

## **Table of Contents**

**State/Territory Name: MA**

**State Plan Amendment (SPA) #: 19-0015**

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  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

August 29, 2019

Jeffery A. Meyers, Commissioner  
Department of Health and Human Services  
State of New Hampshire  
129 Pleasant Street  
Concord, NH 03301

RE: New Hampshire SPA 19-0010

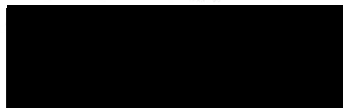
Dear Commissioner Meyers:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 19-0010. Effective May 28, 2019, this amendment updates SPRY 2019 pool amounts for hospitals that qualifies for DSH payment adjustments and/or Supplemental Access Payments up to the hospital specific DSH limit. The amendment also add private psychiatric hospitals only to the "Deemed DSH" payment methodology.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 19-0010 is approved effective May 28, 2019. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Novena James-Hailey at (617) 565-1291.

Sincerely,



Kristin Fan  
Director

cc:

Avery Stahlecker  
Novena James-Hailey

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>19-0010</b>	2. STATE <b>NH</b>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <b>May 28, 2019</b>	

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 <b>SSA 1923 and 42 CFR Part 447</b>	7. FEDERAL BUDGET IMPACT FFY 2019: <del>\$1,496,996</del> \$ 933,798
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment 4.19A, page 5a Attachment 4.19A, page 5b Attachment 4.19A, page 5c Attachment 4.19A, page 5d	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19A, page 5a, TN 18-0010 Attachment 4.19A, page 5b, TN 18-0010 Attachment 4.19A, page 5c, TN 18-0010 Attachment 4.19A, page 5d, TN 18-0010
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10. SUBJECT OF AMENDMENT

**DSH Payment Adjustments and Supplemental Access Payments**

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
comments, if any, will follow

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

13. TYPED NAME <b>Jeffrey A. Mayers</b>	16. RETURN TO Dawn Landry Division of Medicaid Services/Brown Building Department of Health and Human Services 129 Pleasant Street Concord, NH 03301
14. TITLE <b>Commissioner</b>	
15. DATE SUBMITTED <b>6/13/19</b>	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED <b>AUG 29 2019</b>
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL <b>MAY 28 2019</b>	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME <b>Kristin Fan</b>	22. TITLE <b>Director, FMG</b>

23. REMARKS

**Pen + ink to box #7 by NH on 8/19/19.**

**Disproportionate Share – Payment Adjustment**

The second type of payment adjustment is available to in-state, non-public general hospitals and certain specialty hospitals which qualify as follows:

(a) The hospital must have at least 2 obstetricians with staff privileges at the hospital who have agreed to provide obstetric services to individuals entitled to such services under the state Medicaid plan. In the case of a hospital located in a rural area (as defined in 42 U.S.C. 1395ww), the term "obstetrician" includes any physician with staff privileges at the hospital to perform non-emergency obstetric procedures. The above obstetric-related criteria do not apply to hospitals in which the inpatients are predominantly individuals under 18 years of age, or to hospitals which do not offer non-emergency obstetric services as of December 21, 1987.

(b) All disproportionate share hospitals must, in addition to the qualifying conditions noted above, have a Medicaid utilization rate equaling or exceeding 1%. The Medicaid utilization rate shall be computed using the formulas specified in Section 1923(b)(2) of the Social Security Act.

The DSH payment adjustment methodology for this second type of DSH payment adjustment is detailed in 1, 2, and 3 below. Non-public hospitals participating in Medicaid will receive a DSH payment adjustment in an amount as specified in paragraphs 1, 2, or 3 below, subject to any applicable limits in paragraph 4 below; and, provided that they meet the qualifying criteria stated in items (a) and (b) above.

1. **"Deemed DSH" Hospitals:** Any hospital or specialty hospital in NH that meets the criteria under 42 U.S.C. 1396r-4(b) for "hospitals deemed disproportionate share" will receive a payment adjustment in an amount as follows:

(A) if the deemed DSH is a specialty hospital for rehabilitation or psychiatry, or a hospital that does not participate in the NH Medicaid Care Management program, or a hospital that qualifies for a Supplemental Access Payment under page 5c or 5d of Attachment 4.19-A, the DSH payment amount will be \$250,000, or a lesser amount if an amount less than \$250,000 is required to comply with the hospital-specific DSH limit under 42 U.S.C. 1396r-4(g);

(B) if the deemed DSH hospital is not a specialty hospital for rehabilitation or psychiatry, or a recipient of a Supplemental Access Payment under page 5c or 5d of Attachment 4.19-A, but is a critical access hospital that participates in the NH Medicaid Care Management program, the DSH payment amount shall be in accordance with paragraph #2 below; and

(C) if the deemed DSH hospital is not a specialty hospital for rehabilitation or psychiatry, but is a hospital without critical access designation that participates in the NH Medicaid Care Management program, the DSH payment amount shall be in accordance with paragraph #3 below.

TN No: 19-0010

Supersedes

TN No: 18-0010

Approval Date: AUG 29 2019

Effective Date: 05/28/2019

**Disproportionate Share – Payment Adjustment**  
(continued)

2. **Critical Access Hospitals:** Each Critical Access Hospital (CAH) that is not a specialty hospital for rehabilitation or psychiatry, or a recipient of a Supplemental Access Payment under page 5c or 5d of Attachment 4.19-A, and that participates in the provider network of the NH Medicaid Care Management program shall receive a DSH payment equal to 75% of the hospital's uncompensated care costs, except as further adjusted where applicable under the provisions of paragraph 4 below. "Uncompensated care costs" are calculated in accordance with the federal requirements of 42 U.S.C. 1396r-4(g) and any federal regulations promulgated by the federal oversight agency, the Centers for Medicare and Medicaid Services (CMS), further defining or interpreting such federal statutory requirements; and shall take into account any Supplemental Access or enhanced Medicaid rate payments received under Attachment 4.19-A. This payment amount is reconciled in a subsequent year to account for variances identified between projected uncompensated care costs and actual uncompensated care costs as determined by the independent certified audit performed pursuant to 42 CFR, Part 455, Subpart D.

