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State/Territory Name: Montana

State Plan Amendment (SPA) #: 19-0028

This file contains the following documents in the order listed:

1) Approval Letter

- 2) 179
- 3) Approved SPA Pages

TN: MT-19-0028 Approval Date: 01/03/2020 Effective Date: 01/01/2020

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services 1961 Stout Street, Room 08-148 Denver, CO 80294



Denver Regional Operations Group

January 3, 2020

Marie Matthews, Medicaid & CHIP Director Montana Department of Public Health & Human Services P.O. Box 4210 Helena, MT 59604

Dear Ms. Matthews:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number MT-19-0028. This amendment adds an outpatient hospital supplemental payment to MT's state plan, which is funded through a provider fee/tax.

Please be informed that this State Plan Amendment was approved today, with an effective date of January 1, 2020. We are enclosing the summary page and the amended plan page(s).

If you have any questions regarding this SPA please contact Barbara Prehmus at (303) 844-7472.

Sincerely,

Richard C. Allen Director, Western Regional Operations Group Denver Regional Office Centers for Medicaid and CHIP Services

cc: Sheila Hogan, Montana Department Director Mary Eve Kulawik, Montana

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 19-0028	2. STATE Montana
·	3. PROGRAM IDENTIFICATION: TI'	
FOR: HEALTH CARE FINANCING ADMINISTRATION	SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 01/01/2020	
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: 7. FEDERAL BUDGET IMPACT:		
42 CFR 440.20	7. FEDERAL BUDGET IMPACT:	
1902(a)(30)(A) of the Social Security Act	FFY 20 – \$102,031,979 12 months FFY 21 – \$107,351,585 12 months	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
Attachment 4.19B, Service 2A, Outpatient Hospital Services Page 8.	N/A	
The purposed of this State Plan Amendment is to update the outpatient hospital state plan to incorporate an outpatient hospital reimbursement adjustor (HRA) payment. The outpatient HRA for individual hospitals will be calculated based on a percentage of their Medicaid outpatient hospital charges compared to total Medicaid outpatient hospital charges. A hospital or facility operated by the state, a political subdivision of the state, the United States, or an Indian Tribe or any facility authorized under the Indian Health Care Improvement Act are not eligible for an outpatient HRA payment, effective January 1, 2020		
11. 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: Single Agency Director Review	
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
	Montana Department of Public Health a Marie Matthews	and Human Services
13. TYPED NAME: Marie Matthews	Attn: Mary Eve Kulawik	
14. TITLE: State Medicaid Director	PO Box 4210 Helena MT 59620	
·		
15. DATE SUBMITTED: 11-12-19		
FØR REGIONAL OFFICE USE ONLY 17. DATE RECEIVED: 18. DATE APPROVED:		
November 12, 2019	January 3.	2020
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2020	20 SIGNATURE OF REGIONAL OF	FICIAL:
21. TYPED NAME:	22. TITLE:	
Richard C. Allen	Director, WROG	
23. REMARKS:		

MONTANA

Attachment 4.19B
Methods & Standards for
Establishing Payment Rates
Service 2.a
Outpatient Hospital Services
Page 8

F. Outpatient Hospital Utilization Fee

Effective January 1, 2020, hospitals located in Montana who provide outpatient hospital services are eligible for an outpatient Hospital Reimbursement Adjustment (HRA) Payment. In order to maintain access and quality in the most rural areas of Montana, CAHs shall receive the HRA Payment. The Montana State Hospital or a hospital or facility operated by the state, a political subdivision of the state, the United States, or an Indian Tribe or any facility authorized under the Indian Health Care Improvement Act are not eligible for an outpatient HRA payment.

The outpatient HRA payment will be based upon total Medicaid outpatient charges and will be computed as follows: $HRA = \frac{J}{R} \times P$.

For the purposes of calculating the hospital specific outpatient HRA, the following apply:

Where:

- (i) "HRA" represents the calculated hospital specific outpatient HRA payment.
- ii) $^{"}J"$ equals the total outpatient hospital charges billed to Medicaid by the hospital for which the payment is calculated.
- (iii) "D" equals the total outpatient hospital charges billed to Medicaid by all hospitals eliqible to receive of the HRA payment.

Effective January 1, 2020, the total Medicaid billed charge amounts used to calculate the HRA must be from the Department's paid claims data in the most recent calendar year. The State will make HRA in an annual lump-sum payment in the fourth quarter of the State's fiscal year and is limited by the outpatient upper payment limit (UPL). This reimbursement will be excluded from cost settlement.

TN: 19-0028 Approval Date: 01/03/2020 Effective: 01/01/2020

Supersedes TN: NEW