Table of Contents

State/Territory Name: Montana

State Plan Amendment (SPA) #: 18-0003

This file contains the following documents in the order listed:

1) Approval Letter

- 2) 179
- 3) Approved SPA Pages

TN: MT-18-0003 Approval Date: 08/30/2018 Effective Date: 04/01/2018

CDEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Denver Regional Office 1961 Stout Street, Room 08-148 Denver, CO 80294



REGION VIII - DENVER

August 30, 2018

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

Dear Ms. Matthews:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number MT-18-0003. This amendment creates an Alternative Payment Methodology (APM) so that tribal 638 clinics which choose to change their enrollment status to FQHC are assured of continuing to receive the All Inclusive Rate (AIR) and continue to be able to be reimbursed for the number of encounters/day as currently as a clinic. This SPA is effective April 1, 2018 and nothing in the SPA alters the scope of services.

Please be informed that this State Plan Amendment was approved today, with an effective date of April 1, 2018. We are enclosing the summary page and the amended plan page(s).

In order to track expenditures associated with this amendment, Montana should follow the CMS-64 reporting instructions outlined in Section 2500 of the State Medicaid Manual (SMM).

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

Sincerely,

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Mary Marchioni Acting Associate Regional Administrator Division for Medicaid & Children's Health Operations

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

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 18-0003	2. STATE Montana
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE:	
HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	04/01/2018	
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 AME		amendment)
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT: a. FFY 18 - \$0	
42.CFR 431.110	b. FFY 19 - \$0 c. FFY 20 - \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
Service 9a, Indian Health Service, Supplement to Attachment 4.19B, pages 1 and 2 of 2	Service 9a, Indian Health Service, Supplement to Attachment 4.19B, pages 1 and 2 of 2	
10. SUBJECT OF AMENDMENT:		
The amendment adds language to allow for an alternative payment methodology for Tribal FQHC's.		
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: Single Agency Director review L	
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
	Montana Dept of Public Health and Human Services Marie Matthews	
13. TYPED NAME: Marie Matthews	State Medicaid Director	
13. I II ED IMMINE. Maile Matthews	Attn: Mary Eve Kulawik	
14. TITLE: State Medicaid Director	PO Box 4210 Helena MT 59604	
15. DATE SUBMITTED:		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED: June 4, 2018	18. DATE APPROVED: August 30,	2018
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2018	20 SIGNATURE OF REGIONAL OFFI	ICIAL:
21. TYPED NAME: Mary Marchioni	22. TITEE: Acting ARA, DMCHO	
23. REMARKS:	Acting AICA, DINICITE	•
		P

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT STATE OF MONTANA

Supplement to Attachment 4.19B 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 are not limited to practitioner services, mental health services, podiatry services, optometry services, radiology services, laboratory services, durable medical equipment, pharmacy, and dental services.
- B. Outpatient surgeries will be reimbursed on a per visit basis. The rate will be calculated annually using the average Medicaid reimbursed amount in the Ambulatory Surgery Center (ASC) program. This sameday surgery or day surgery is surgery that is not typically done in a doctor's or dentist's office and does not require an overnight hospital stay.
- C. 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.

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

MONTANA

D. Pharmacy Services

Reimbursement for drugs shall follow the Department's methodology under Outpatient Drug Services State Plan.

E. Nursing Home Services

Payment for Nursing Homes will be on a per diem (per day) rate. The rate negotiated with tribes for 2014 is \$389.14. This 2014 rate will be adjusted annually based on the inpatient hospital percentage increase or decrease to 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.).

F. Tribal FQHC

Tribal facilities operating in accordance with section 1905 (I)(2)(B) of the Social Security Act and the Indian Self-Determination Act (Public Law 93-638) and that enroll in Montana Medicaid as a Tribal FQHC have agreed through tribal consultation to be paid using an alternative payment methodology (APM) that is the all-inclusive rate (AIR) for services published annually in the Federal Register. Reimbursement will be allowed for the same categories of service as included within this State Plan that tribal facilities provide. Tribal FQHC's may bill the appropriate number of payable daily encounters based on the services that members receive.

Montana Medicaid will establish a Prospective Payment System (PPS) methodology for the Tribal FQHC so that the agency can determine on an annual basis that the published, all-inclusive rate is higher than the PPS rate. The PPS rate will be established by comparing the PPS rate that is currently paid to non-tribal FQHC's to determine if the all-inclusive rate is higher.

TN 18-0003 Supersedes TN. 14-0042

Approval Date 08/30/2018

Effective Date 04/01/18