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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

August 29, 2013

Mary Mayhew, Commissioner
Department of Health and Human Services
11 State House Station
Augusta, Maine 04333-0011

RE: Maine 12-015

Dear Commissioner Mayhew:

We are now ready to approve State Plan Amendment (SPA) No. 12-015. Attached you will find an approved copy of the SPA. As requested, this SPA is effective January 1, 2014.

The purpose of this SPA is to amend the cost-sharing sections of the State's approved Title XIX State Plan to permit Retail and Specialty Pharmacy Services providers to require, as a condition for providing care, items, or services, the payment of any cost-sharing. This SPA also describes the process that the State will use to notify members and providers when out-of-pocket expenses have reached a five percent (5%) aggregate cap and are no longer subject to further premium and costs-sharing for the remainder of the family's monthly cap period.

If you have any questions regarding this SPA, please contact Kathryn Holt, Maine State Lead, at 617/565-1246, or at kathryn.holt@cms.hhs.gov.

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

cc: Stefanie Nadeau, Director, Office of Maine Care Services

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 12-015	2. STATE: MAINE
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE(S) 1/1/14	
5. TYPE OF PLAN MATERIAL (CHECK ONE): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.64, 447.68, 447.76, 447.82		7. FEDERAL BUDGET IMPACT: None	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATTACHMENT 4.18-F PAGES 1-4 AND PAGES 7-8, ATTACHMENT 4.18-A PAGE 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): ATTACHMENT 4.18-F PAGES 1-3 AND 7, ATTACHMENT 4.18-A PAGE 2	
SUBJECT OF AMENDMENT: COST SHARING-PHARMACY SERVICES			
11. GOVERNOR'S REVIEW (Check One): <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 COMMISSIONER, DEPT. OF HUMAN SERVICES <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: <i>/s/</i> [REDACTED]		16. RETURN TO: STEFANIE NADEAU Director, MaineCare Services #11 State House Station 242 STATE STREET Augusta, ME 04333-0011	
13. TYPED NAME: MARY C. MAYHEW			
14. TITLE: Commissioner, Maine Department of Health and Human Services			
15. DATE SUBMITTED: 12/07/12			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 12/07/12		18. DATE APPROVED: 08/29/13	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/14		20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>	
21. TYPED NAME: RICHARD MCGREAL		22. TITLE: Associate Regional Administrator	
23. REMARKS			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Maine

It should be noted that States can select one or more options in imposing cost sharing (including co-payments, co-insurance, and deductibles) and premiums.

A. For groups of individuals with family income above 100 percent but below 150 percent of the FPL:

1. Cost sharing

- a. /No cost sharing is imposed
- b. /Cost sharing is imposed under section 1916A of the Act as follows (specify the amounts by group and services (see below)):

Group if Individuals	Item/Service	Type of Charge		Co-payment	*Method of Determining Family Income (including monthly or quarterly period)
		Deductible	Co-insurance		
<u>Non-pregnant adults ages 21 and over, with income over 100% of the federal poverty level (including parent/caretaker relatives. *The Aged, Blind and Disabled population is not included as Maine only covers this population up to 100% of FPL.</u>	Retail and Pharmacy Services only.	None	None	\$3.00 per prescription, not to exceed \$30 per month	Family income is determined through the DHHS eligibility office. The same methodology that is used to determine eligibility.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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*Describe the methodology used to determine family income if it differs from your methodology for determining eligibility.

Attach a schedule of the cost sharing amounts for specific items and services and the various eligibility groups.

b. Limitations:

- The total aggregate amount of cost sharing and premium imposed under section 1916A for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a monthly and quarterly basis as specified by the State above.
- Cost sharing with respect to any item or service may not exceed 10 percent of the cost of such item or service.

c. No cost sharing will be imposed for the following services:

- Services furnished to individuals under 18 years of age that are required to be provided Medicaid under section 1902(a)(10)(A)(i), and including services furnished to individuals with respect to whom aid and assistance is made available under part B of title IV to children in foster care and individuals with respect to whom adoption or foster care assistance is made available under part E of such title, without regard to age;
- Preventive services (such as well baby and well child care and immunizations) provided to children under 18 years of age, regardless of family income;
- Services furnished to pregnant women if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy;
- Services furnished to a terminally ill individual who is receiving hospice care, (as defined in section 1905(o) of the Act);
- Services furnished to any individual who is an inpatient in a hospital, nursing facility, intermediate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of the individual's income required for personal needs;
- Emergency services as defined by the Secretary for purposes of section 1916(a)(2)(D) of the Act;
- Family planning services and supplies described in section 1905(a)(4)(C) of the Act; and
- Services furnished to women who are receiving Medicaid by virtue of the application of sections 1902(a)(10)(A)(ii)(XVIII) and 1902(aa) of the Act.

