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State/Territory Name: Oregon

State Plan Amendment (SPA) #: 16-0001

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

JUN 07 2016

Lynne Saxton, Director
Oregon Health Authority
500 Summer Street Northeast, E-15
Salem, Oregon 97301-1079

RE: OR State Plan Amendment (SPA) Transmittal Number #16-0001 – Approval

Dear Ms. Saxton:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 16-0001. This SPA adds long-term acute care hospital (LTACH) providers as a reimbursable provider type.

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 16-0001 is approved effective as of July 1, 2016. For your files, we are enclosing the HCFA-179 transmittal form and the new plan pages.

If you have any questions concerning this state plan amendment, please contact Tom Couch, CMS' RO NIRT Representative at 208-861-9838 or Thomas.Couch@cms.hhs.gov.

Sincerely,



Kristin Fan
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER: 16-0001	2. STATE Oregon
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Medical Assistance	
4. PROPOSED EFFECTIVE DATE 7/1/16	

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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 (Seperate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.10	7. FEDERAL BUDGET IMPACT: a. FFY 2016 \$ (28,821) b. FFY 2017 \$ (15,287)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, page 28 + 29	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):


10. SUBJECT OF AMENDMENT: This transmittal is being submitted to add Long term Acute care Hospital providers as a reimbursable provider type.

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: The Governor
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED does not wish to review any plan materials.
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Oregon Health Authority Medical Assistance Programs 500 Summer Street NE E-35 Salem, OR 97301 ATTN: Jesse Anderson, State Plan Manager
13. TYPED NAME: Lori Coyner, MA	
14. TITLE: Medicaid Director, OHA	
15. DATE SUBMITTED: 3-11-16	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED: JUN 07 2016
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/2016	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Kristin Fan	22. TITLE: Director FMC
23. REMARKS:	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

SPECIALTY HOSPITALS: Long-term care hospitals (LTACH)

The hospital rates and payment methods described in this attachment are for the State of Oregon Medicaid program. OHA will assign each specialty hospital to a reimbursement category based on the nature of the hospital's license, patient case mix, and current billing practices. LTACHs furnish extended medical and rehabilitative care to individuals with clinically complex problems, such as multiple acute or chronic conditions, that need hospital-level care for relatively extended periods. To qualify as an LTACH for payment, a facility must meet Medicare's conditions of participation for acute care hospitals. Specialty hospitals classified as a LTACH are eligible for reimbursement for services that meet the definition at 42 CFR 440.10.

REIMBURSEMENT:

LTACHs have a different hospital specific unit value but employ the major components and methods to determine reimbursement as acute care hospitals under this state plan Attachment 4.19-A, pages 7 through 11, 22 and 24-27:

- Diagnosis-Related Group (DRG);
- Medicare grouper;
- DRG relative weights (LTC not MS);
- case mix index;
- unit value;
- DRG payment;
- Cost outlier payments;
- Capital;
- Supplemental payments;
- Death occurring on day of admission;
- Hospital transfers;
- Third party resources;
- Upper payment limits;
- Disallowed payments;
- Appeals.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

SPECIALTY HOSPITALS: Long-term care hospitals (LTACH)(Cont)

REIMBURSEMENT (Cont):

LTACH reimbursement does not include the following components and methods that are included for acute care hospitals under this state plan Attachment 4.19-A, pages 13 through 21A-2:

- Graduate Medical Education (GIME & GDME);
- Disproportionate share payment.

The LTACH services include, but are not limited, to: bed and board; services related to medical, nursing, surgical, and dietary needs; IV infusion therapy, prescription and nonprescription drugs, and/or pharmaceutical services and total parenteral nutrition (TPN) therapy, and medical social services furnished by the hospital.

Health Care Acquired Conditions (HCACs):

HCACs will be processed and paid in accordance with the State Plan standards for payment adjustment for provider preventable conditions, as established in Attachment 4.19-A, page 5 of this State Plan.