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**State Name:** Delaware

**State Plan Amendment (SPA) #16-004**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
150 S. Independence Mall West  
Suite 216, The Public Ledger Building  
Philadelphia, Pennsylvania 19106-3499



**Region III/Division of Medicaid and Children's Health Operations**

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SWIFT# 021120164030

**June 7, 2016**

Mr. Stephen M. Groff, Director  
Division of Medicaid and Medical Assistance  
P.O. Box 906  
New Castle, DE 19720-0906

Dear Mr. Groff:

We are pleased to inform you of the approval of Delaware State Plan Amendment (SPA) 16-004 to clarify service descriptions and reimbursement methodologies for Inpatient Psychiatric Hospital Services for Individuals under Age 21.

Enclosed is a copy of the approved SPA pages and the signed CMS-179 form. The effective date of this amendment is July 1, 2016. If you have any questions, you may contact Michael Cleary at (215) 861-4282.

Sincerely,

  
Francis McCullough  
Associate Regional Administrator

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: <b>SPA #16-004</b>	2. STATE <b>DELAWARE</b>
	3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
FOR: <b>HEALTH CARE FINANCING ADMINISTRATION</b>		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>JULY 1, 2016</b>

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: <b>SECTION 1905(r) OF THE SOCIAL SECURITY ACT, SECTION 1905(a)(16) 42 CFR §441 SUBPART B, 42 CFR §440.60, 42 CFR §440.130</b>	7. FEDERAL BUDGET IMPACT: a. FFY <b>2016</b> \$ <b>-0-</b> b. FFY <b>2017</b> \$ <b>-0-</b>
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>ATTACHMENT 3.1-A Page 7 ATTACHMENT 4.19-A.3 ATTACHMENT 4.19-A.3.1 ATTACHMENT 4.19-A.3.2 ATTACHMENT 4.19-B Page 19a</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): <b>ATTACHMENT 3.1-A Page 7 NEW NEW NEW ATTACHMENT 4.19-B Page 19a</b>
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10. SUBJECT OF AMENDMENT: **MEDICAID REHABILITATIVE SERVICES - EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT (EPSDT) SERVICES - INPATIENT PSYCHIATRIC HOSPITAL SERVICES FOR INDIVIDUALS UNDER AGE 21**

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      **Governor's comments under separate  
correspondence**  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: <b>//Stephen M. Groff – signature//</b>	16. RETURN TO: <b>Stephen M. Groff Director Division of Medicaid and Medical Assistance P.O. Box 906 New Castle, Delaware 19720-0906</b>
13. TYPED NAME: <b>Stephen M. Groff, Director, Division of Medicaid and Medical Assistance</b>	
14. TITLE: <b>Designee for Rita M. Landgraf, Secretary, Delaware Health and Social Services</b>	
15. DATE SUBMITTED: <b>2/11/2016</b>	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: February 2, 2016	18. DATE APPROVED: June 7, 2016

PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2016	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Francis McCullough	22. TITLE: Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE: DELAWARE

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED  
TO THE CATEGORICALLY NEEDY

15.a. Intermediate care facility services (other than such services in an institution for mental diseases) for persons determined, in accordance with section 1902(a)(31)(A) of the Act, to be in need of such care.

Provided:  No limitations  With limitations\*  
 Not provided.

b. Including such services in a public institution (or distinct part thereof) for the mentally retarded or persons with related conditions.

Provided:  No limitations  With limitations\*  
 Not provided.

16. Inpatient psychiatric facility services for individuals under 22 years of age.

Provided:  No limitations  With limitations\*  
 Not provided.

17. Nurse-midwife services.

Provided:  No limitations  With limitations\*  
 Not provided.

18. Hospice care (in accordance with section 1905(o) of the Act).

Provided:  No limitations  Provided in accordance with section 2302 of the Affordable Care Act  
 With limitations\*  Not provided.

\*Description provided on attachment.

<b>TN No. <u>SPA #16-004</u></b> <b>Supersedes</b> <b>TN No. <u>SPA #11-007</u></b>	<b>Approval Date <u>June 7, 2016</u></b> <b>Effective Date <u>July 1, 2016</u></b>
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
– INPATIENT PSYCHIATRIC CARE FOR UNDER AGE 21

1. Psychiatric Residential Treatment Facility (PRTF) Reimbursement

Reimbursement for services is based upon a Medicaid fee schedule established by the State of Delaware. Psychiatric residential treatment facilities will be reimbursed the lesser of:

- The Delaware Medicaid per diem reimbursement rate for activities in the per diem plus additional fee-for-service reimbursement using the Delaware Medicaid fee schedule for activities on the plan of care but not in the per diem,
- The facilities usual and customary charge to privately insured or private-pay beneficiaries, or
- If an out of state facility, the specific in-state PRTF interim Medicaid per diem reimbursement rate for the activities included in that state's per diem rate with additional fee-for-service reimbursement using the Delaware Medicaid fee schedule for activities on the plan of care but not in that state's per diem reimbursement.

