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**State/Territory Name:** Montana

**State Plan Amendment (SPA) #:** MT-17-0004

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  
Denver Regional Office  
1961 Stout Street, Room 08-148  
Denver, CO 80294



**REGION VIII - DENVER**

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August 24, 2017

Marie Matthews, Medicaid & CHIP Director  
Montana Department of Public Health & Human Services  
P.O. Box 4210  
Helena, MT 59604

Re: Montana #17-0004

Dear Ms. Matthews:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number MT-17-0004. This amendment updates the Dually Licensed Practitioner Services fee-schedule effective date.

Please be informed that this State Plan Amendment was approved August 24, 2017, with an effective date of October 1, 2017. We are enclosing the summary page and the amended plan page(s).


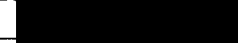
If you have any questions regarding this SPA please contact Barbara Prehmus at (303) 844-7472.

Sincerely,



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

cc: Sheila Hogan, Department Director  
Duane Preshinger  
Jo Thompson  
Mary Eve Kulawik

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 17-0004	2. STATE Montana
		3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act (Medicaid)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE October 1, 2017	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
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:  SSA 1905(a)(13) 42 CFR 440.130		7. FEDERAL BUDGET IMPACT:  a. FFY 2018 \$0 b. FFY 2019 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19B, Methods and Standards for Establishing Payment Rates Service 6(d), Other Practitioners' Services-Dually Licensed Practitioner, pages 1-3 of 3		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19B, Methods and Standards for Establishing Payment Rates Service 6(d), Other Practitioners' Services-Dually Licensed Practitioner, pages 1-3 of 3	
10. SUBJECT OF AMENDMENT: The purpose of this amendment is to update the Dually Licensed Practitioner Services fee schedule.			
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      Single State Agency Director review <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Montana Dept. of Public Health and Human Services Marie Matthews State Medicaid Director Attn: Mary Eve Kulawik PO Box 4210 Helena, MT 59604	
13. TYPED NAME: Marie Matthews			
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: Original submittal 7/18/17 Revised submittal 8/16/17 Second revised submittal 8/20/17			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: July 18, 2017		18. DATE APPROVED: August 24, 2017	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2017		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Richard C. Allen		22. TITLE: ARA, DMCHO	
23. REMARKS:			

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- I. Reimbursement for Other Practitioners' Services-Dually Licensed Practitioner shall be:
  - A. The lower of:
    1. The provider's usual and customary charge for the service; or
    2. The reimbursement provided in accordance with the methodology described in Section II.
- II. The Department's fee schedule rate for Integrated Co-occurring Treatment (ICT) services is determined as follows:
  - A. Rate-Setting Method: Montana has a prospective Medicaid rate-setting method that was developed to reflect service definitions, provider requirements, operational service delivery, and administrative considerations. ICT service rates are calculated on a unit basis and set at an amount which will reasonably estimate the cost of providing covered services to Medicaid members.
  - B. Rate Components: The calculation separates out direct service components from indirect program components and overhead expenses essential to administer the service and program. The following elements are used to determine the rate, based on estimated reasonable costs, as applicable to each service:
    1. Direct service expenditures including; direct staff wages, employee benefit costs, direct supervision, on-call differential for services that require 24-hour per day, 7-day a week on call for crisis intervention and response, program support costs, mileage allowance.
    2. Administrative overhead/indirect costs.
    3. Auxiliary operational expenditures.
    4. Productivity or billable time. The productivity adjustment factor accounts for the amount of non-billable time spent by staff.
    5. Calculation Adjustors including Medicaid Offsets.
      - a. Offsets are accounted for when providers receive other revenues in relation to the service. (e.g., direct care wage).

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- b. Other inflationary adjustments. Inflationary adjustments are allowed for legislative provider rate changes, other legislative adjustments, or changes in service scope from year to year.
- c. Policy adjustor. A policy adjustor may be applied to increase or decrease rates when the Department determines that relative adjustments to specific rates are appropriate to meet Medicaid policy goals and appropriated budgets.

C. ICT Services

Name of Service	Service Bundle Includes:	Rate Components Include:	Unit
ICT therapeutic interventions	Crisis response and management, individual and family counseling and behavioral management and skill training	<ul style="list-style-type: none"> <li>• Direct staff wages</li> <li>• Employee benefit costs</li> <li>• Direct supervision</li> <li>• On-call differential (crisis services)</li> <li>• Program support costs</li> <li>• Mileage allowance</li> <li>• Administrative overhead/Indirect costs</li> <li>• Auxiliary Operational Expenditures</li> <li>• Productivity adjustment factor</li> <li>• Medicaid offsets</li> <li>• Other inflationary adjustments</li> <li>• Policy adjustor</li> </ul>	Per 15-minutes

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Name of Service	Service Bundle Includes:	Rate Components Include:	Unit
Community Psychiatric Supportive Treatment (CPST)	Assist the youth and family members or other collaterals to identify strategies or treatment options associated with the youth's mental illness, with the goal of minimizing the negative effects of mental illness symptoms or emotional disturbances or associated environmental stressors which interfere with the youth's daily living, financial management, housing, academic and/or employment progress, personal recovery or resilience, family or interpersonal relationships and community integration.	<ul style="list-style-type: none"> <li>• Direct staff wages</li> <li>• Employee benefit costs</li> <li>• Direct supervision</li> <li>• On-call differential (crisis services)</li> <li>• Program support costs</li> <li>• Administrative overhead/Indirect costs</li> <li>• Auxiliary Operational Expenditures</li> <li>• Productivity adjustment factor</li> <li>• Medicaid offsets</li> <li>• Other inflationary adjustments</li> </ul>	Per 15-minutes

D. ICT Formula= (((Hourly Provider Direct Costs + Hourly Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ (Productivity Adjustment Factor or Billable Hours) x Calculation Adjustors)) ÷ 4 to convert to 15 minute unit)

E. The bundled rates were set as of October 1, 2017, and are effective for services on or after that date. All rates are published on the department's website at [www.medicaidprovider.mt.gov](http://www.medicaidprovider.mt.gov). Unless otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.