Table of Contents

State/Territory Name: Maryland

State Plan Amendment (SPA) #: MD-14-0012

This file contains the following documents in the order listed:

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

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

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

SWIFT #031220154041

MAR 16 2015

Shannon McMahon, Deputy Secretary
Health Care Financing
Maryland Department of Health and Mental Hygiene
201 West Preston Street, Room 525
Baltimore, MD 21201

Dear Ms. McMahon:

Enclosed is a copy of the approved State Plan Amendment (SPA), Transmittal Number 14-012. This SPA increases access to dental services for children by allowing Ambulatory Surgical Centers (ASC) to perform certain dental procedures, as well as, updates the reimbursement language to the corresponding 4.19B pages to reflect fees equal to 80 percent of the current Medicare approved ASC facility fee.

The effective date for this amendment is December 2, 2014. The CMS 179 form and the Approved State Plan pages are attached.

If you have questions about this SPA, please contact Lieutenant Commander Andrea Cunningham of my staff at 215-861-4325.

Sincerely.
/S/

Francis McCullough
Associate Regional Administrator

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 14-012

2. STATE: Maryland

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
December 2, 2014

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:
N/A

7. FEDERAL BUDGET IMPACT:
a. FFY 2014: $ 0
b. FFY 2015: $ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 3.1-A, pgs 22-C through 22-C2
Att. 4.19B, pg 31 & 32

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:

Att. 3.1-A, pgs 22-C through 22-C2
Att. 4.19B, pg 31 & 32

10. SUBJECT OF AMENDMENT: To add dental services to Ambulatory Surgery Centers and update reimbursement methodology without reducing rates.

11. 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:
Susan J. Tucker, Executive Director
Office of Health Services

12. SIGNATURE OF STATE AGENCY OFFICIAL:
/S/

13. TYPED NAME: Charles E. Lehman

14. TITLE: Acting Deputy Secretary,
Office of Health Care Financing

15. DATE SUBMITTED: 12/19/14

16. RETURN TO:
Susan J. Tucker, Executive Director
OHS – DHMH
201 W. Preston St., 1st floor
Baltimore, MD 21201

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 12/19/14

18. DATE APPROVED: MAR 16 2015

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
December 2, 2014

20. SIGNATURE OF REGIONAL OFFICIAL:
/S/

21. TYPED NAME:
FRANCIS T. McCULLOUGH

22. TITLE:
ASSOCIATE REGIONAL ADMINISTRATOR, DMCHO

23. REMARKS:

FORM HCFA-179 (07-92)

STATE PLAN FOR MEDICAL ASSISTANCE
UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MARYLAND

PROGRAM

9. Clinic Services
c. Ambulatory Surgery

LIMITATIONS

A. The Ambulatory Surgery program covers medically necessary facility services rendered to recipients in a free-standing Medicare-certified ambulatory including:
   (1) Diagnostic, curative, palliative, or rehabilitative services, when clearly related to the recipient's individual needs;
   (2) Surgical procedures which meet the standards described in 42 CFR, Subpart D, §416.65, and as published by the Centers for Medicare and Medicaid Services; and
   (3) Dental services performed by a dentist.

B. Ambulatory Surgery providers shall meet requirements listed in COMAR 10.09.36.03, "Conditions for Participation in the Medicaid Program".

   Specific requirements for participation in the Program as a free-standing Medicare-certified ambulatory surgical center include all of the following:

   (1) Be approved by Medicare to furnish ambulatory surgical services to patients and maintain documentation of certification by the Department of Health and Human Services and the Centers for Medicare and Medicaid Services;
   (2) Have clearly defined, written, patient care policies;
   (3) Maintain adequate documentation of each recipient visit as part of the plan of care, which at a minimum, shall include:
      a. Date of service;
      b. Recipient's reason for visit;
      c. A brief description of service provided; and
      d. A legible signature and printed or typed name of the professional providing care, with the appropriate title;

   (4) Have written, effective procedures for infection control which are

STATE PLAN FOR MEDICAL ASSISTANCE
UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MARYLAND

PROGRAM

9. Clinic Services
c. Ambulatory Surgery

LIMITATIONS

known to all levels of staff as specified in COMAR 10.06.01, which provides regulations for cooperative communicable disease and related conditions controlled by the Department, local health officers, medical laboratory directors, physicians, and other Maryland governmental agencies, as guided by policy statements from the Centers for Disease Control and Prevention and various other governmental agencies;

(5) Be approved by the state in which the service is provided, except where a Certificate of Need is not required;
(6) Provide for in-house Program evaluation and clinical record review which assess use of services for appropriateness in meeting a recipient's needs;
(7) Refer laboratory testing only to independent medical laboratory providers.

