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State/Territory Name: ME

State Plan Amendment (SPA) #: 14-003

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 AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

OCT 28 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 14-003

Dear Ms. Mayhew:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 14-003. This amendment revises the readmission policy for inpatient hospitals.

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 14-003 is approved effective March 1, 2015. 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,

Timothy Hill
Director

A handwritten signature in black ink, appearing to be "TH", is written to the right of the typed name "Timothy Hill".

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
14-003

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
~~5/1/14~~
3/1/15

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 447.26, 272, 438, and 1902 (a)(4)

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 ~~\$3,547,939~~ 616,569
b. 2016 2,495,405

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-a Pages 1-8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
Attachment 4.19-a Pages 1-8

10. SUBJECT OF AMENDMENT:
Reimbursement change to Inpatient Hospital Readmission and Provider Preventable Condition

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. SIGN: _____
13. TYPED NAME: Mary C. Mayhew
14. TITLE: Commissioner, Department of Health and Human Services
15. DATE SUBMITTED: March 10, 2014

16. RETURN TO:
Stefanie Nadeau
Director, MaineCare Services
#11 State House Station
242 State Street
Augusta, Maine 04333-0011

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED: OCT 28 2014

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
MAR 01 2015

20. SIGN: _____

21. TYPED NAME: Kristin FAN

22. TITLE: Deputy Director, FUG

23. REMARKS:
Pen and ink changes in boxes 4, 7, 8 & 9 per State's request.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Maine

Attachment 4.19-a

Inpatient Hospital Services Detailed Description of Reimbursement

Page 1

A DEFINITIONS

A-1 Acute Care Critical Access Hospitals

A hospital licensed by the Department as a critical access hospital that is being reimbursed as a critical access hospital by Medicare.

A-2 Acute Care Non-Critical Access Hospitals

A hospital licensed by the Department as an acute care hospital that is not being reimbursed as a critical access hospital by Medicare.

A-3 Diagnosis Related Group (DRG)

The classification of medical diagnoses for use in determining reimbursement as defined in the Medicare DRG system or as otherwise specified by the Department.

A-4 Discharge

A member is considered discharged when the member is formally released from the hospital, transferred from one hospital to another, or dies in the hospital. For purposes of this Section, excluding Critical Access Hospitals, a member is not considered discharged if moved from one location within a hospital to another, or readmitted to the same hospital on the same day, or stays less than 24 hours; or is readmitted to the same hospital within fourteen (14) days of an inpatient discharge for the same primary diagnosis, excluding complications or comorbidity. Effective July 1, 2011, for hospitals billing under DRG based methodology, transferring a member to a distinct rehabilitation unit within the same hospital for the same diagnosis will be considered a discharge.

A-5 Distinct Psychiatric Unit

A unit within an acute care non-critical access hospital that specializes in the delivery of inpatient psychiatric services. The unit must be reimbursed as a distinct psychiatric unit as a sub-provider on the Medicare cost report or must be comprised of beds reserved for use for involuntary commitments under the terms of a contract with the Department of Health and Human Services. The claim must also be distinguishable as representing a discharge from a distinct psychiatric unit on the MaineCare claims processing system.

A-6 Distinct Rehabilitation Unit

A unit within an acute care non-critical access hospital that specializes in the delivery of inpatient rehabilitation services. The unit must be reimbursed as a distinct rehabilitation unit as a sub-provider on the Medicare cost report. The claim must also be distinguishable as representing a discharge from a distinct rehabilitation unit on the MaineCare claims processing system.