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STATE/TERRIORITY NAME: MINNESOTA

STATE PLAN AMENDMENT (SPA)#: 22-0002

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

February 9, 2022

Cynthia MacDonald, Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Re: Minnesota State Plan Amendment (SPA) 22-0002

Dear Ms. MacDonald,

We reviewed your proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number 22-0002. This amendment increases payment rates for dental services (*excluding state-operated dental clinics, federally qualified health centers, rural health centers, the Indian Health Service, and tribal 638 facilities*). Additionally, this amendment establishes coverage of allergen reducing devices for asthma under the during medical equipment benefit.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act. This letter is to inform you that Minnesota's Medicaid SPA Transmittal Number 22-0002 is approved effective January 1, 2022.

If you have any questions, please contact Sandra Porter at 312-353-8310 or via email at Sandra.Porter@cms.hhs.gov.

Sincerely,

A black rectangular box redacts the signature of James G. Scott.

Digitally signed by James
G. Scott -S
Date: 2022.02.09 18:37:51
-06'00'

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Patrick Hultman, MN DHS
Alexandra Zoellner, MN DHS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER: 22-02	2. STATE Minnesota
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	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
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TO: REGIONAL ADMINISTRATOR CENTER FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2022
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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*)

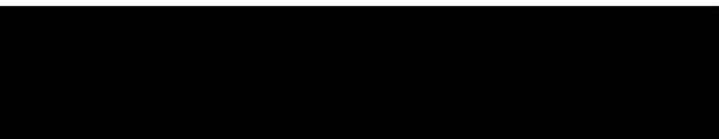
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.100 42 CFR 440.70	7. FEDERAL BUDGET IMPACT (in thousands): a. FFY '22 \$ 13,015 b. FFY '23 \$ 23,919
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A pages 36, 36a Attachment 3.1-B pages 35, 35a Attachment 4.19-B, pages 31b and 31c Supplement 2 to Attachment 4.19-B pages 3, 14, 16, 17	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Same
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10. SUBJECT OF AMENDMENT:
Payment for dental services. Establishing coverage of allergen reducing products under the DME benefit.

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: Alexandra Zoellner Minnesota Department of Human Services Federal Relations Unit PO Box 64983 St. Paul, MN 55164-0983
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13. TYPED NAME:
Patrick Hultman

14. TITLE:
Deputy Medicaid Director

15. DATE SUBMITTED:
November 15, 2021

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: November 15, 2021	18. DATE APPROVED: February 8, 2022
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PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2022	20. SIGNATURE OF REGIONAL OFFICIAL:  Digitally signed by James G. Scott -5 Date: 2022.02.09 18:38:37 -06'00'
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21. TYPED NAME: James G. Scott	22. TITLE: Director, Division of Program Operations
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23. REMARKS:

7.c. Medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place, as defined at 42 CFR § 440.70(c)(1).

Covered medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place, as defined at 42 CFR § 440.70(c)(1) are those that are:

- a) medically necessary;
- b) ordered by a physician, or for asthma reduction devices, ordered by a physician or other licensed practitioner acting within the scope of their license, and if required under the Medicare program, ordered pursuant to a face-to-face or telemedicine encounter with a physician, nurse practitioner, clinical nurse specialist, certified nurse midwife, or physician assistant, occurring within six months prior or within 30 days after the start of services;
- c) documented in a plan of care that is reviewed and revised as medically necessary by the physician at least once a year; and
- d) provided to the recipient in any setting in which normal life activities take place, other than a hospital, nursing facility, or intermediate care facility for the developmentally disabled (ICF/DD).

Medical supplies and equipment ordered in writing by a physician are paid with the following limitations:

- 1) A purchase of nondurable medical supplies not requiring prior authorization must not exceed an amount necessary to provide a one-month supply.
- 2) Maintenance or service made at routine intervals based on hours of use or calendar days to ensure that equipment in proper working order is payable.
- 3) The cost of a repair to durable medical equipment that is rented or purchased by the Medical Assistance program under a warranty is not eligible for medical assistance payment if the repair is covered by the warranty.
- 4) In the case of rental equipment, the sum of rental payments during the projected period of the recipient's use must not exceed the purchase price allowed by medical assistance unless the sum of the projected rental payments in excess of the purchase price receives prior authorization. All rental payments must apply to purchase of the equipment.
- 5) For individuals not receiving Medicare, the following diabetic testing supplies may only be dispensed by a pharmacy: blood glucose meters, testing strips, lancets, lancing devices, and control solutions.

Augmentative and alternative communication devices are defined as devices dedicated to transmitting or producing messages or symbols in a manner that compensates for the impairment and disability of a recipient with severe expressive communication disorders. Examples include communication picturebooks, communication charts and boards, and mechanical or electronic dedicated devices.

