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State/Territory Name: ME

State Plan Amendment (SPA) #: 13-0036

This file contains the following documents in the order listed:

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

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



JUL 30 2014

Mary C. Mayhew, Commissioner
Department of Health and Human Services
State of Maine
221 State Street
11 State House Station
Augusta, ME 04333-0011

RE: Maine 13-036

Dear Ms. Mayhew:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 13-036. This amendment increases the supplemental payment pool amount for non-critical access hospitals, hospitals reclassified to a wage area outside Maine and rehabilitation hospitals from \$51,847,216 to \$65,321,301.

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. We are pleased to inform you that Medicaid State plan amendment 13-036 is approved effective November 15, 2013. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Novena James-Hailey at (617) 565-1291.

Sincerely, _____

Cindy Mann /
Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 13-036	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 November 15, 2013	

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: 42 CFR 447.272	7. FEDERAL BUDGET IMPACT: a. FFY 2014 Cost of \$6,445,870 b. FFY 2015 Cost of \$6,420,806
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-a page 8	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-a page 8
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10. SUBJECT OF AMENDMENT:
 Reimbursement change to Inpatient Hospital Services – Supplemental Pool

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT
 OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 Commissioner, Dept. of Health and Human Services
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNA 13. TYPED NAME: <i>r v</i> Mary C. Mayhew 14. TITLE: Commissioner, Department of Health and Human Services 15. DATE SUBMITTED: 12-20-13	16. RETURN TO: Stefanie Nadeau Director, MaineCare Services #11 State House Station 242 State Street Augusta, Maine 04333-0011
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FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED:	18. DATE APPROVED: JUL 30 2014
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: NOV 15 2013	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME: <i>Penny Thompson</i>	22. TITLE: <i>Deputy Director, Policy & Financial Mgt. CRCS</i>
23. REMARKS:	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Maine

Attachment 4.19-a

Inpatient Hospital Services Detailed Description of Reimbursement

Page 8

if and when a new population group was made eligible for MaineCare (e.g., the State is contemplating an eligibility expansion to include higher income parents); or a hospital closes or opens and there is a redistribution of patients among facilities.

E-4 Interim Settlement

The Department of Health and Human Services' interim settlement with a hospital is calculated using the same methodology as is used when calculating the PIP, except that the data sources used will be the hospital's as filed cost report and MaineCare paid claims history for the year for which reconciliation is being performed.

E-5 Final Settlement

The Department of Health and Human Services' final settlement with a hospital is calculated using the same methodology as is used when calculating the PIP, except that the data sources used will be the hospital's final cost report from the Medicare fiscal intermediary and MaineCare paid claims history for the year for which settlement is being performed.

F. **SUPPLEMENTAL POOL FOR NON CRITICAL ACCESS HOSPITALS, HOSPITALS RECLASSIFIED TO A WAGE AREA OUTSIDE MAINE AND REHABILITATION HOSPITALS**

The Department will allocate the supplemental pool annually among the private acute care non-critical access hospitals, rehabilitation hospitals, and hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board prior to October 1, 2008. The pool shall equal \$65,321,301 and be used to support hospital payments even under DRG methodology.

This pool will be proportionately decreased if a hospital that was in the pool when the total pool amount was set subsequently becomes a critical access hospital. This amount will not be adjusted at the time of audit.

Effective April 24, 2012, 50% of the pool shall be distributed based on each hospital's relative share of inpatient MaineCare non-psychiatric discharges. Relative share shall equal the hospital's acute care non-CAH MaineCare discharges divided by total acute care non-CAH MaineCare discharges for all hospitals times 1/2 the pool amount. The other 50% of the pool shall be distributed based on each hospital's relative share of total inpatient MaineCare days. Relative share shall equal the hospital's acute care non-CAH MaineCare days divided by the total acute care non-CAH MaineCare days for all hospitals times 1/2 the pool amount. MaineCare will use the most recent as filed Medicare cost report available to determine the MaineCare days and discharges used in the distribution of the pool.

Pool payments will be paid 50% in November and 50% in May of each state fiscal year.

G **PRIVATE PSYCHIATRIC HOSPITALS**

G-1 Department's Inpatient Obligation to the Hospitals

Private owned psychiatric hospitals will be paid weekly prospective interim payments based on the Department's estimate of the total annual obligation to the hospital. The