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State/Territory: Maine

d. Enforcement

1. Providers are permitted to require, as a condition for the provision of care, items, or services, the payment of any cost sharing.
2. (If above box selected) Providers permitted to reduce or waive cost sharing on a case-by-case basis.
3. State payments to providers must be reduced by the amount of the beneficiary cost sharing obligations, regardless of whether the provider successfully collects the cost sharing.
4. States have the ability to increase total State plan rates to providers to maintain the same level of State payments when cost sharing is introduced.

2. Premiums

No premiums may be imposed for individuals with family income above 100 percent but below 150 percent of the FPL.

B. For groups of individuals with family income above 150 percent of the FFL:

1. Cost sharing amounts

- a. No cost sharing is imposed.
- b. Cost sharing is imposed under section 1916A of the Act as follows (specify amounts by groups and services (see below)):

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Maine

Group if Individuals	Item/Service	Type of Charge		Co-payment	*Method of Determining Family Income (including monthly or quarterly period)
		Deductible	Co-insurance		
<u>Non-pregnant adults ages 21 and over, with incomes over 100% of the federal poverty level.</u>	Retail and Pharmacy Services only.	None	None	\$3.00 per prescription, not to exceed \$30 per month	Family income is determined through the DHHS eligibility office. The same methodology that is used to determine eligibility.

*Describe the methodology used to determine family income if it differs from your methodology for determining eligibility.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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D. Method for tracking cost sharing amounts

Describe the State process used for tracking cost sharing and informing beneficiaries and providers of their beneficiary's liability and informing providers when an individual has reached his/her maximum so further costs are no longer charged.

The State will track nominal cost sharing for other services through the MMIS.

The proposed premiums range from .32 to 5% of gross income. The Department will consider all premiums/cost sharing considered to be paid by the beneficiary in the calculation of whether an individual beneficiary has incurred family out-of-pocket expenses up to the five percent (5%) cap. Premium/cost sharing data will be tracked for each beneficiary and provided monthly to the Department staff to ensure that family out-of-pocket expenses does not exceed the 5% cap.

Also describe the State process for informing beneficiaries and providers of the allowable cost sharing amounts.

- The State will track beneficiaries' total family out-of-pocket expenses. The State's tracking process does not rely on beneficiaries.
- The State will notify providers when beneficiaries are exempt from cost sharing (i.e. family out-of-pocket expenses have reached the monthly 5% cap, etc.). The State will notify providers by providing an indicator in the point-of-sale system, which will identify exempted members.
- The identification of which month the cap applies to is based on the date of service. The calculation of family out-of-pocket expenses relative to the five percent (5%) cap is completed at the time the is claim adjudicated. The notification to providers, in the Pharmacy point of sale system, is based upon the date the claim is adjudicated. Pharmacy claims are processed immediately through the point of sale system; there are a very small number of pharmacy providers who do not process claims immediately.

TN No. 12-015

Supersedes TN No. ___09-006

Approval Date

08/29/13

Effective Date

01/01/14

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The 5% aggregate cap is calculated on a monthly basis. Members have an established mechanism to dispute charges, should they disagree with the Department's determination that they have or have not met their monthly aggregate cap or that the Department has not properly identified their exempt status. The appeals process is detailed in Chapter I-General Administrative Policies and Procedures of the MaineCare Benefits Manual which can be found at: <https://www.maine.gov/sos/cec/rules/10/ch101.htm>.

i. Katie Beckett

The processes and requirements regarding the method for tracking cost sharing shall apply to the Katie Beckett population. In addition to the processes and requirements described above, the Department will also adhere to the additional requirements listed below for individuals receiving the Katie Beckett benefit:

- The State will conduct a public meeting on the premiums. The State will issue a letter providing the premium amount to all beneficiaries (members) receiving MaineCare under Certain Disabled Children At Home (Katie Beckett Benefit/TEFRA 134) before implementing the premium requirement.
- The State will also issue a letter to each Katie Beckett member providing the premium amount, method of payment and consequences of non-payment. This information will also be included in the State's rule and discussed at the public meeting.

E. Indian/Alaskan Native Exemptions

All American Indians/Alaskan Natives (AI/AN) currently receiving or has ever been furnished a service by an I/T/U or through referral under CHS are exempt from all cost sharing.

The State determines when an AI/AN is exempt from cost sharing requirements through two separate and distinct mechanisms, as detailed below.

- 1.) The State will perform a claims review to determine who has received ITU services and put an exemption flag in the system; and
- 2.) A letter provided by the I/T/U to affected beneficiary that identifies them as an individual who is "currently receiving or has ever been furnished a service by an I/T/U or through referral under CHS" and is exempt from all cost sharing. This letter can be presented to the provider by the affected beneficiary. If presented this letter, the provider must exempt the beneficiary from all cost sharing requirements.

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