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State/Territory Name: Nebraska

State Plan Amendment (SPA) #: 17-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 0355
Kansas City, MO 64106



Division of Medicaid and Children's Health Operations

July 25, 2017

Rocky Thompson, Acting Medicaid Director
Department of Health & Human Services
Division of Medicaid and Long-Term Care
301 Centennial Mall South, 5th Floor
PO Box 95026
Lincoln, NE 68509-5026

Dear Mr. Thompson:

The Centers for Medicare & Medicaid Services (CMS), Kansas City Regional Office, has completed its review of Nebraska State Plan Amendment (SPA) Transmittal Number #17-0002. This amendment, submitted April 25, 2017, makes revisions to the cost-effectiveness test for individuals enrolled in Health Insurance Premium Payment under Section 1906 of the Social Security Act.

Nebraska SPA 17-0002 was approved on July 24, 2017, with the state's requested effective date of July 1, 2017. Enclosed is a copy of the CMS 179 form, as well as, the approved pages for incorporation into the Nebraska State plan.

If you have any questions regarding this state plan amendment, please contact Barbara Cotterman at Barbara.Cotterman@cms.hhs.gov or 816-426-5925.

Sincerely,

//s//

James G. Scott
Associate Regional Administrator
for Medicaid and Children's Health Operations

Enclosures

cc: Ruth Vineyard
Kris Azimi
Daniel Naber
DHHS NE

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 17-0002	2. STATE Nebraska
	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 July 1, 2017	

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 AMENDMENT (Separate Transmittal for each amendment)

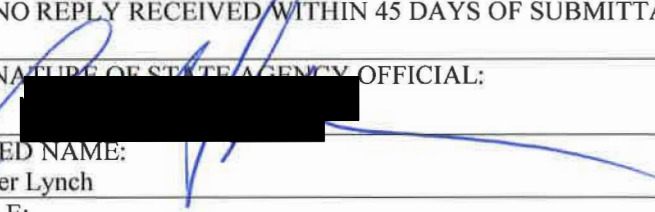
6. FEDERAL STATUTE/REGULATION CITATION: Section 1906 of the Social Security Act *	7. FEDERAL BUDGET IMPACT: a. FFY 2017 \$0.00 b. FFY 2018 \$0.00
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.22-C Page 1, 2	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.22-C Page 1, 2

10. SUBJECT OF AMENDMENT:

State Methodology on Cost-Effectiveness of the Health Insurance Premium Payment Program (HIPP)

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor has waived review
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Nancy Keller Division of Medicaid & Long-Term Care Nebraska Department of Health & Human Services 301 Centennial Mall South Lincoln, NE 68509
13. TYPED NAME: Calder Lynch	
14. TITLE: Director, Division of Medicaid and Long-Term Care	
15. DATE SUBMITTED: April 25, 2017	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: April 25, 2017	18. DATE APPROVED: July 24, 2017
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2017	20. SIGNATURE OF REGIONAL OFFICIAL: //s//
21. TYPED NAME: James G. Scott	22. TITLE: Associate Regional Administrator for Medicaid and Children's Health Operations

23. REMARKS:

* Pen and Ink change per request dated 7.21.17.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Nebraska

State Methodology on Cost Effectiveness of
Employer-Based Group Health Plans

- I. The Nebraska Medicaid program determines the cost-effectiveness for payment of qualifying group health insurance premiums using the following methodology:
 - a. Any Medicaid-eligible client who has an existing, ongoing, and medically-confirmed medical condition determined by the Department to be considered a cost-effective condition is deemed to meet the cost-effective criteria.
 - b. When the criteria of *a.* are not met, cost-effectiveness will be calculated as follows:
 - i. Determine:
 1. The annual anticipated cost for Medicaid services generally covered by the private health insurance based on the client's age, sex, and eligibility category.
 - ii. Total the results of each of the following calculations:
 1. The portion of the group health insurance premium payable by the HIPP program.
 2. A predetermined annual administration cost per participant.
 3. The expected cost to Nebraska Medicaid for any deductibles, coinsurance and/or copayments.
 - iii. Subtract the result of *ii.* from the result of *i.*
 - iv. If the result is greater than or equal to \$10, the policy would be determined cost-effective.
 - v. If the result is less than \$10, the policy would not be considered cost-effective.
 - c. When the criteria of *a.* and *b.* are not met, specific information relating to the individual circumstances of the household may be provided. On a case-by-case basis and at the sole discretion of Nebraska Medicaid, a determination of cost-effectiveness can be made if sufficient evidence is provided to demonstrate savings to Nebraska Medicaid.

Enrollment in the HIPP Program is voluntary. For Medicaid eligible clients, enrollment in the HIPP Program does not change the client's eligibility for benefits through the state plan or cost sharing obligations under the state plan.

TN #. NE 17-0002

Supersedes

TN #. MS-91-14

Approval Date July 24, 2017

Effective Date July 1, 2017

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Nebraska

State Methodology on Cost Effectiveness of
Employer-Based Group Health Plans

- II. The Nebraska Medicaid program will not make a determination of cost-effectiveness in the following circumstances:
 - a. The client is enrolled in Medicare.
 - b. Payment of health insurance premiums have been fully reimbursed or offset by a third party, including, but not limited to:
 - i. An employer.
 - ii. A non-custodial or absent parent court-ordered to provide medical support.
 - c. The employer sponsoring the group health insurance does not cover any portion of the monthly or annual premium.
 - d. The recipient is only eligible for a medically needy (spenddown) program.
 - e. The group health insurance only provides catastrophic, limited benefit or indemnity coverage.

- III. Redeterminations
 - a. Nebraska Medicaid will complete a redetermination of eligibility annually for all clients enrolled in the HIPP Program. This redetermination must include:
 - i. Verification of eligibility for Nebraska Medicaid.
 - ii. Completion of the cost-effective calculation as outlined in *I.*
 - b. A redetermination of eligibility may be conducted at any point if:
 - i. The monthly premium of the group health insurance increases by more than \$50;
 - ii. There is a change in eligibility category or status for Nebraska Medicaid;
 - iii. The services offered by the group health insurance decrease;
 - iv. There is a change in the deductible, co-insurance or any other cost-sharing provisions of the group health policy; or
 - v. There is reason to believe a change has occurred which may affect eligibility for HIPP enrollment.
 - c. Failure to provide requested documentation, or failure to meet HIPP enrollment eligibility as outlined in *I.* and *II.*, may result in termination of eligibility for the HIPP Program.

TN #. NE 17-0002

Supersedes

Approval Date July 24, 2017

Effective Date July 1, 2017

TN #. MS-91-14