Asthma Reduction devices are devices proven to reduce common asthma triggers in the home of a child. Examples include HEPA filters, and mattress or pillow covers.

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Supersedes: 00-28,00-11

7.c. Medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place, as defined at 42 CFR § 440.70(c)(1). (continued)

Prior authorization must be obtained for all augmentative and alternative communication devices.

Coverage of augmentative and alternative communication devices is limited to:

1. Evaluation for use of augmentative and alternative communication devices to supplement oral speech.
2. Speech pathologists may only provide modification and programming of augmentative and alternative communication devices.
3. Construction, programming or adaptation of augmentative and alternative communication devices.

Augmentative and alternative communication devices are not covered if facilitated communication is required in addition to the devices.

The following medical supplies and equipment are not eligible for payment:

1. Medical supplies and equipment that are not covered under Medicare except for raised toilet seats; bathtub chairs and seats; bath lifts; prosthetic communication devices; and any item determined by prevailing community standards or customary practice ~~to be an appropriate and effective medical necessity that meets quality and timeliness standards as the most cost-effective medical supply or equipment available for the medical needs of the recipient and represents an effective and appropriate use of medical assistance funds, is within the specified service limits of the Medical Assistance program, and is personally furnished by a provider.~~
2. Routine, periodic maintenance on medical equipment owned by a long-term care facility or hospital when the cost of maintenance is billed to medical assistance on a separate claim for payment.

7.c. Medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place, as defined at 42 CFR § 440.70(c)(1).

Covered medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place, as defined at 42 CFR § 440.70(c)(1) are those that are:

- a) medically necessary;
- b) ordered by a physician, or for asthma reduction devices, ordered by a physician or other licensed practitioner acting within the scope of their license, and if required under the Medicare program, ordered pursuant to a face-to-face or telemedicine encounter with a physician, nurse practitioner, clinical nurse specialist, certified nurse midwife, or physician assistant, occurring within six months prior or within 30 days after the start of services;
- c) documented in a plan of care that is reviewed and revised as medically necessary by the physician at least once a year; and
- d) provided to the recipient in any setting in which normal life activities take place, other than a hospital, nursing facility, or intermediate care facility for the developmentally disabled (ICF/DD).

Medical supplies and equipment ordered in writing by a physician are paid with the following limitations:

- 1) A purchase of nondurable medical supplies not requiring prior authorization must not exceed an amount necessary to provide a one-month supply.
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- 3) The cost of a repair to durable medical equipment that is rented or purchased by the Medical Assistance program under a warranty is not eligible for medical assistance payment if the repair is covered by the warranty.
- 4) In the case of rental equipment, the sum of rental payments during the projected period of the recipient's use must not exceed the purchase price allowed by medical assistance unless the sum of the projected rental payments in excess of the purchase price receives prior authorization. All rental payments must apply to purchase of the equipment.
- 5) For individuals not receiving Medicare, the following diabetic testing supplies may only be dispensed by a pharmacy: blood glucose meters, testing strips, lancets, lancing devices, and control solutions.

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7.c. Medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place, as defined at 42 CFR § 440.70(c)(1). (continued)

Prior authorization must be obtained for all augmentative and alternative communication devices.

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2. Speech pathologists may only provide modification and programming of augmentative and alternative communication devices.
3. Construction, programming or adaptation of augmentative and alternative communication devices.

Augmentative and alternative communication devices are not covered if facilitated communication is required in addition to the devices.

The following medical supplies and equipment are not eligible for payment:

1. Medical supplies and equipment that are not covered under Medicare except for raised toilet seats; bathtub chairs and seats; bath lifts; prosthetic communication devices; and any item determined by prevailing community standards or customary practice ~~to be an appropriate and effective medical necessity that meets quality and timeliness standards as the most cost effective medical supply or equipment available for the medical needs of the recipient and represents an effective and appropriate use of medical assistance funds, is within the specified service limits of the Medical Assistance program, and is personally furnished by a provider.~~
2. Routine, periodic maintenance on medical equipment owned by a long-term care facility or hospital when the cost of maintenance is billed to medical assistance on a separate claim for payment.

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ATTACHMENT 4.19-B

Effective: January 1, 2022

Page 31b

TN: 22-02

Approved: February 8, 2022

Supersedes: 16-10 (13-12, 12-25, 11-30b, 10-24, 10-04, 08-13, 06-14, 06-05, 03-37)

10. Dental services. (continued)

FINAL RATE METHODOLOGY

Costs will be determined using the "Medicaid Reimbursement Department of Human Services Medicaid Cost Report for State Operated Dental Clinics." This CMS-approved cost reporting protocol collects cost data from the State Operated Services dental providers and allocates the costs as allowable or unallowable using Medicare principles of reimbursement. The cost report also allocates allowable costs among payers using total billed charges.

