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State/Territory Name: VT

State Plan Amendment (SPA) #: 15-0027

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

JAN 19 2016

Hal Cohen, Secretary
Vermont Agency of Human Services
208 Hurricane Lane, Suite 103
Williston, Vermont 05495

RE: Vermont 15-0027

Dear Mr. Cohen:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 15-0027. This amendment implements the use of a certain revenue code to trigger the existing per diem add-on payment for inpatient hospital rehabilitation services due to the required upgrade to ICD-10.


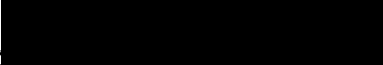

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. The Medicaid State plan amendment 15-0027 is approved effective October 1, 2015. 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,

A solid black rectangular box redacting the signature of Kristin Fan.

Kristin Fan
Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 15 - 027	2. STATE: VERMONT
		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(S) OCTOBER 1, 2015	
5. TYPE OF PLAN MATERIAL (CHECK ONE):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §430.12(c)(1)(ii)		7. FEDERAL BUDGET IMPACT: a. FFY 2016 \$ 0 b. FFY 2017 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATT. 4.19-A PG 1C-7		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) ATT. 4.19-A PG 1C-7	
10. SUBJECT OF AMENDMENT: Update Trigger for Inpatient Rehab Add-on Payment			
11. GOVERNOR'S REVIEW (<i>Check One</i>):		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED SIGNATURE OF SECRETARY OF ADMINISTRATION 	
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: DYLAN FRAZER AGENCY OF HUMAN SERVICES 208 HURRICANE LANE WILLISTON, VT 05495	
13. TYPED NAME: HAL COHEN			
14. TITLE: SECRETARY, AGENCY OF HUMAN SERVICES			
15. DATE SUBMITTED: 12/21/15			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: JAN 19 2016	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: OCT 01 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Kristin FAN		22. TITLE: Director, FMG	
23. REMARKS			

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – INPATIENT
HOSPITAL SERVICES (CONTINUED)

IV. Special Payment Provisions

A. Rehabilitation DRG

Effective October 1, 2015, in-state hospitals with an inpatient claim that contains a revenue code 128 will be paid an additional \$300 per diem for the amount of units associated with that revenue code. Border Teaching Hospitals will be paid an additional \$200 per diem. This payment is in addition to the Non-Outlier and Outlier DRG Payments per Case.

The Rehabilitation DRGs paid under this methodology are those Rehabilitation DRGs as assigned by the Grouper being utilized by DVHA. Effective October 1, 2012, this included the following DRGs:

- DRG 945: Rehabilitation W CC/MCC
- DRG 946: Rehabilitation W/O CC/MCC

B. Neonate DRGs

In-state hospitals that do not serve a disproportionate number of neonate cases that have a claim that groups into a Neonate DRG will be paid an additional \$300 per diem for the entire length of the patient's stay for the single episode of care. Border Teaching Hospitals will be paid an additional \$200 per diem. This payment is in addition to the Non-Outlier and Outlier DRG Payments per Case.

In-state hospitals that do serve a disproportionate number of neonate cases that have a claim that groups into a Neonate DRG will be paid an additional \$400 per diem for the entire length of the patient's stay for the single episode of care. This payment is in addition to the Non-Outlier and Outlier DRG Payments per Case. A hospital with a disproportionate share of neonate cases is a hospital that had more than 50% of all of the neonate DRG cases in the rate setting claims period.

The Neonate DRGs paid under this methodology are those Neonate DRGs as assigned by the Grouper being utilized by DVHA. Effective October 13, 2012, this included the following DRGs:

- DRG 789: Neonates, Died or Transferred to another Acute Care Facility
- DRG 790: Extreme Immaturity or Respiratory Distress Syndrome, Neonate
- DRG 791: Prematurity with Major Problems
- DRG 792: Prematurity without Major Problems
- DRG 793: Full Term Neonate with Major Problems
- DRG 794: Neonate with Other Significant Problems

(Continued)

TN # 15-027
Supersedes
TN # 12-029

Effective Date: 10/01/15

Approval Date: JAN 19 2016