u>provider's hospital's</u> public program revenue divided by the total amount of public program revenue of all <u>qualifying providers</u> <u>eligible training sites</u>. Public program revenue is the sum of a provider's revenue from medical assistance, prepaid medical assistance, <u>and through June 30, 2014, general assistance medical</u> care and prepaid general assistance medical care.
- (2) For <u>qualifying providers</u> hospitals with public program revenue equal to or greater than 0.98 percent of the total public program revenue of all <u>qualifying providers</u> eligible training sites, payments are increased by 20 percent.
- (3) Payments to <u>qualifying providers training sites</u> with public program revenue less than 0.98 percent of the total public program revenue of all <u>qualifying providers eligible training sites</u> are reduced proportionately to fund the payment increases described in <u>sub-item</u> (2).

Effective July 1, 2015:

- (4) Subitems (2) and (3) above no longer apply.
- (5) Qualifying providers Training sites with no public program revenue, fewer than .1 FTE eligible trainees, or whose payment under subitem (1) would result in less than \$5,000, are not eligible for increased payments.
- (6) No qualifying provider shall receive a payment that is in excess of the 95th percentile for payment per FTE across all qualified providers. Excess payments shall be redistributed according to the formula above.

For State Fiscal Year 2013 only, the amount available in paragraph (1) above is \$7,275,000, and prior to the formula in paragraphs (1) to (4), the annual payment to Gillette Children's Specialty Healthcare is increased by \$300,000.

Supplement 2 to ATTACHMENT 4.19-B

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Effective: July 1, 2013

TN: 13-22

Approved: **DEC 15 2015**

Supersedes: 12-25

STATE: MINNESOTA

cc. Supplemental payment for medical education (cont'd)

Qualifying Provider. "Qualifying provider" means a Medical Assistance enrolled hospital, medical center, clinic, practitioner, or other organization that provides accredited clinical training of: physicians (medical students and residents), doctor of pharmacy practitioners, doctors of chiropractic, dentists, advance practice nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), and physician assistants, and effective July 1, 2015, dental therapists, advanced dental therapists, psychologists, clinical social workers, community paramedics, and community health workers; and that has successfully applied for this payment, in accordance with Minnesota Statutes § 62J.692.