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State/Territory Name: KS

State Plan Amendment (SPA) #: 16-0007

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106



May 26, 2017

Michael Randol, Division Director and Medicaid Director
Kansas Department of Health and Environment
Division of Health Care Finance
Landon State Office Building
900 SW Jackson Street, Room 900N
Topeka, KS 66612-1220

RE: Kansas State Plan Amendment TN: 16-007

Dear Mr. Randol:

We have reviewed the proposed amendment to Attachment 4.19-B page 1 of your Medicaid State plan submitted under transmittal number (TN) 16-007. This amendment provides for a 4.00% reduction in provider payments for all services. Exceptions to the 4.00% reductions include Home and Community Based, Rural Health Clinic, Federally Qualified Health Center's, Pharmacy, Limited Hospice, PACE, and Indian Health services.

As part of our review of the pending SPA, we requested the state to demonstrate that the payment rate decrease would not restrict access to services for the fee-for-service population in the Kansas Medicaid program. The state provided data confirming that 97% of Medicaid beneficiaries in Kansas receive care through a managed care arrangement and that the 3% remaining in the fee-for-service system includes individuals that receive limited specialty services or services in periods of presumptive or retro-active eligibility. Based on this information, the state concluded that access will not be affected by the rate reductions under SPA 16-007. The state must continue to monitor access to care for the fee-for-service population and promptly notify us if access to care appears to be lessening.

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 implementing Federal regulations at 42 CFR 447 Subpart C. This is to inform you that Medicaid State Plan Amendment 16-007 is approved on May 26, 2017, and effective July 1, 2016. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Kevin Slaven at (816) 426-5925.



Sincerely,

5/26/2017

Megan K. Buck
Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

Signed by: Megan K. Buck -A

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: <u>KS 16-007</u>	2. STATE Kansas
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		4. PROPOSED EFFECTIVE DATE July 1, 2016	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION	7. FEDERAL BUDGET IMPACT a. FFY 2016 (\$ 563,073) b. FFY 2017 (\$2,262,353)		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Page 1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Attachment 4.19-B, Page 1		
10. SUBJECT OF AMENDMENT Methods and Standards for Establishing Payment Rates: Specific Services Impacted by this State Plan Amendment			
11. GOVERNOR'S REVIEW (<i>Check One</i>) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Michal Randol is the <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Governor's Designee			
12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Michael Randol, Director KDHE, Division of Health Care Finance Landon State Office Building 900 SW Jackson, Room 900-N Topeka, KS 66612-1220		
13. TYPED NAME for Michael Randol	17. DATE RECEIVED September 21, 2016		
14. TITLE Director, Division of Health Care Finance			
15. DATE SUBMITTED September 21, 2016			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED September 21, 2016	18. DATE APPROVED May 26, 2017		
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2016	20. SIGNATURE OF REGIONAL OFFICIAL  Digitally signed by Megan K Buck		
21. TYPED NAME Megan K Buck	22. TITLE Acting Associate Regional Administrator for Medicaid and Children's Health Operations		
23. REMARKS			

KANSAS MEDICAID STATE PLAN

Attachment 4.19-B

Page 1

Methods and Standards for Establishing Payment Rates

For services from July 1, 2016 forward, the allowed Medicaid payment will be reduced by 4%. The payment reduction is not a reduction on the current rates, but is a reduction to the final Medicaid payment amount (allowed reimbursement amount). Established fee amounts are the same for governmental and private providers. The payment reduction is applied to the allowed Medicaid paid amount after reductions for Medicare, other insurance, or any other third party liability payment.

The services exempt from the payment reduction are all Home and Community Based Services (HCBS). Limited Hospice services are also exempt from the reduction. Provider types exempt from this payment reduction are Indian Health Services, Critical Access Hospitals, Rural and Frontier Hospitals, WORK, FQHC, RHC and PACE.

Specific Services Impacted by this SPA:

Outpatient Hospital Services (Attachment 4.19-B, #1, Replacement Page and Page 1a)
Physician's Services (Attachment 4.19-B, #5)
Early and Periodic Screening, Diagnosis and Treatment (EPSDT) (Attachment 4.19-B, #4b, and Page 2)
Outpatient Services (Attachment 4.19-B, #5, Page 1)
Physicians' Services Obstetrical Practitioner Services (Attachment 4.19-B, #5, Page 2)
Physicians' Services Pediatric Practitioner Services (Attachment 4.19-B, #5, Page 3)
Physician Services (Attachment 4.19-B, #5, Page 4)
Dental Services (Attachment 4.19-B, #10)
Freestanding Birth Centers (Attachment 4.19-B, #8)
Nurse-Midwife Services (Attachment 4.19-B, #17)
Optometrist's Services (Attachment 4.19-B, #6b)
Chiropractor's Services (Attachment 4.19-B, #6c)
Other Practitioner's Services (Attachment 4.19-B, #6d)
Clinic Services (Attachment 4.19-B, #9)
Prosthetic Devices (Attachment 4.19-B, Page #12c.)
Eyeglasses (Attachment 4.19-B, Page #12d.)
Physical Therapy, Occupational Therapy, Speech, Hearing, and Language Disorders (Attachment 4.19-B, Page #11a, b and c)
Dentures (Attachment 4.19-B, #12b)
Rehabilitation Services (Attachment 4.19-B, #13d, Page 1)
Home Health Services (Attachment 4.19-B, #7)
Other Laboratory and X-ray Services (Attachment 4.19-B, #3)
Emergency Hospital Services (Attachment 4.19-B, #23e)
Pediatric or Family Nurse Practitioner's Services (Attachment 4.19-B, #24)
Transportation (Attachment 4.19-B, #24.a.)
Targeted Case Management/MH, MR/DD, TBI, PD and FE (Attachment 4.19-B, #6.a.)
Inpatient Hospital Care (Attachment 4.19-A, Page 25c (1), Page 29, Page 31, Page 31a and Page 37)

In general, the following should be noted concerning the Kansas Medicaid fee schedules:

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers for the above services. The agency's established fee schedule rates are published on the agency's website at <https://www.kmap-state-ks.us>.