DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services JFK Federal Building, Government Center Room 2275 Boston, Massachusetts 02203



Division of Medicaid and Children's Health Operations / Boston Regional Office

December 7, 2009

Brenda M. Harvey, Commissioner Department of Health and Human Services 11 State House Station Augusta, Maine 04333-0011

Dear Ms. Harvey:

We are pleased to enclose a copy of approved State plan amendment (SPA) No. 09-014. This SPA is effective July 1, 2009 as requested.

This SPA transmitted an amendment to your approved Title XIX State plan to reduce Medicaid payments for outpatient hospital services for various providers. For acute care non-critical access hospitals, Medicaid pays 83.8 percent of costs or charges. For criteria access hospitals and hospital reclassified to a wage area outside of Maine, Medicaid pays 109 percent of costs. For outpatient non-emergency and emergency room hospital based physicians, Medicaid reimburses 83.8 percent and 93.4 percent of costs, respectively. The prospective interim payment for acute non-critical access hospitals is capped at 79.457 percent of the calculated amount.

We are approving this SPA as revised. As agreed to by your staff, we revised page 1g to Attachment 4.19-B to specify that the prospective interim payment for acute non-critical access hospitals is capped at 79.457 percent of the calculated amount. We also modified the plan pages to reflect the correct page numbers. Furthermore, we added the transmittal number that this SPA supersedes to the bottom of the plan pages. Finally, we revised Boxes 8 and 9 the Transmittal and Notice of Approval of State Plan Material (CMS-179) to reflect the correct page number of the attachment and the page number of the superseded attachment, respectively.

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If there are questions, please contact Chong Tieng. He can be reached at (617) 565-9157.

Sincerely,

/s/

Richard R. McGreal Associate Regional Administrator

Enclosure

cc: Tony Marple, Director, Office of MaineCare Services