DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP and Survey & Certification

Ms. Susan J. Tucker
Executive Director
Office of Health Services
Maryland Department of Health and Mental Hygiene
201 West Preston Street, 1st Floor
Baltimore, Maryland 21201

MAY 1 1 2010

RE: State Plan Amendment 09-013

Dear Mrs. Tucker:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 09-013. This amendment modifies the methods and standards for setting payment rates for inpatient hospital services furnished by hospitals in the District of Columbia. It also modifies the rate setting assumptions for children's residential treatment centers. Specifically, this SPA provides that effective October 1, 2009 the disproportionate share factor used in setting rates for inpatient hospital services in the District of Columbia will be reduced by two percent and creates a separate method for making payments to children's residential treatment centers beginning December 1, 2009.

We conducted our review of this amendment according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the regulations at 42 CFR 447 Subpart C. I am pleased to inform you that Medicaid State plan amendment 09-013 is approved effective October 1, 2009. I have enclosed the HCFA-179 and the amended plan pages.

If you have any questions, please call Gary Knight on (304) 347-5723.

Sincerely,

Cindy Mann

(CMCS)