Final payment rates will be equal to total costs multiplied by the result of Medicaid fee-for-service charges divided by total charges.

The Department will settle-up with State Operated Services dental providers within 18 months following the receipt of clean and correct cost data reported by the SOS dental providers for the rate year. If the interim payments exceeded the final rate, the Department will recover the overpayment within 60 days from determination of the final rate.

C. Critical access dental providers include public and private dental providers. The State agency established rate is the same for both public and private dental providers.

Effective for services on or after January 1, 2022 ~~July 1, 2016,~~ payment to critical access dental providers not owned by a health maintenance organization, and who qualify under the criteria at Attachment 3.1-A or B, item 10.I.1-6, will be increased by 20% ~~37.5%~~ above the base payment rate described in Attachment 4.19-B, item 10(A). ~~Payment to critical access dental providers owned by a health maintenance organization, and who qualify under the criteria at Attachment 3.1 A or B, item 10.I.1-6, will be increased by 35% above the base payment rate described in Attachment 4.19 B, item 10(A).~~

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ATTACHMENT 4.19-B

Effective: January 1, 2022

Page 31c

TN: 22-02

Approved: February 8, 2022

Supersedes: 17-18 (15-21,13-23,12-25,11-19,11-15,10-24,07-12,07-18,06-14,04-15a,03-37)

10. Dental services (continued):

X-ray services are paid according to the dental services methodology listed above. Effective January 1, 2002, payment for x-ray services provided to recipients under age 21 are paid the lower of:

- 1) the submitted charge; or
- 2) 85% of the median charges submitted in 1999.

Diagnostic examinations are paid according to the dental services methodology listed above. Effective January 1, 2002, payment for diagnostic examinations provided to recipients under age 21 are paid the lower of:

- 1) the submitted charge; or
- 2) 85% of the median charges submitted in 1999.

Effective for services provided on or after October 1, 1999, **tooth sealants** and **fluoride treatments** are paid at the lower of:

- 1) submitted charge; or
- 2) 80% of the median charges submitted in 1997.

Effective January 1, 2000, the rate is increased by three percent.

Medical and surgical services (as defined by the Department) furnished by dentists are paid using the same methodology as item 5.a., Physicians' services.

Community health worker services educating patients to promote good oral health and self-management of dental conditions when supervised by a dentist are paid using the same methodology that applies to community health workers in item 5.a., Physicians' services.

The base rates as described in this item are adjusted by the following clauses of Supplement 2 of this Attachment:

cc. Supplemental payment for medical education

~~dd. Dental Services rate increase 2014~~

~~ii. Dental Services rate increase 2015~~

~~ll. Rate increase for dental services provided to children, effective July 1, 2017~~

mm. Dental Services rate increase 2022

and specialized maintenance physical therapy, occupational therapy, and speech, language and hearing therapy services, and respiratory therapy services (Item 13.d)

- services for individuals age 65 or older in institutions for mental diseases (Item 14)
- inpatient psychiatric facility services for individuals under 22 years of age (Item 16)
- nurse midwife services (Item 17)
- pregnancy-related and postpartum services for 60 days after the pregnancy ends (Item 20.a)
- services for any other medical condition that may complicate pregnancy (Item 20.b)
- certified pediatric or family nurse practitioner services (Item 23)
- licensed ambulance services, excluding volunteer ambulance services (Item 24.a)
- emergency hospital services (Item 24.e)
- the drug ingredient component of pharmacy services (item 12.a, effective July 1, 2019, at 1.8 percent.
- Services of rural health clinics (item 2.b.), for health care home services, behavioral health home services, and alternative payment methodologies II and III.
- Services of federally qualified health centers (FQHCs) (item 2.c), for health care home services, behavioral health home services, and alternative payment methodologies II and III.

D. Modifiers

22 modifier: unusual procedural services = additional reimbursement based on line description or claim attachment. This modifier specifies a ratio for twin delivery and VBAC delivery. All other services are priced according to the service rendered. (Item 5.a)

99 modifier: multiple modifier = may be an increase or a decrease to the reference file allowable depending on the modifiers represented within the 99. (Item 5.a)

E. Family Planning

Effective for services provided on or after July 1, 2007, **family planning services** provided by family planning clinics, public health clinics and community health clinics are paid 25% over the rate in effect on June 30, 2007. (Item 5.a.)

