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State/Territory Name: Maine

State Plan Amendment (SPA) #:17-0015B

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 4) Approved SPA Page

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

January 29, 2019

Jeanne Lambrew, Acting Commissioner
Department of Health and Human Services
221 State Street
Augusta, Maine 04333-0011

Dear Commissioner Lambrew:

We are now ready to approve State Plan Amendment (SPA) No. ME 17-0015B. The purpose of this SPA is to amend the State's approved Title XIX State Plan to add supplemental payments for outpatient hospital services to the state plan. Attached you will find an approved copy of the SPA.

This SPA is estimated to have a Federal budget impact of \$46,857,134 in Federal Fiscal Year 2018 and \$47,121,522 in Federal Fiscal Year 2019. This SPA is effective July 27, 2017.

If you have any questions regarding this SPA, please contact Aimee Campbell-O'Connor, Maine State Lead, at 617-565-1642, or at Aimee.Campbell-O'Connor@cms.hhs.gov.

Sincerely,

/s/

Richard R. McGreal
Associate Regional Administrator

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER
17-0015B

2. STATE
Maine

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
July 27, 2017

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

7. FEDERAL BUDGET IMPACT
a FFY 2018 \$ 46,857,134
b FFY 2019 \$ 47,121,522

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
~~Attachment 4.19-A, Page 8~~ 4.19-B page 1k

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)
~~Attachment 4.19-A, Page 8~~ NEW

10. SUBJECT OF AMENDMENT
Changes to the hospital supplemental pool dollar amount and reimbursement methodology

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL
/s/

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

13. TYPED NAME
Stefanie Nadeau

14. TITLE
Director, MaineCare Services

15. DATE SUBMITTED
September 25, 2017

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED
9/25/17

18. DATE APPROVED
1/29/19

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL
7/27/17

20. SIGNATURE OF REGIONAL OFFICIAL
/s/

21. TYPED NAME
Richard McGreal

22. TITLE
Associate Regional Administrator

23. REMARKS
1/29/19- State provided pen and ink authority to correct pagination

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

The Department will allocate a supplemental pool for each state fiscal year among the privately owned and operated Acute Care Non-Critical Access hospitals, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board and rehabilitation hospitals. The total pool (inpatient and outpatient) shall equal \$71,780,072. Subject to compliance with all applicable federal rules and payment limits, including 42 CFR 447.321, up to \$43,780,072 will be allocated to outpatient services, not to exceed the allowable aggregate upper payment limits. The allocated outpatient pool amount will be distributed based on each hospital's relative share of outpatient MaineCare payments, defined as the hospital's outpatient MaineCare payment in state fiscal year 2014 divided by outpatient MaineCare payments made to all privately owned and operated Acute Care Non-Critical Access hospitals, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board, and rehabilitation hospitals; multiplied by the supplemental pool.

Each hospital in the pool will receive its relative share of this supplemental payment. Supplemental payments will be distributed semiannually, in even distributions in November and May. This pool will be decreased by the amount a hospital would have received if that hospital was in the pool when the total pool amount was set and subsequently becomes an approved critical access hospital. This supplemental pool payment is not subject to cost settlement.