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State/Territory Name: Minnesota

State Plan Amendment (SPA) #: 17-0022

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
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519



October 25, 2017

Marie Zimmerman, State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Ms. Zimmerman:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #17-0022 --Revises payment rates for substance use disorder services.
--Effective Date: July 1, 2017
--Approval Date: October 25, 2017

If you have any additional questions, please have a member of your staff contact Sandra Porter at (312) 353-8310 or via e-mail at Sandra.Porter@cms.hhs.gov.

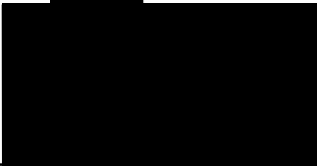
Sincerely,

/s/

Ruth A. Hughes
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosures

cc: Ann Berg, MDHS
 Sean Barrett, MDHS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 17-22	2. STATE Minnesota
TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <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 (<i>Separate Transmittal for each amendment</i>)		4. PROPOSED EFFECTIVE DATE July 1, 2017	
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR § 440.130		7. FEDERAL BUDGET IMPACT (in thousands): a. FFY '18 \$980 b. FFY '19 \$980	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, pages: 45e & 45e-2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Same	
10. SUBJECT OF AMENDMENT: Chemical Dependency Services			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Sean Barrett Minnesota Department of Human Services Federal Relations Unit PO Box 64983 St. Paul, MN 55164-0983	
13. TYPED NAME: Ann Berg			
14. TITLE: Deputy Medicaid Director			
15. DATE SUBMITTED: September 26, 2017			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 26, 2017		18. DATE APPROVED: October 25, 2017	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2017		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

Approved: 10/25/17
 Supersedes: 15-16 (11-10, 10-22, 09-17, 08-06, 04-15(a) 04-08)

13.d. Rehabilitative services. (continued)

Final Rate Formula:

1. salaries and fringe benefits ÷ total employment hours
2. item 1 x direct medical assistance direct service hours
3. item 2 ÷ medical assistance encounters
4. item 3 x the cognizant agency's unrestricted indirect cost percentage for the school district

final rate = item 3 + item 4

~~Effective July 1, 2011,~~ Payment for chemical dependency treatment services is pursuant to statewide graduated rate and complexity standards, as reflected on the following charts:

Chemical Dependency Rates-Adolescent Services Rates (Effective July 1, 2017~~5~~)

Adolescent Service Rates		Complexity		
Treatment Setting Descriptions	Addiction-only Basic Rate	Co-occurring	Special Populations	Medical Services
Outpatient Treatment Rates				
Individual (one hour increments)	\$72.11 \$71.40	+\$6.49 +\$6.43	+\$4.32 +\$4.28	+\$17.31 +\$17.14
Group (one hour increments)	\$35.03 \$34.68	+\$3.15 +\$3.12	+\$2.08	+\$8.40 +\$8.32
Residential Treatment Rates - acuity addressed in intensity				
<i>High Intensity (Minimum 15 hours/week)</i>	\$216.34 \$214.20	+\$12.98 +\$12.85	+\$6.49 +\$6.43	+\$12.98 +\$12.85
Hospital-Based Residential Per Diem Rates				
	\$309.06 \$306	+\$18.54 +\$18.36	+\$9.27 +\$9.18	

STATE: MINNESOTA
 Effective: July 1, 2017
 TN:17-22

Approved: 10/25/17

Supersedes: 15-17 (15-16, 11-10, 10-22, 09-17, 08-06, 04-15(a), 04-08)

13.d. Rehabilitative services. (continued)

Chemical Dependency Rates-ADULT Service Rates (Effective ~~October 1, 2015~~ July 1, 2017)

Adult Service Rates		Complexity			
Treatment Setting Descriptions	Addiction Only Basic Rate	Co-occurring	Special Populations	Civilly Committed	Medical Services
Outpatient Treatment Rates					
Individual (one hour increments)	<u>\$72.11</u> \$71.40	<u>+\$6.49</u> +\$6.43	<u>+\$4.32</u> +\$4.28		<u>+\$17.31</u> +\$17.14
Group (one hour increments)	<u>\$35.03</u> \$34.68	<u>+\$3.15</u> +\$3.12	<u>+\$2.10</u> +\$2.08		<u>+\$8.40</u> +\$8.32
Medication Assisted Therapy-Methadone-per diem	<u>\$13.39</u> \$13.26	<u>+\$1.20</u> +\$1.19	<u>+\$0.81</u> +\$0.80		<u>+\$3.21</u> +\$3.18
Medication Assisted Therapy-all other-per diem	<u>\$22.66</u> \$22.44	<u>+\$2.04</u> +\$2.02	<u>+\$1.36</u> +\$1.35		<u>+\$5.44</u> +\$5.39
Medication Assisted Therapy-Methadone-PLUS-per diem (minimum 9 hours counseling services per week)	<u>\$48.42</u> \$47.94	<u>+\$4.35</u> +\$4.31	<u>+\$2.91</u> +\$2.88		<u>+\$11.63</u> +\$11.51
Medication Assisted Therapy-all other-PLUS (same as above) per diem	<u>\$57.69</u> \$57.12	<u>+\$5.19</u> +\$5.14	<u>+\$3.46</u> +\$3.43		<u>+\$13.85</u> +\$13.71
Residential Treatment Rates - acuity addressed in intensity					
High Intensity (Minimum 30 hours/week)	<u>\$179.25</u> \$177.48	<u>+\$10.76</u> +\$10.65	<u>+\$5.37</u> +\$5.32	<u>\$151.50</u> +\$150	<u>+\$10.76</u> +\$10.65
Medium Intensity (Minimum 15 hours/week)	<u>\$132.90</u> \$131.58	<u>+\$7.97</u> +\$7.89	<u>+\$3.99</u> +\$3.95		<u>+\$11.96</u> +\$11.84
Low Intensity (Minimum 5 hours/week)	<u>\$63.87</u> \$63.24	<u>+\$3.83</u> +\$3.79	<u>+\$1.92</u> +\$1.90		<u>+\$11.49</u> +\$11.38
<i>Hospital-Based Residential Per Diem Rates</i>	<u>\$309.06</u> \$306	<u>+\$18.54</u> +\$18.36	<u>+\$9.27</u> +\$9.18		

All chemical dependency programs maintain data documenting the nature and extent or unit of the services provided to each recipient. Room and board is not eligible for medical assistance payment as chemical dependency treatment.

Payment rates for **individual and group therapy services** are based on efficiency standards by which counseling-staff cost are at least 50% of all costs for providing both group and individual therapy. Providers can bill up to one hour of individual therapy and ten hours of group therapy per day.