Effective for services provided on or after July 1, 2013, **family planning services** provided by family planning clinics, public health clinics and community health clinics are paid 20% over the rate in effect on June 30, 2013. (Item 5.a.)

F. Community and Public Health Clinic

Effective July 1, 1989, rates for services provided by **community and public health** clinics are increased by 20%, except for laboratory services. Effective January 1, 2022, dental services are excluded from this increase.

cc. Supplemental payment for medical education (cont'd)

Qualifying Provider. "Qualifying provider" means a Medical Assistance enrolled hospital, medical center, clinic, practitioner, or other organization that provides accredited clinical training of physicians (medical students and residents), doctor of pharmacy practitioners, doctors of chiropractic, dentists, advance practice nurses (clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, and certified nurse midwives), physician assistants, and effective July 1, 2015, dental therapists, advanced dental therapists, psychologists, clinical social workers, community paramedics, and community health workers; and that has successfully applied for this payment, in accordance with Minnesota Statutes § 62J.692.

~~dd. Dental Services rate increase 2014~~

~~Effective for services provided on or after January 1, 2014, payment rates for dental services shall be increased by five percent from the rates in effect on December 31, 2013. This increase does not apply to state-operated dental clinics, federally qualified health centers, rural health centers, Indian Health Service, and tribal 638 facilities.~~

ee. Rate decrease effective July 1, 2014

Effective for services provided on or after July 1, 2014, through June 30, 2015, payment for medical supplies and durable medical equipment not subject to a volume purchase contract, prosthetics and orthotics, is decreased by .33 percent. (Item c 7.c and 12.c.)

ff. Professional services rate increase effective September 1, 2014

Effective for services provided on or after September 1, 2014, the following service payment rates are increased by 5 percent from the rates in effect on August 31, 2014, except that the increase described in Section 1902(a)(13)(C) of the Act is not included in the August 31, 2014, base rate:

- Physicians' services (Item 5.a)
- Physical therapy services (Item 11.a)
- Occupational therapy services (Item 11.b)
- Speech pathology services (Item 11.c.)
- Mental health services (Items 4.b., 6.d.A., 13.d.)

ff.1 Noted exceptions for clause ff:

1. For physicians' services, exclude procedure code S9986.
2. Assertive community treatment services in item 13.d.
3. Residential rehabilitative services in item 13.d.
4. Youth ACT services in item 4.b.

STATE: MINNESOTA

Supplement 2 to ATTACHMENT 4.19-B

Effective: January 1, 2022

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TN: 22-02

Approved: February 8, 2022

Supersedes: 17-18 (15-22, 15-21)

~~ii. Dental Services rate increase 2015~~

~~Effective for dental services provided by dental providers located outside of the seven-county metropolitan area on or after July 1, 2015, payment rates shall be increased by 9.65 percent from the rates in effect on June 30, 2015. This increase does not apply to state-operated dental clinics, federally qualified health centers, rural health centers, Indian Health Service, and tribal 638 facilities.~~

jj. Rate increase for miscellaneous services, effective July 1, 2015

Effective July 1, 2015, payment rates for the following services are increased 90 percent from the rates in effect on June 30, 2015, when provided by an essential community provider that was formerly a state hospital, and is now an outpatient hospital specializing in the treatment of cerebral palsy, spina bifida, epilepsy, closed head injuries, specialized orthopedic problems, and other disabling conditions:

Outpatient hospital facility fees (Item 2.a)

Medical supplies and durable medical equipment not subject to a volume purchase agreement (Item 7.c)

Physical therapy (Item 11.a)

Occupational therapy (Item 11.b)

Speech pathology (Item 11.c)

Prosthetics and orthotics (Item 12.c)

Payments made under this item are not limited by item H of this supplement.

kk. Ambulance services rate increase 2016

Effective for ambulance services provided on or after July 1, 2016, payment rates for services are increased by 5 percent for ambulance providers located within a municipality with a population of less than 1,000, or located outside the seven-county metro area and the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester.

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Supplement 2 to ATTACHMENT 4.19-B
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ll. Rate increase for dental services provided to children, effective July 1, 2017

Effective for dental services provided on or after July 1, 2017, to recipients under 21 years of age by dental providers, payment rates shall be increased by 23.8 percent from the payment rates in effect on June 30, 2017. This increase does not apply to state operated dental clinics, federally qualified health centers, rural health centers, Indian Health Service, and tribal 638 facilities.

mm. Dental Services rate increase 2022

Effective for services on or after January 1, 2022, payment rates for dental services shall be increased by ninety-eight percent. This increase does not apply to state-operated dental clinics, federally qualified health centers, rural health centers, the Indian Health Service, and tribal 638 facilities.