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# State/Territory Name: Utah

## State Plan Amendment (SPA) #: 19-0017

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**

March 10, 2020

Nathan Checketts State Medicaid Director Division of Health Care Financing Utah Department of Health P O Box 144102 Salt Lake City UT 84114-4102

RE: TN UT-19-0017

Dear Mr. Checketts:

We have reviewed the proposed Utah State Plan Amendment (SPA) to Attachment 4.19-B, UT 19-0017, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 30, 2019. This plan amendment updates the reimbursement for outpatient hospital dialysis to the same rate as the Medicare End Stage Renal Disease (ESRD) Prospective Payment System (PPS) Base Rate after the initial outpatient hospital encounter.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 13, 2020. 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 Blake Holt at (415) 744-3754 or <u>Blake.Holt@cms.hhs.gov.</u>

Sincerely,

Todd McMillion Acting Director Division of Reimbursement Review

Enclosures

| DEPARTMENT OF HEALTH AND HUMAN SERVICES<br>HEALTHCARE FINANCING ADMINISTRATION   | FORM APPROVED<br>OMB NO. 0938-0193   |
|--|--|
| RANSMITTAL AND NOTICE OF APPROVAL OF<br>STATE PLAN MATERIAL  | 1. TRANSMITTAL NUMBER:2. STATE:19-0017-UTUtah                                  |
| OR: HEALTH CARE FINANCING ADMINISTRATION   | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIA<br>SECURITY ACT (MEDICAID)   |
| TO: REGIONAL ADMINISTRATOR<br>HEALTHCARE FINANCING ADMINISTRATION<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES   | 4. PROPOSED EFFECTIVE DATE<br>January 13, 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)  |  |
| 5. FEDERAL STATUTE/REGULATION CITATION:  | 7. FEDERAL BUDGET IMPACT:  |
| Section 1903(v)(3) of the Social Security Act  | a. FFY <u>2020</u> \$[154,000]<br>b. FFY <u>2021</u> \$[168,000]               |
| 3. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION<br>OR ATTACHMENT (If Applicable) |
| Page 1 of ATTACHMENT 4.19-B  | Page 1 of ATTACHMENT 4.19-B  |
|  |  |
|  |  |
|  |  |
| 11. GOVERNOR'S REVIEW (Check One):<br>⊠ GOVERNOR'S OFFICE REPORTED NO COMMENT<br>□ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED<br>□ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITT |  |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:  | 16. RETURN TO:   |
|  | Craig Devashrayee, Manager   |
| 13. TYPED NAME: Joseph K. Miner, M.D.  | Technical Writing Unit   |
| 14. TITLE: Executive Director, Utah Department of Health   | Utah Department of Heath<br>PO Box 143102<br>Salt Lake City, UT 84114-3102     |
| 15. DATE SUBMITTED: September 30, 2019   |  |
| 16.  |  |
| 17. DATE RECEIVED:   | 18. DATE APPROVED:   |
| 09/30/2019   | 03/10/2020   |
|  | AL USE ONLY  |
| 9. EFFECTIVE DATE OF APPROVED MATERIAL:  | 20. SIGNATURE OF REGIONAL OFFICIAL:  |
| 01/13/2020<br>21. TYPED NAME:  |  |
| 1. ITPED NAME:   | 22. TITLE:   |
| Todd McMillion   | Acting Director, Division of Reimbursement Review                              |
| 3. REMARKS PLAN APPROVED – ONE COPY ATTACHED   |  |

#### OUTPATIENT HOSPITAL AND OTHER SERVICES A.

- Effective for service end dates on or after September 1, 2011, the payment for outpatient hospital claims will be 1. based on Medicare's Outpatient Prospective Payment System (OPPS) payment methodology. Medicare's Outpatient Code Editor and CMS pricer will be utilized for payment amounts.
  - Α. OPPS hospitals will be paid per applicable APC, Medicare fee schedule, or reasonable cost method (reasonable cost will be paid using the facility-specific cost-to-charge (CCR) multiplied by the line-item billed charge).

The CCR used will be the Medicare CCR calculated from the most recently filed Medicare Cost Report as available through the HCRIS database or the Medicare fiscal intermediary.

- Services not priced using OPPS or CAH methodology will be based on the established Medicaid fee В. schedule and the reimbursement policies for those services may be found in Attachment 4.19-B as follows:
  - Section C Laboratory and Radiology Services

  - Section D Physicians Section E Anesthesiologist/Anesthetist
  - Section F Podiatrists
  - Section G Optometrists

  - Section H Eyeglasses Section K Medical Supplies and Equipment
  - Section M Dental Services and Dentures
  - Section N Physical and Occupational Therapy
  - Section O Prosthetic Devices and Braces
  - Section P Speech Pathology
  - Section Q Audiology
  - Section S Prescribed Drugs

Typically, these services are not covered by Medicare.

Except as otherwise noted in the plan, payments for these services based on state-developed fee schedule rates, are the same for both governmental and private providers. All rates are published and maintained on the agency's website. Specifically, the fee schedule and any annual/periodic adjustments to the fee schedule are published at http://health.utah.gov/medicaid/.

- Vaccines for Children (VFC) services will be paid using the Medicaid VFC rates. Non-VFC services will be C. paid using Medicare's pricer. The reimbursement policies for those services may be found on Page 9a of Section 1.5.
- Revenue code 72[0-9], if not accompanied with procedure code detail, will be paid using the reasonable D. cost methodology.
- Ε. Transitional Outpatient Payments (TOPs) will be calculated according to Medicare principles and paid on a semi-annual basis to in-state providers only.
- F. Dialysis services are paid at the OPPS rate for the first encounter per member per hospital. Subsequent outpatient hospital visits for end-stage renal disease requiring dialysis treatment will reimburse, for all billed services (e.g., labs, evaluation and management, IV fluids, EKG), at the Medicare ESRD PPS Base Rate as stated in Attachment 4.19-B, Page 12a.
- Critical Access Hospitals (CAH) will be paid 101% of costs using the facility-specific CCR. 2.

The CCR used will be the Medicare CCR calculated from the most recently filed Medicare Cost Report as available through the HCRIS database or the Medicare fiscal intermediary.

- Out-of-state hospitals will be paid by hospital type (OPPS or CAH) like in-state hospitals, but will not receive any 3. specialty payments (e.g., TOPs).
- 4. Billed charges shall not exceed the usual and customary charge to private pay patients.

T.N. # 19-0017 Approval Date 03-10-20

Supersedes T.N. # 13-029

Effective Date 1-13-20