

## **Table of Contents**

**State/Territory Name: DC**

**State Plan Amendment (SPA) #: 24-0011**

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 S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

July 17, 2024

Melisa Byrd  
Senior Deputy Director/Medicaid Director  
Department of Health Care Finance  
441 4<sup>th</sup> Street, NW, 9<sup>th</sup> Floor, South, Washington, DC 20001

RE: TN 24-0011

Dear Medicaid Director:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed District of Columbia state plan amendment (SPA) to Attachment 4.19-A DC 24-0011, which was submitted to CMS on May 14, 2024. This plan amendment will permit the District of Columbia Medicaid program to reimburse public specialty inpatient hospitals at a rate that is fair and reasonable.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of May 15, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Kristina Mack at 617-565-1225 or via email at [Kristina.Mack-Webb@cms.hhs.gov](mailto:Kristina.Mack-Webb@cms.hhs.gov).

Sincerely,



Rory Howe  
Director  
Financial Management Group

Enclosures

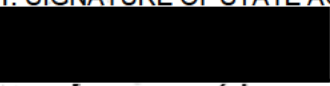
<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER: <b>DC 24-0011</b>	2. STATE: <b>District of Columbia</b>
	3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
TO: CENTER DIRECTOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: May 15, 2024	
5. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §447.250, 42 CFR §447.253, 42 USC §1396a(13)(A), 42 CFR §447.200	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars): a. FFY <u>2024</u> : 0 b. FFY <u>2025</u> : 0	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Part II, p. 28	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A, Part II, p. 28	

9. SUBJECT OF AMENDMENT: To update the reimbursement methodology for public specialty inpatient hospitals.

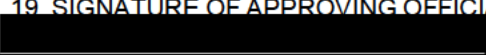
10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED: **D.C. Act: 22-434**

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Melisa Byrd Senior Deputy Director/Medicaid Director Department of Health Care Finance 441 4 <sup>th</sup> Street, NW, 9 <sup>th</sup> Floor, South Washington, DC 20001
12. TYPED NAME Melisa Byrd	
13. TITLE Senior Deputy Director/Medicaid Director	
14. DATE SUBMITTED May 14, 2024	

**FOR CMS USE ONLY**

16. DATE RECEIVED May 14, 2024	17. DATE APPROVED July 17, 2024
<b>PLAN APPROVED – ONE COPY ATTACHED</b>	
18. EFFECTIVE DATE OF APPROVED MATERIAL May 15, 2024	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, Financial Management Group
22. REMARKS	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES:  
HOSPITAL CARE

## PART II. Payment to Specialty Hospitals for Inpatient Hospital Services

**J. Reimbursement for Public Inpatient Specialty Hospitals:** Specialty hospitals also consist of public hospitals that provide inpatient hospital specialty services in the District of Columbia, including psychiatric hospitals which deliver inpatient specialty services. Such hospitals are reimbursed based on the Medicaid share of reasonable costs in accordance with District law or regulation and Medicare principles of reimbursement if not otherwise stipulated. No reimbursement in excess of Medicaid's share of actual costs shall be allowed.

**K. Specific Specialty Hospital Reimbursement for Out-of-District Hospitals**

1. Except for hospitals located in Maryland, hospitals located outside of the District of Columbia that deliver inpatient, specialty services (as described below in item a) shall be reimbursed under the same policy as general hospitals located outside of the District.
  - a. In the event that a hospital outside of the District offers specialty inpatient services that are distinct from services offered by other hospitals, DHCF may consider alternative reimbursement for those specialty inpatient services, provided the needs of Medicaid beneficiaries cannot be met by an in-District hospital.
2. Maryland hospitals shall be reimbursed in accordance with the Health Services Cost Review Commission (HSCRC)'s All-Payer Model Contract with Center for Medicare and Medicaid Innovation, or its successor.

**L. Claims Submission**

1. In General: All claims shall be submitted in accordance with the requirements established in Attachment 4.19E of the State Plan for Medical Assistance and the most current version of the D.C. Medicaid Inpatient Hospital Billing Manual.
2. Interim Claims: A specialty hospital reimbursed on a per diem basis (PD APR-DRG) shall be required to submit a final claim using Bill Type 114. DHCF, or its designee, shall retrospectively analyze hospital claims records in order to ensure compliance with this requirement.

**M. Utilization Control Requirements:** Specialty hospitals shall comply with federally prescribed utilization control standards, pursuant to 42 C.F.R. Part 456.