

Table of Contents

State/Territory Name: Maryland

State Plan Amendment (SPA) #: 21-0008

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 28, 2021

Steven Schuh
Medicaid Director
Maryland Department of Health
201 W Preston St. 5th Floor
Baltimore, MD 21201

RE: TN 21-0008

Dear Medicaid Director:

We have reviewed the proposed Maryland State Plan Amendment (SPA) to Attachment 4.19-A 21-0008, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on (August 5, 2021). This plan amendment updates the amendment reimbursement methodology for Residential Treatment Centers (RTCs). The plan rebases the maximum rate for RTCs serving individuals ages 12 through 21 years old and individuals ages 12 and under from \$300 and \$600 per day, respectively, to \$750 per day for dates of service beginning July 1, 2021.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2021. 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-Webb at 410-786-8972 or Kristina.Mack-Webb@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 1 — 0 0 0 8</u>	2. STATE MD
	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 July 1, 2021
---	--

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 N/A 42 CFR 447	7. FEDERAL BUDGET IMPACT a. FFY <u>FFY 2021</u> \$ <u>1,048.9</u> b. FFY <u>FFY 2022</u> \$ <u>3,146.8</u>
---	--


8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Att. 4. DA pg. 4a (21-0009)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Att. 4.19A pg. 4a (16-0007)
---	---

10. SUBJECT OF AMENDMENT

Maryland Medicaid proposes to amend its reimbursement methodology for Residential Treatment Centers (RTCs). This proposal rebases the maximum rate for RTCs serving individuals ages 12 through 21 years old and individuals ages 12 and under from \$300 and \$600 per day, respectively, to \$750 per day for dates of service beginning July 1, 2021.

11. GOVERNOR'S REVIEW (*Check One*)


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

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Steven Schuh Medicaid Director Maryland Department of Health 201 W. Preston St. 5th Floor Baltimore, MD 21201
13. TYPED NAME Tricia Roddy	
14. TITLE Deputy Medicaid Director	
15. DATE SUBMITTED	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED August 4, 2021	18. DATE RECEIVED October 28, 2021
-------------------------------------	---------------------------------------

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2021	20. SIGNATURE OF REGIONAL OFFICIAL  For
21. TYPED NAME Rory Howe	22. TITLE Director, Financial Management Group

23. REMARKS

Pen and ink change authorized by the state for block 6 to correctly reflect federal statute.

- G. A residential treatment center admits patients between the ages of 12 and 21. The Department reimburses a residential treatment center, except an in-state children's residential treatment center, the least of: (1) the provider's usual and customary charge unless the service is free to individuals not covered by Medicaid; (2) the provider's per diem cost for covered services established in accordance with Medicare principles of reasonable cost reimbursement as described in 42 CFR 413; or (3) \$300 per day effective October 1, 2009. The \$300 per day will be updated annually by the Centers for Medicare and Medicaid Service's published federal fiscal year market basket increase percentage relating to hospitals excluded from the prospective payment system.

Effective July 1, 2021 the \$300 per day rate is rebased to \$750 per day and will be updated annually as identified above plus a 1% update factor.

1. Qualified non-facility individual practitioners may be directly reimbursed for somatic, dental, or other medically necessary services not included in the per diem rate which are provided to children in a residential treatment center.
2. Such reimbursement is subject to the payment methodologies that are otherwise specified in the State Plan.

- H. Children's residential treatment center: A children's residential treatment center is a residential treatment center that admits patients 12 years of age and under. An in-state children's residential treatment center shall be reimbursed the least of: (1) the provider's usual and customary charge unless the service is free to individuals not covered by Medicaid; (2) the provider's per diem cost for covered services established in accordance with Medicare principles of reasonable cost as described in 42 CFR 413; or (3) \$600 per day effective December 1, 2009. The \$600 per day will be updated annually by the Centers for Medicare and Medicaid Services' published federal fiscal year market basket increase percentage relating to hospitals excluded from the prospective payment system.

Effective July 1, 2021 the \$600 per day rate is rebased to \$750 per day and will be updated annually as identified above plus a 1% update factor.

1. Qualified non-facility individual practitioners may be directly reimbursed for somatic, dental, or other medically necessary services not included in the per diem rate which are provided to children in a residential treatment center.
2. Such reimbursement is subject to the payment methodologies that are otherwise specified in the State Plan.