

## **Table of Contents**

**State/Territory Name: Maine**

**State Plan Amendment (SPA) #: 19-0024**

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 S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

March 6, 2020

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

Reference: TN 19-0024

Dear Commissioner Lambrew:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 19-0024. This amendment proposes reimbursement to hospitals other than critical access hospitals for each day after the tenth (10th) day that an eligible individual is in the care of the hospital while awaiting placement in a nursing facility.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1923 and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

This is to inform you that Medicaid State plan amendment TN 19-0024 is approved effective October 1, 2019. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Novena James-Hailey at (617) 565-1291 or [Novena.JamesHailey@cms.hhs.gov](mailto:Novena.JamesHailey@cms.hhs.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Kristin Fan", is written over a horizontal line.

Kristin Fan  
Director

Enclosures

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

1. TRANSMITTAL NUMBER  
**19 - 0024**

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  
**10/01/2019**

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE       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

**Maine P.L. 2017, ch. 454**

7. FEDERAL BUDGET IMPACT

a. FFY **2020** Cost Neutral

b. FFY **2021** Cost Neutral

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 4.19-A, page 3, Attachment 4.19-A, page 4, Attachment 4.19-A, page 4(a)**

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

**Attachment 4.19-A, page 4**

10. SUBJECT OF AMENDMENT

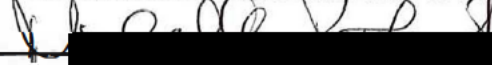
**Reimbursement to hospitals, after the 10<sup>th</sup> day, for patients awaiting placement in nursing facilities. Changes to be repealed December 31, 2023.**

11. GOVERNOR'S REVIEW (Check One)

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

OTHER, AS SPECIFIED:  
**Michelle Probert, Director,  
MaineCare Services**

12. SIGNATURE OF STATE AGENCY OFFICIAL



13. TYPED NAME  
**Michelle Probert**

14. TITLE  
**Director, MaineCare Services**

15. DATE SUBMITTED  
**12/27/2019**

16. RETURN TO:

**Michelle Probert  
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 03/06/2020

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL  
10/01/19

20. [Redacted] GIAL

21. TYPED NAME  
Kristin Fan

22. TITLE  
Director, FMG

23. REMARKS Pen and ink changes in box 7 per state request in their 1/29/20 informal RAI response.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Maine

Attachment 4.19-a

Inpatient Hospital Services Detailed Description of Reimbursement

Page 3

A-13            Transfer

A member is considered transferred if moved from one hospital to the care of another hospital. MaineCare will not reimburse for more than two discharges for each episode of care for a member transferring between multiple hospitals.

**B            GENERAL PROVISIONS**

B-1            Inflation

For purposes of determining inflation, unless otherwise specified, the economic trend factor from the most recent edition of the "Health Care Cost Review" from Global Insight shall be used.

B-2            Third Party Liability CTPL)

Any MaineCare claim submitted by a hospital may only be withdrawn within 120 days.

B-3            Interim and Final Settlement

At interim and final settlements, the hospital will reimburse the Department for any overpayments; or the Department will reimburse the amount of any underpayment to the hospital. In either case, the lump sum payment must be made within 30 days of the date of the letter notifying the provider of the results of the interim or final settlement. If more than one year's reconciliation or settlement is completed in the same proceeding, the net amount must be paid. If no payment is received within thirty (30) days, the Department may offset prospective interim payments. Any caps imposed on PIP payments are not applicable to the determination of settlement amounts.

For hospital fiscal years beginning July 1, 2011, interim settlement will be performed within twelve (12) months of receipt of the Medicare Interim Cost Settlement Report with the Department, and final settlement will be performed within twelve (12) months of receipt of the Medicare Final Cost Settlement Report by the Department. If the Medicare Final Cost Settlement Report has been received by the Department prior to the issuance of the Interim Cost Settlement Report, the Department will issue only a Final Cost Settlement Report.

Hospitals are required to file with the DHHS, Division of Audit a year-end cost report within five months from their fiscal year end. The cost report filing consists of: CMS Form 2552 or its equivalent, audited financial statements, and any other related documentation as requested by the DHHS-Division of Audit. The cost report must include applicable MaineCare utilization and a calculated balance due to/from MaineCare.

B-4            Long Acting Reversible Contraceptives

MaineCare will separately reimburse for Long Acting Reversible Contraceptives (LARCs), in addition to the hospital DRG reimbursement, if the device is placed immediately postpartum in the inpatient setting.

The State agency will apply the payment rate as described in Supplement 1 to Attachment 4.19-B, page 1 -a (5) of the Maine Medicaid State Plan.

B-5 MaineCare Member Days Awaiting Placement (DAP) at a Nursing Facility (NF)

Effective October 1, 2019 the Department will reimburse hospitals other than critical access hospitals for each day after the tenth (10th) day that a MaineCare eligible individual is in the care of the hospital while awaiting placement in a NF. The Department will reimburse at the statewide average rate per MaineCare member day for NF services. The statewide average rate will be computed based on the simple average NF rate per MaineCare member day for the applicable state fiscal year or years prorated for the hospital's fiscal year. Reimbursement for days awaiting placement pursuant to this section is limited to a maximum of \$500,000 of combined state General Fund and federal funds for each year. The Department will reimburse quarterly by order of claim date. In the event the cap is expected to be exceeded in any quarter, reimbursement for claims in that quarter will be paid out proportionately, and a notification of total funds expended for that year will be sent out to providers. This section is repealed December 31, 2023

**C ACUTE CARE NON-CRITICAL ACCESS HOSPITALS****C-1 Department's Inpatient Obligation to the Hospital**

The Department of Health and Human Services' total annual obligation to a hospital will be the sum of MaineCare's obligation for the following: inpatient services + inpatient capital costs + inpatient hospital based physician costs + graduate medical education costs + Disproportionate Share Payments (for eligible hospitals) and supplemental pool reimbursements + until July 1 2011, days awaiting placement.

**A. Inpatient Services** (not including distinct psychiatric or substances abuse unit discharges)

The Department pays using DRG-based discharge rates, which include estimated capital and medical education costs (see Appendix for full description). As explained in the Appendix, the payment is comprised of three components: the capital expense and graduate medical education components both of which will be subject to interim and final cost settlement, and the DRG direct rate component which will not be cost settled.

**B. Distinct Psychiatric Unit**

MaineCare pays a distinct psychiatric unit discharge rate equal to \$6,438.72, except for Northern Maine Medical, for (1) which the distinct psychiatric discharge unit rate will be \$15,679.94, and (2) effective July 1, 2013, \$9128.31 per psychiatric discharge for members under 18 years of age from hospitals in the Lewiston-Auburn area. MaineCare will only reimburse at the distinct unit psychiatric rate when the member has spent the majority of his or her stay in the distinct unit. MaineCare will only reimburse for one (1) discharge for a single hospital for one episode of care.

Distinct psychiatric unit discharge rates will not be adjusted annually for inflation.

The Department will reimburse hospitals based on UB-04 and/or CMS 1500 billing forms. This payment is not subject to cost settlement.

**C. Distinct Substance Abuse Unit**

Effective April 1, 2013 MaineCare will pay a distinct substance abuse unit discharge rate equal to \$4,898. MaineCare will only reimburse at the distinct unit substance abuse rate when the member has spent the majority of his or her stay in the distinct unit. MaineCare will only reimburse for one (1) discharge for a single hospital for one (1) episode of care.

**D. Inpatient Hospital Based Physician**

MaineCare will reimburse 93.3% of its share of inpatient hospital based physicians.