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## Table of Contents

**State/Territory Name:** North Dakota

**State Plan Amendment (SPA) #:** ND-16-0009

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



**Region VIII**

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July 25, 2017

Maggie Anderson, Medicaid Director  
Division of Medical Services  
North Dakota Department of Human Services  
600 East Boulevard Avenue, Dept. 325  
Bismarck, ND 58505-0250

RE: North Dakota #16-0009

Dear Ms. Anderson:

We have reviewed the proposed State Plan Amendment (SPA) submitted under transmittal number (TN) 16-0009. This SPA amends the North Dakota State Plan to implement a rate reduction to the fee schedule for physical, occupational and speech therapy.

Please be informed that this State Plan Amendment was approved today with an effective date of July 1, 2016. We are enclosing the CMS-179 and the amended plan page(s).



If you have any questions concerning this amendment, please contact Kirstin Michel at (303) 844-7036.

Sincerely,



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

cc: Melissa Rosales

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>16-0009</b>	2. STATE <b>North Dakota</b>
<b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>July 1, 2016</b>	
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: <b>42 CFR 447.201</b>		7. FEDERAL BUDGET IMPACT: a. FFY <u>2016</u> \$ <u>(250,000)</u> b. FFY <u>2017</u> \$ <u>(1,000,000)</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-B, Page 1a</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Attachment 4.19-B, Page 1a</b>	
10. SUBJECT OF AMENDMENT: Amends the North Dakota State Plan to implement a rate reduction to the fee schedule for physical, occupational and speech therapy.			
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 <u>Maggie D. Anderson, Executive Director,</u> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <u>Department of Human Services</u>			
12. SIGNATURE: 		16. RETURN TO:  <b>Maggie D. Anderson, Executive Director ND Department of Human Services 600 East Boulevard Avenue Dept 325 Bismarck ND 58505-0250</b>	
13. TYPED NAME: <b>Maggie D. Anderson</b>			
14. TITLE: <b>Executive Director, Department of Human Services</b>			
15. DATE SUBMITTED: <b>September 30, 2016</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: <b>September 30, 2016</b>		18. DATE APPROVED: <b>July 25, 2017</b>	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>July 1, 2016</b>		20. REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Richard C. Allen</b>		<b>ARA, DMCHO</b>	
23. REMARKS:			

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE - (continued)

- 4) For x-ray services, Medicaid will pay the lower of billed charges or fee schedule established by the state agency. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly.
- 5) For prosthetic devices, medical equipment, supplies and appliances, Medicaid will pay the lower of billed charges or fee schedule established by the state agency. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly.
- 6) For services paid from the North Dakota Professional Services Fee Schedule, Medicaid will pay the lower of billed charges or fee schedule established by the state agency. North Dakota Medicaid providers paid from the North Dakota Professional Services Fee Schedule received a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly. The agency's posted fee schedule is effective for dates of service on or after July 1, 2016. The posted fee schedule accounts for annual cost neutral adjustments to the North Dakota Medicaid conversion factor made to reflect updates to the Medicare RVUs and utilization changes.
  - a. For services rendered by licensed or registered pharmacists, the lower of billed charges or the fee schedule established by the state agency.
- 7) For optometrists, chiropractors, dentists and dentures, Medicaid will pay the lower of billed charges or Medicaid fee established by the state agency. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly.
- 8) For private duty nursing, Medicaid will pay the lower of billed charges or the established fee as determined by the state agency. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly.
- 9) For physical, occupational and speech therapy, payment will be the lower of billed charges or the fee established by the state agency. North Dakota Medicaid providers received a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly. In addition, the fee schedule for physical, occupational, and speech therapy was increased by a volume weighted average of approximately twenty-one percent effective for dates of service on or after July 1, 2015. Effective for dates of service on or after July 1, 2016, rates are reduced a volume weighted average of approximately twenty-one percent.
- 10) For services rendered by enrolled providers via telemedicine; payment for the telemedicine connectivity code will be the lower of billed charges or the fee established by the state agency. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2015, as authorized and appropriated by the 2015 Legislative Assembly.
- 11) For eyeglasses, Medicaid will pay the lower of billed charges or the fee schedule established by the state agency.