Except as otherwise noted in the State Plan, the State-developed fee schedule is the same for both governmental and private individual providers and the fee schedule and any annual/periodic adjustments to the fee schedule are published in the Delaware Register of Regulations. The Agency's fee schedule rate was set as of July 1, 2016 and is effective for services provided on or after that date. All rates are published on the Delaware Medical Assistance Program (DMAP) website at:  
<http://www.dmap.state.de.us/downloads/feeschedules.html>.

- A. Delaware Medicaid per diem PRTF reimbursement rate includes the following covered inpatient psychiatric residential treatment facility (PRTF) activities for individuals under twenty-one (21) years of age when included on the patient's inpatient psychiatric active treatment plan of care:
- 1) Behavioral Health care by staff who are not physicians
  - 2) Occupational Therapy / Physical Therapy / Speech Therapy
  - 3) Laboratory
  - 4) Transportation
  - 5) Dental
  - 6) Vision
  - 7) Diagnostics/radiology (x-ray).

<b>TN No. <u>SPA #16-004</u></b>	<b>Approval Date <u>June 7, 2016</u></b>
<b>Supersedes</b>	
<b>TN No. <u>NEW</u></b>	<b>Effective Date <u>July 1, 2016</u></b>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
– INPATIENT PSYCHIATRIC CARE FOR UNDER AGE 21 CONTINUED

1. Psychiatric Residential Treatment Facility (PRTF) Reimbursement (continued)
  - B. Pharmaceuticals and physician activities provided to the youth in a PRTF, when on the active treatment plan of care, are components of the Medicaid covered PRTF service. These activities will be paid directly to the treating pharmacy or physician, using Medicaid pharmacy and physician fee schedule rates excluded from the psychiatric residential treatment facility (PRTF) State of Delaware Medicaid per diem reimbursement rates.
  - C. Medical services under 1905(a) of the Social Security Act that are listed on the inpatient psychiatric active treatment plan and excluded in A or B above shall be paid directly to the treating provider, using Medicaid fee schedule rates. Such services are excluded from the psychiatric residential treatment facility (PRTF) State of Delaware Medicaid per diem reimbursement rates.
  - D. The Medicaid PRTF per diem reimbursement rates shall exclude such costs other than pharmaceutical, physician, and other medical services that could be covered under 1905(a) of the Social Security Act on the inpatient psychiatric active treatment plan unrelated to providing inpatient psychiatric care for individual less than twenty-one (21) years of age including, but not limited to the following:
    - 1) Group education including elementary and secondary education.
    - 2) Medical services that are not listed in Items A, B, and C above.
    - 3) Activities not on the inpatient psychiatric active treatment plan.
2. Psychiatric Residential Treatment Facility (PRTF) Reimbursement Rate Methodology
  - A. Medicaid certified providers will be reimbursed for covered PRTF services using a Medicaid per diem reimbursement rate consistent with the principles in section 1 above. The Medicaid per diem reimbursement rate paid to the provider will be determined by the following service criteria:
    - 1) PRTF specializing in sexually-based treatment programs.
    - 2) PRTF specializing in substance use disorder treatment programs.
    - 3) PRTF treating children with mental health diagnoses.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
– INPATIENT PSYCHIATRIC CARE FOR UNDER AGE 21 CONTINUED

2. Psychiatric Residential Treatment Facility (PRTF) Reimbursement Rate Methodology (continued)

The Delaware Medicaid PRTF fee development methodology will build fees considering each component of provider costs as outlined below. These reimbursement methodologies will produce rates sufficient to enlist enough providers so that services under the State Plan are available to beneficiaries at least to the extent that these services are available to the general population, as required by 42 CFR 447.204. These rates comply with the requirements of Section 1902(a)(3) of the Social Security Act and 42 CFR 447.200, regarding payments and are consistent with economy, efficiency, and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained.

<b>TN No. <u>SPA #16-004</u></b>	<b>Approval Date <u>June 7, 2016</u></b>
<b>Supersedes</b>	
<b>TN No. <u>NEW</u></b>	<b>Effective Date <u>July 1, 2016</u></b>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: DELAWARE

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

5. Other EPSDT Services

Reimbursement for services not otherwise covered under the State Plan is determined by the Medicaid agency through review of a rate setting committee. Non-institutional services are paid on a fee-for-service basis. Institutional services are per diem rates based on reasonable costs. These services include:

(a) Prescribed Pediatric Extended Care - see ATT. 4.19-B, Page 7

(b) School-Based Health Service (SBHS) Providers:

School based health service providers include Delaware school districts and charter schools and may provide the following Medicaid services per Attachment 3.1-A, Page 2 Addendum:

- EPSDT Screens
- Nursing Services
- Physical Therapy
- Occupational Therapy
- Speech Therapy, Language and Hearing Services
- Psychological and Developmental Treatment Assessment
- Counseling and Therapy
- Specialized Transportation Services

TN No. SPA #16-004

Supersedes

TN No. SPA #08-004

Approval Date June 7, 2016

Effective Date July 1, 2016