3. **Other DSH Qualifying, Non-Public Hospitals:** Each DSH qualifying hospital that is not a critical access hospital or a specialty hospital for rehabilitation or psychiatry, but which does participate in the provider network of the NH Medicaid Care Management program shall receive a DSH payment adjustment in an amount proportional to, but not greater than, each such hospital's total allowable uncompensated care costs. For each hospital that meets the eligibility criteria under this paragraph 3, the funding and payment amounts shall be as follows, except as further adjusted pursuant to paragraph 4 below:

(A) Funding for State Fiscal and State Plan Year 2015 shall be \$34,355,739; each qualifying hospital under paragraph 3 shall receive a pro rata share of this funding in proportion to its total allowable uncompensated care costs.

(B) For State Fiscal and State Plan Years 2016 and 2017, each such hospital shall be paid 50% of its uncompensated care costs.

(C) For State Fiscal and State Plan Year 2018 and 2019, each such hospital shall be paid a pro rata share of the difference between (i) the maximum amount of DSH payments permitted for all qualifying hospitals for fiscal year 2018 and 2019, as specified in paragraph 4(B), and (ii) the total payments made in fiscal year 2018 and 2019, respectively, to critical access hospitals under paragraph 2; where each hospital's share is proportional to its relative share of total uncompensated care costs incurred by all hospitals qualifying under this paragraph 3.

4. Notwithstanding the provisions of paragraphs 1, 2, or 3 above:

(A) if in Fiscal Year 2016 or 2017, qualifying hospitals' total aggregate uncompensated care costs, as reported to the NH Department of Health and Human Services, is less than \$350 million, the State shall pay such hospitals not less than \$175 million in DSH payments, shared among such hospitals in proportion to the amount of uncompensated care costs incurred by each such hospital relative to the total; provided that New Hampshire hospitals with a critical access designation shall continue to receive reimbursements of no less than 75% of each such hospital's uncompensated care costs; and

(B) total statewide DSH payments to hospitals qualifying under this second type of DSH payment adjustment shall not exceed \$207,184,916 in Fiscal Year 2016, \$217,271,699 in Fiscal Year 2017, \$223,829,358 in Fiscal Year 2018, and \$215,083,692 in Fiscal Year 2019.

### Supplemental Access Payment

The NH Department of Health and Human Services will make a Supplemental Access payment annually to those hospitals with critical access designation by the Centers for Medicare and Medicaid Services that also meet the “qualifying criteria” of this section as a Type I or Type II Access Hospital. Such access payments shall be made in addition to any other non-DSH Medicaid rate payments available to such qualifying hospitals under the provisions of Attachment 4.19-A of the NH State Plan. Hospitals receiving a Supplemental Access Payment under this section in any fiscal year shall not be qualified to receive a Disproportionate Share Hospital (DSH) payment in the same fiscal year unless such hospital meets the criteria for a Deemed DSH payment under page 5a, paragraph 1.(a) of this Attachment 4.19-A and said payment would not result in payments in excess of the hospital-specific DSH limit under 42 USC 1396r-4(g).

#### I. Type I - Essential Critical Access Hospital

##### A. Qualifying criteria for the Essential Critical Access Hospital, Type I:

- 1) The hospital is designated as a critical access hospital (CAH) in accordance with criteria established by the Centers for Medicare and Medicaid Services;
- 2) The hospital is the smallest CAH located in Coos County, as measured by net inpatient service revenue in fiscal year 2012;
- 3) The hospital has the highest ratio of Medicaid and uninsured charges to total charges in the state for state fiscal year 2012, as determined by the Department; and
- 4) The hospital has the highest ratio of uncompensated care costs to total operating costs in Coos County for state fiscal year 2012, as determined by the Department.

B. The Type I Supplemental Critical Access payment shall be made during the last fiscal quarter of each state fiscal year and shall reimburse 100% of the qualifying hospital’s estimated uncompensated care costs incurred in each state fiscal year, as determined by the state using the best available data at the time of the payment. For State Fiscal Year 2019, the amount of the Type I payment shall be \$4,014,097.

TN No: 19-0010  
Supersedes  
TN No: 18-0010

**AUG 29 2019**

Approval Date: \_\_\_\_\_

Effective Date: 5/28/2019

**Supplemental Access Payment**  
(continued)

II. Type II - Essential Maternity Access Hospital

A. Qualifying criteria for the Essential Maternity Access Hospital, Type II:

- 1) The hospital qualifies for the enhanced payments for maternity-related labor and delivery services payment under paragraph 3.a (5) at page 2 of Attachment 4.19-A in a fiscal year; and
- 2) The hospital has critical access designation by the Centers for Medicare and Medicaid Services.

B. The Type II Supplemental Access Payment shall be made once annually during the last fiscal quarter of each state fiscal year. For State Fiscal Year 2019, the amount of the Type II payment shall be \$6,599,165.

All Type I and Type II Supplemental Access Payments made under this section shall be included in the determination of total Medicaid payments made to the eligible hospital for purposes of determining the hospital's DSH limit, as defined by federal law at 42 USC 1396r-4(g). The State of New Hampshire will ensure that no hospital participating in the Medicaid program shall receive any DSH payment in excess of such federal limit.

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