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State/Territory Name: Utah

State Plan Amendment (SPA) #: UT-11-012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 179
- 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



Center for Medicaid and CHIP Services

OCT 13 2011

Mr. Michael T. Hales, Director
Division of Health Care Financing
Utah Department of Health
P.O. Box 143101
Salt Lake City, UT 84114-3101

Re: Utah 11-012

Dear Mr. Hales:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 11-012. Effective for services on or after September 1, 2011, this amendment removes the payment provision for inpatient hospital short stays.

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 (the Act) and the regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 11-012 is approved effective September 1, 2011. We are enclosing the CMS-179 and the amended plan page.

If you have any questions, please call Christine Storey at (303) 844-7044.

Sincerely,

A handwritten signature in black ink that reads "Cindy Mann". The signature is written in a cursive style with a large initial "C" and a stylized "M".

Cindy Mann
Director, CMCS

cc: Craig Devashrayee, UT DOH

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
OR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
11-012-UT

2. STATE:
Utah

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

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

4. PROPOSED EFFECTIVE DATE
September 1, 2011

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

7. FEDERAL BUDGET IMPACT:

a. FFY 2011 \$0
b. FFY 2012 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Page 8 of Attachment 4.19-A

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Page 8 of Attachment 4.19-A

10. SUBJECT OF AMENDMENT: Hospital Payments

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

OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: W. David Patton, Ph.D

14. TITLE: Executive Director, Utah Department of Health

15. DATE SUBMITTED: September 15, 2011

16.

16. RETURN TO:

Craig Devashrayee, Manager
Technical Writing Unit
Utah Department of Health
PO Box 143102
Salt Lake City, UT 84114-3102

17. DATE RECEIVED:

18. DATE APPROVED:

OCT 13 2011

FOR REGIONAL USE ONLY

19. EFFECTIVE DATE OF APPROVED MATERIAL:

SEP - 1 2011

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Penny Thompson

22. TITLE:

Deputy Director, CMCS

3. REMARKS

PLAN APPROVED - ONE COPY ATTACHED

INPATIENT HOSPITAL
Section 200 Other Payments

210 Small Volume Utah and Out-of-State Hospitals -- Except as provided in Section 190, payment will be made under the same DRG methodology as in-state urban hospitals

240 Sub-acute Care and Swing-beds -- This policy pertains to patients that do not require acute hospital care

- When sub-acute care patients receive medically necessary services in an inpatient hospital setting, payment is made at the swing-bed rate. Because sub-acute patients require a lower level of care, the rate is lower than the rate paid for acute hospital services. The sub-acute rate is calculated using the criteria specified in 42 CFR 447.280(a)(1).
- When nursing home beds are not immediately available in the community, patients may receive skilled or intermediate nursing care in a bed of a qualified hospital. Rural hospitals typically qualify for the swing-bed program. Payment is made at the swing-bed rate using the criteria specified in 42 CFR 447.280(a)(1). Patients are transferred to licensed nursing home beds in certified facilities when such beds are available in the community.
- Services provided in hospitals licensed as long term acute care or rehabilitation will be paid the nursing facility intensive skilled rate defined in Section 1000 of Attachment 4.19-D of the State Plan. Rehabilitation days require prior approval to qualify for payment. Intensive skilled rates are negotiated for individual patients. In determining the intensive skilled rates for hospital rehabilitation units, therapy costs are allowed to be included with nursing costs referenced in therapy costs. Therapy costs are allowed to be included with nursing costs referenced in Attachment 4.19-D, Section 1000.

241 Insignificant Billing Variances -- When the Medicaid payment is determined using the billed usual and customary charges (i.e., rural hospitals), insignificant billing errors may be processed. To expedite payment and to reduce administrative effort, Medicaid pays the lesser of the detailed charges or the total charges, if the difference is ten dollars or less.

T N. # 11-012 ~~11-008~~

Approval Date OCT 13 2011

Supersedes T N. # 04-008B

Effective Date 9-1-11