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State/Territory Name: RI

State Plan Amendment (SPA) #: 19-0011

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



Financial Management Group

October 23, 2019

Womazetta Jones, Secretary Executive Office of Health and Human Services State of Rhode Island 3 West Road, Virks Building Cranston, RI 02920

RE: Rhode Island SPA 19-0011

Dear Secretary Jones:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 19-0011. Effective July 1, 2019, this amendment implements Graduate Medical Education (GME) payments to specified privately-owned academic medical centers with Level 1 trauma centers.

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 19-0011 is approved effective July 1, 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

DEPARTMENT OF HEALTH AND HUMAN SERVICES CENTERS FOR MEDICARE & MEDICAID SERVICES		FORM APPROVED OMB No. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 19-011	2. STATE RI
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2019	
5. TYPE OF PLAN MATERIAL (Check One):		
Image: New State Plan Image: Amendment to be of the state of th	CONSIDERED AS NEW PLAN	XX AMENDMENŢ
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:	n amenameni)
42 CFR 447.271, 447.272	a. FFY 2019 \$ 525,70 b. FFY 2020 \$ 529,50	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 2 to Attachment 4.19-A page 1-2	9. PAGE NUMBER OF THE SUPERS OR ATTACHMENT (If Applicable)	
Suppondit 2 to Attachmont 4.15 A page 1 2		
	R.	
10. SUBJECT OF AMENDMENT: Graduate Medical Education		
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	XX OTHER, AS SPECIFIED: See Attached Letter	
12 SIGNATURE OF STATE AGENCY OFFICIAL	16. RETURN TO:	
13. TYPED NAME: Womazetta Jones	-	
	EOHHS 3 West Rd, Virks Building	
14. TITLE: Secretary	Cranston, RI 02920	
15. DATE SUBMITTED: August 15, 2019	20	
FOR REGIONAL OF	FICE USE ONLY	
17. DATE RECEIVED:	18. DATE APPROVED: OCT	2-3 2019
PLAN APPROVED – ON 19. EFFECTIVE DATE OF APPROVED MATERIAL:	E COPY ATTACHED 20. SIGNATURE OF REGIONAL OF	FICIAL:
21. TYPED NAME: Kristin Fan	ZZ-FITLE. Director, FMC	1
23. REMARKS:		

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

GRADUATE MEDICAL EDUCATION SUPPLEMENTAL PAYMENTS

This section of the State plan contains the provisions for making supplemental Medicaid payments to recognize a portion of the direct graduate medical education costs incurred by privately-owned hospitals with approved programs.

A. Eligible Hospitals:

Privately-owned hospitals that participate in the Medicaid program are eligible for additional reimbursement related to the provision of Graduate Medical Education (GME) activities. To qualify for these additional Medicaid payments, the hospital must meet the following criteria:

- (i) Be eligible to receive GME payments from the Medicare program under provision of 42 C.F.R 413.75;
- (ii) Provide graduate medical education training for at least 250 interns and residents per year;
- (iii) Have a minimum total of 25,000 inpatient discharges per year (all patients); and
- (iv) Be designated as a Level I Trauma Center by the American College of Surgeons.

B. Graduate Medical Education Definitions:

- (i) <u>Total Allowable Direct GME Cost</u> is the amount reported on CMS form 2552-10, Hospital Cost Report; worksheet E-4, line 25
- (ii) <u>Medicaid Utilization Percentage</u> is the ratio of Medicaid inpatient days to total hospital inpatient days. This ratio is determined as follows;
 - a) Medicaid inpatient days as reported on CMS form 2552-10, Worksheet S-3; Part I; Column 7 lines 14, and 16 through 18; <u>divided by</u>
 - b) Total inpatient days, as reported on Worksheet S-3; Part I; Column 8 lines 14, and 16 through 18.

C. Methodology for Determining GME Supplemental Payments:

(i) Each hospital eligible for a Medicaid GME supplemental payment will have its maximum allowable Medicaid GME supplemental payment amount determined as follows:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

- a) Total Allowable Direct GME Cost multiplied by;
- b) the hospital's Medicaid Utilization Percentage;
- (ii) The aggregate GME supplemental amount payable by the State will be the lesser of the total pool of \$1,000,000, or the sum of each eligible hospital's maximum payment calculated above.

D. GME Supplemental Payments:

- (i) The Total Allowable Direct GME Cost and the Medicaid Utilization Percentage will be updated annually using data from the most recently available Medicare Hospital Cost Report (CMS form 2552-10) submitted to Medicare by each eligible hospital;
- (ii) The State will calculate the total GME reimbursement for eligible hospitals using the methodology in section C. above.