
Table of Contents

State/Territory Name: Montana

State Plan Amendment (SPA) #: MT-11-001

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
1600 Broadway, Suite 700
Denver, CO 80202-4967



Region VIII

March 15, 2011

Mary Dalton, Medicaid & Health Services Manager
Montana Department of Health & Human Services
1400 Broadway
PO Box 202951
Helena, MT 59620

Re: SPA MT-11-001

Dear Ms Dalton:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 11-001. This SPA removed IHS service reimbursement from the Clinic Reimbursement Service SPA Section 9, and created a new section for IHS service reimbursement, under Section 9a. In addition, the SPA added new reimbursement methodology for IHS services by allowing for multiple visits/encounters per day, and adding a new pharmacy reimbursement methodology for IHS providers using the current approved Fee for Service (FFS) Pharmacy State Plan methodology for Outpatient Drug Services.

Please be informed that this State Plan Amendment is approved effective January 1, 2011. We are enclosing the CMS-179 and the amended plan page(s).



If you have any questions regarding this SPA please contact Cindy Smith at 303-844-7041.

Sincerely,

/s/

Richard C. Allen
Associate Regional Administrator
Division for Medicaid and Children's Health Operations

Cc: Anna Whiting Sorrell
Duane Preshinger
Jo Thompson

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 11-001	2. STATE Montana
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE 01/01/2011	
5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42.CFR 431.110	7. FEDERAL BUDGET IMPACT: a. FFY 11 \$5.25 Million b. FFY 12 \$7.0 Million		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Service 9, Supplement to Attachment 4.19B, 3.1A, 3.1B Service 9a, Supplement to Attachment 4.19B, 3.1A, 3.1B	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Service 9, Supplement to Attachment 4.19B, 3.1A, 3.1B		
10. SUBJECT OF AMENDMENT: This proposed amended version of the Indian Health Service State Plan will change the submission and payments for multiple visits /encounters and reimbursement of pharmacy services.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" 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 	16. RETURN TO: Montana Dept of Public Health and Human Services Mary E. Dalton State Medicaid Director Attn: Jo Thompson PO Box 4210 Helena MT 59604		
13. TYPED NAME	14. TITLE: State Medicaid Director		
15. DATE SUBMITTED: 2/3/11			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 12/20/10	18. DATE APPROVED: 3/14/11		
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/11	20. REGIONAL OFFICIAL: 		
21. TYPED NAME: Richard C. Allen	22. TITLE: ARA, DMCHO		
23. REMARKS:			

Montana

1. The following are used for establishing reimbursement rates for Clinic Services:
 - I. Reimbursement for mental health clinic services will be based on the lowest of: The providers' actual charge for the service, the Medicare amount allowed or the Department's fee schedule.
 - II. Reimbursement methodology for ambulatory surgical centers (ACS's) is based on the method of establishing ACS rates for Medicare found at 42 CFR part 416, subpart E (1997), and schedule listing the allowable amounts for ACS services in rural counties found at Medicare Carriers Manual, section 5243. For ACS services where no Medicare fee has been assigned, the fee is 55% of the usual and customary charges.
 - III. The methodologies for establishing the rates for diagnostic and evaluation services and public health services are the same as the methods used for physicians' services, psychologist' services, clinical social workers' services, physical therapy services, occupational therapy services, nurse specialist' services, speech therapy services, and audiology services.
 - IV. Reimbursement for freestanding dialysis clinics will be in accordance with 42 CFR 413, subpart H (payment for End Stage Renal Disease (ESRD) services).

TN 11-001
Supercedes TN 02-001

Approved

3/14/11

Effective ~~10/1/10~~

01/01/11

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF MONTANA

Supplement to
Attachment 4.19-B
Service 9a
Indian Health Services
Page 1 of 2

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT/PER VISIT RATES
INDIAN HEALTH SERVICES

Payments to Indian health facilities that are federally recognized and either tribally-operated or operated by the Indian Health Service shall be made according to the following categories of service:

- A. Outpatient Hospital, Clinic Categories of Service – Payments to Indian health facilities under these categories of service shall be per visit/encounter and based upon the approved rates published each year in the Federal Register by the U.S. Department of Health and Human Services' Indian Health Service, under the authority of Sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. 248 and 249(b)), Public Law 83-568 (42 U.S.C. 2001 (a)), and the Indian Health Care Improvement Act (25 U.S.C 1601 seq.). The Department shall accept submission of and make payments for multiple visit/encounter claims for different types of service provided to a client on the same date of service by the same Indian health facility only if the services provided are different or are for different diagnosis codes. Different types of service shall include but not limited to general practitioner services, mental health services, podiatry services, optometry services, radiology services, laboratory services, and dental services.

- B. Inpatient Hospital Category of Service –

Payments to Indian health facilities under this category of service shall be per date of inpatient stay and based upon the approval rates published each year in the Federal Register by the U.S. Department of Health and Human Services' Indian Health Service, under the authority of Sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. 248 and 249(b)), Public Law 83-568 (42 U.S.C. 2001(a)),

and the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.). The Department shall make only one payment per date of service per client.

C. Pharmacy Services

Reimbursement for drugs shall follow the Departments methodology under Outpatient Drug Services state plan.

MONTANA

The following limitations apply to clinic Services:

1. Clinics covered by title XIX are:
 - a. Mental health services
 - b. Diagnostic and evaluation services
 - c. Outpatient surgical services
 - d. Public health services
 - e. Free-standing dialysis centers/clinics

Services considered experimental are not a benefit of the Montana Medicaid Program.

Experimental services include:

1. All procedures and items, including prescribed drugs, considered experimental by the U.S. I Department of Health and Human Services or any other appropriate federal agency.
2. All procedures and items, including prescribed drugs, provided as part of a control study, approved by the Department of Health and Human Services or any other appropriate federal agency to demonstrate whether the item, prescribed drug or procedure is safe and effective in curing/preventing, correcting or alleviating the effects of certain medical conditions.
3. All procedures and items, including prescribed drugs, which may be subject to question but are not covered in #1 and #2 above, will be evaluated by the Department's designated medical review organization.

TN: 11-001 Approved: ^{3/14/11} Effective: ~~10/1/10~~ 01/01/11
Supersedes: TN # 99-006

MONTANA

Outpatient surgical services performed at Ambulatory Surgical Centers (ASC) must be:

1. provided by a distinct entity that operates exclusively for the purpose of providing surgical services to patients not requiring hospitalization;
2. furnished to outpatients;
3. furnished by a facility that meets the requirements in sections 42 CFR 416.25 -416.49; and
4. recognized under State law.

Covered surgical procedures may be less than or exceed a total of 90 minutes operating time and a total 4 hours recovery if covered surgical procedures are:

1. Commonly performed on an outpatient basis;
2. not of a type that are commonly or safely performed in a physician's office;
3. limited to those requiring a dedicated operating room and generally a post-operative recovery room or short-term (not overnight) convalescent room.

TN: #11-001

Approved:

3/14/11

Effective: ~~10/01/10~~ Supersedes: 99-006

01/01/11

MONTANA

Indian Health Services, the following limitations apply:

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 - All procedures and items, including prescribed drugs, which may be subject to question but are not covered in #1 and #2 above, will be evaluated by the Department's designated medical review organization.

2. All non-covered services as listed in Administrative Rules of Montana (ARM) 37-85-207 and 37-86-3002.

TN: #11-001
Supersedes: New

Approved: 3/14/11

Effective: ~~10/01/10~~ 01/01/11

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