

Table of Contents

State/Territory Name: Maryland

State Plan Amendment (SPA) #: MD 24-0009

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

April 11, 2024

Ryan Moran
Medicaid Director
Maryland Department of Health
201 W. Preston St., 5th Floor
Baltimore, MD 21201

RE: Maryland State Plan Amendment (SPA) 24-0009

Dear Director Moran:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 24-0009. This SPA establishes an emergency interim payment methodology for inpatient and outpatient hospitals, nursing facilities, and hospice services affected by the Change Healthcare cybersecurity incident.

We conducted our review of your submittal according to the statutory requirements in Title XIX of the Social Security Act and considering the flexibilities described in the March 15, 2024 Change Healthcare Cybersecurity Incident – CMS Response and State Flexibilities CMCS Informational Bulletin (CIB). We hereby inform you that Medicaid State plan amendment 24-0009 is approved effective February 21, 2024. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please contact Tom Caughey at tom.caughey@cms.hhs.gov.

Sincerely,

[Redacted Signature]

Rory Howe
Director

Enclosure

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 4</u> — <u>0 0 0 9</u>	2. STATE <u>MD</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
February 21, 2024

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447.201

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2024 \$ 0
b. FFY 2025 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Section 4 pg. 80 (24-0009)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Section 4 pg. 80 (NEW)

9. SUBJECT OF AMENDMENT
"Interim Payments to Providers affected by the Change Healthcare Cybersecurity Incident"

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL
[Redacted]

12. TYPED NAME
Ryan Moran

13. TITLE
Deputy Secretary, Health Care Financing and Medicaid Director

14. DATE SUBMITTED
March 29, 2024

15. RETURN TO
**Ryan Moran
Medicaid Director
Maryland Department of Health
201 W. Preston St., 5th Floor
Baltimore, MD 21201**

FOR CMS USE ONLY

16. DATE RECEIVED March 29, 2024	17. DATE APPROVED April 11, 2024
--	--

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATURE OF APPROVING OFFICIAL [Redacted]
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State of Maryland

Fee-for-Service (FFS) Interim Payments during the Change Healthcare Cybersecurity Incident

Effective retroactively to February 21, 2024, and effective for affected services provided through June 30, 2024, eligible Hospitals, Nursing Facilities, or Hospice Care Providers are eligible to receive payments for inpatient and outpatient hospital services, nursing facility services, or hospice care services in amounts representative of up to thirty days (30) of claims payments that are not otherwise paid as a result of the Change Healthcare cybersecurity incident. Eligibility for these interim payments will be limited to Hospitals, Nursing Facilities, or Hospice Care Providers who utilize Change Healthcare, and regularly bill at least \$2,000 in FFS services per month. An exception to this monthly limit and eligible providers will be granted to providers who can demonstrate that Medicaid pays a substantial majority of their revenue and was directly impacted by Change Healthcare.

The average 30-day payment is based on the total claims for inpatient and outpatient hospital services, nursing facility services, or hospice care services paid to the individual provider, inclusive of all Medicaid base payments for inpatient and outpatient hospital services, nursing facility services, or hospice care services made under the Medicaid state plan, between August 1, 2023, and October 31, 2023, divided by three (3). The payment will be made for services provided through June 30, 2024, on a monthly basis. This is not an advanced payment or prepayment prior to services furnished by providers.

These payments will be reconciled to the final payment amount the provider was eligible to receive under the Medicaid state plan for inpatient and outpatient hospital services, nursing facility services, or hospice care services during the timeframe for which it was receiving interim payments under this provision. The reconciliation will be completed within 12 months following the last day of the quarter in which the state is able to again process payments for claims following the resolution of the Change Healthcare cybersecurity incident. If the reconciliation results in discovery of an overpayment to the provider, the state will attempt to recoup the overpayment amounts within 12 months and will return the federal share within the timeframe specified in 42 CFR 433.316 and 433.320 regardless of whether the state actually recoups the overpayment amount from the provider, unless an exception applies under 42 CFR part 433, subpart F. If the reconciliation results in an underpayment to the provider, the state will make an additional payment to the provider in the amount of the underpayment within 12 months.

The state will follow all applicable program integrity requirements relating to interim payments to providers and the associated reconciliation process. The state will ensure that Hospitals, Nursing Facilities, or Hospice Care Providers receiving payments under this interim methodology for inpatient and outpatient hospital services, nursing facility services, or hospice care services will continue to furnish services to Medicaid beneficiaries during the interim payment period and that access to inpatient and outpatient hospital services, nursing facility services, or hospice care services is not limited.