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State/Territory Name: Rhode Island

State Plan Amendment (SPA) #:19-007

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203



Regional Operations Group/ Boston

September 26, 2019

Ms. Womazetta Jones, Secretary
Executive Office of Health and Human Services
State of Rhode Island and Providence Plantations
3 West Road
Cranston, RI 02920

Dear Secretary Jones:

On August 15, 2019 the Centers for Medicare and Medicaid Services (CMS) received Rhode Island State Plan Amendment (SPA) transmittal number 19-007 proposing to increase outpatient hospital rates.

We are pleased to inform you that RI 19-007 was approved on September 25, 2019 with an effective date of July 1, 2019.

If you have any questions regarding this matter you may contact Lynn DelVecchio (401) 380-5604 or by e-mail at Lynn.DelVecchio@cms.hhs.gov

Sincerely,

/s/

Francis T. McCullough
Director, Regional Operations Group
(Boston)

Cc: Patrick Tigue, Medicaid Director
Melody Lawrence, Interdepartmental Project Manager
Gretchen Bell

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 19-007	2. STATE RI
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2019	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES 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 (Separate Transmittal for each amendment)


6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.20, 447.321	7. FEDERAL BUDGET IMPACT: a. FFY 2019 \$ 138,838 b. FFY 2020 \$ 550,912
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B page 1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B page 1
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10. SUBJECT OF AMENDMENT:
Outpatient Hospital Rates

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED See Attached Letter
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: EOHHS 3 West Rd, Virks Building Cranston, RI 02920
13. TYPED NAME: Womazetta Jones	
14. TITLE: Secretary	
15. DATE SUBMITTED: September 19, 2019	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 8/15/2019*	18. DATE APPROVED: 9/25/2019
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/2019	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME: Francis T. McCullough	22. TITLE: Boston Regional Operations Group

23. REMARKS: *The submitted date is after the received date because the state revised the 179 and changed the date.
(LAD)

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

1. Fee structures will be established which are designed to enlist participation of a sufficient number of providers of services in the program so that eligible persons can receive the medical care and services included in the plan at least to the extent they are available.
2. Participation in the program will be limited to providers of service who accept, as payment in full, the amounts paid in accordance with the fee structure.
3. Payment for physician, dentist and other individual practitioner services will be equal to the lesser of the billed charge or the State's fee for that service. Fee schedules are posted on the Executive Office of Health and Human Services web site under the Providers and Partners tab:
<http://www.eohhs.ri.gov/ProvidersPartners/GeneralInformation/ProviderDirectories/Hospitals.aspx>. All governmental and private service providers are reimbursed according to the same published fee schedule. The Medical Assistance Program rates were set as of July 1, 2017 and are effective for services on or after that date.
4. The following is a description of the payment structure by items of service.
 - a. Inpatient hospital services: as described in attachment 4.19A.
 - b. Outpatient hospital services: The Medical Assistance Program will pay for outpatient hospital services using a fee schedule approach based on, but necessarily identical to, the Medicare outpatient prospective payment system. Specific provisions are as follows:
 1. In general, payment will be by fee schedule, with the fee multiplied by the number of allowable units on the claim line. The fee schedule is located at the following address: <http://www.eohhs.ri.gov/Portals/0/Uploads/Documents/Fee%20Schedules/Medicaid%20Fee%20Schedule.pdf> Fees will be derived as follows:
 - a. For visits, surgeries, imaging procedures, drugs, and other services where Medicare pays hospitals using Ambulatory Payment Classification (APC) groups, except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient hospital services. The agency's fee schedule rate was set as of July 1, 2019 and is effective for services provided on or after that date. All rates are published on the EOHHS website at the address listed above. For the period of July 1, 2019 through June 30, 2020 outpatient rates will be increased by 7.2%. For each state fiscal year thereafter, the rates will be adjusted effective July 1st based on the change to the Centers for Medicare and Medicaid Services OPPS fee schedule posted January of the current calendar year.
 - b. For physical, occupational, and speech therapy services, except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient hospital services. The agency's fee schedule rate was set as of July 1, 2019 and is effective for services provided on or after that date. All rates are published on the EOHHS website at the address listed above. For the period of July 1, 2019 through June 30, 2020 outpatient rates will be increased by 7.2%. For each state fiscal year thereafter, the rates will be adjusted effective July 1st based on the change to the Centers for Medicare and Medicaid Services OPPS fee schedule posted January of the current calendar year.
 - c. For laboratory services with dates of service on or after January 1, 2016, payment will be at the non-hospital community laboratory rate. The fees are effective for claims with a date of service on or after January 1, 2016. The fee schedule can be found on the EOHHS website at the address listed above.

For observation services, EOHHS will pay an hourly fee from the 8th to the 24th hour of observation. The agency's observation fee was set as of July 1, 2019 and is effective for services provided on or after that date. The observation fee is included in the fee schedule found on the EOHHS website at the address listed above. For the period of July 1, 2019 through June 30, outpatient rates will be increased by 7.2%. For each state fiscal year thereafter, the rates will be adjusted effective July 1st based on the change to the Centers for Medicare and Medicaid Services OPPS fee schedule posted January of the current calendar year.

TN No: 19-007
Supersedes
TN No: 17-006

Approval Date: 09/25/2019

Effective Date: July 1, 2019