C. Limitations

The Maryland Medicaid Ambulatory Surgery program does not cover the following services in a free-standing Medicare certified ambulatory surgical center:

(1) Services not specified in COMAR 10.09.42.04, the "Covered Services" section of the Medicaid regulations for ASCs);
(2) Services not medically necessary;
(3) Investigational and experimental drugs and procedures;
(4) Services denied by Medicare as not medically necessary;
(5) Separate billing of services which are included in the composite Medicare rate for an ambulatory surgical center; and
(6) Surgical procedures which:
   a. Generally result in extensive blood loss;
   b. Require major or prolonged invasion of body cavities;

STATE PLAN FOR MEDICAL ASSISTANCE
UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MARYLAND

PROGRAM	LIMITATIONS
9. Clinic Services c. Ambulatory Surgery	c. Directly involve major blood vessels; or d. Are generally emergency or life-threatening in nature; e. Commonly require system thrombolytic therapy; f. Are designed as requiring inpatient care (overnight); g. Can only be reported using a CPT unlisted surgical procedure code; or h. Are otherwise excluded under 42 CFR § 411.15; (7) Physician's services (including surgical procedures and all preoperative and postoperative services performed by a physician); (8) Anesthesia services; (9) Radiology services other than those integral to performance of a covered surgical procedure; (10) Diagnostic procedures other than those directly related to a covered surgical procedure; (11) Ambulance services; (12) Leg, arm, back and neck braces other than those that serve the function of a cast or splint; (13) Artificial Limbs; or (14) Non-implantable prosthetic devices and DME.

STATE PLAN FOR MEDICAL ASSISTANCE
UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MARYLAND

Ambulatory Surgery Rates

A) Reimbursement Methodology:

(1) Reimbursement fees equal 80 percent of the Medicare-approved ASC facility fee for services other than dental services furnished to Medicaid recipients in connection with covered surgical procedures.

(2) The facility fee for dental services performed in a Medicare-approved ASC are reimbursed in accordance with COMAR 10.09.42.06C.

(3) If one covered surgical procedure is furnished to a recipient, payment is at the Maryland Medicaid Program payment amount which is 80 percent of the Medicare approved facility fee for that procedure.

(4) If more than one covered surgical procedure is provided to a recipient in a single operative session, payment is made at 100 percent of the Maryland Medicaid Program payment amount for the procedure with the highest reimbursement rate. Other covered surgical procedures furnished in the same session are reimbursed at 50 percent of the Maryland Medicaid Program payment amount for each of those procedures.

(5) When a covered surgical procedure is terminated before the completion due to extenuating circumstances or circumstances that threaten the well-being of the patient, the Medicaid Program payment amount is based on one of the following:

a. If the procedure for which the anesthesia is planned is discontinued after the induction of anesthesia or after the procedure is started; the reimbursement amount is 80 percent of the Medicare approved facility fee.

b. One half of the Medicare approved facility fee will be reimbursed if procedure for which anesthesia is planned is discontinued after the patient is prepared for surgery and taken to the room where the procedure is to be performed, but before the anesthesia is induced or if a covered surgical procedure for which anesthesia was not planned is discontinued after the patient is prepared for surgery and taken to the room where the procedure is to be performed.

B) Reimbursement by the Program is for facility services provided by a free-standing ambulatory surgical center in connection with covered surgical procedures, include but are not limited to:

(1) Nursing, technician, and related services;

(2) Use of the facility;

(3) Drugs, biologicals, surgical dressings, supplies, splints, casts, and appliances, and any equipment directly related to the provision of surgical procedures;

(4) Administrative costs;

(5) Materials including supplies and equipment for the administration and monitoring of anesthesia;

(6) Radiology services for which separate payment is not allowed and other diagnostic tests or interpretive services that are integral to a surgical procedure;

STATE PLAN FOR MEDICAL ASSISTANCE
UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MARYLAND

(7) Supervision of the services of a nurse anesthetist by the operating surgeon; and
(8) Ancillary items and services that are integral to a covered surgical procedure as defined in 42 CFR §416.166.

C) The Program may not bill for:
(1) Completion of forms and reports;
(2) Broken or missed appointments;
(3) Professional services rendered by mail or telephone;
(4) Services which are provided at no charge to the general public;
(5) Direct payment to a recipient; and
(6) Separate direct payment to any person employed by or under contract to any free-standing Medicare-certified ambulatory surgical center facility for services covered under this regulation.

D) The Program shall authorize payment on Medicare claims only if:
(1) The provider accepts Medicare assignment; and
(2) Medicare .makes direct payment to the provider.

E) The Department pays 100% of Medicare deductibles and co-insurance and services not covered by Medicare, but considered medically necessary by the Program, according to the limitations of Regulation .04C of this chapter.

F) Recovery and reimbursement under this chapter are set forth in COMAR 10.09.36.07.