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State/Territory Name: MT

State Plan Amendment (SPA) MT: 22-0029

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601

Financial Management Group

December 14, 2022

Michael Randol
Montana Medicaid and Health Services Executive Director/State Medicaid Director
Montana Department of Public Health & Human Services
Attn: Mary Eve Kulawik
P.O. Box 4210
Helena, MT 59604

RE: **Montana State Plan Amendment (SPA) Transmittal Number 22-0029**

Dear Director Randol:

We have reviewed the proposed Montana State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 18, 2022. This plan adds reference to the Attachment 4.19B Introduction Page for the EPSDT fee schedule.

Based upon the information provided by the State, we have approved the amendment with an effective date of October 1, 2022. 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 LaJoshica (Josh) Smith via 214-767-6453 or lajoshica.smith@cms.hhs.gov.

Sincerely,

[redacted]

Todd McMillion
Director
Division of Reimbursement Review

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 22-0029

2. STATE: MT

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT (Medicaid)
✓ XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
10/01/22

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 440.130(d)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 22 (3 months) $ 0.00
b. FFY 23 (12 months) $ 0.00

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19B, Reimbursement Service 4.b EPSDT, Pages 1-13 of 13

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19B, Reimbursement Service 4.b EPSDT, Pages 1-13 of 13

9. SUBJECT OF AMENDMENT

The EPSDT State Plan is being amended to update the reimbursement language to note the addition of EPSDT to the Attachment 4.19B Introduction Page.

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
X OTHER, AS SPECIFIED:
Single Agency Director Review

11. SIGNATURE OF STATE AGENCY OFFICIAL
[redacted]

12. TYPED NAME Michael Randol

13. TITLE Medicaid and Health Services Executive Director/ State Medicaid Director

14. DATE SUBMITTED 9-18-2022

15. RETURN TO
Montana Department of Public Health and Human Services
State Medicaid Director
Attn: Mary Eve Kulawik
PO Box 4210, Helena, MT 59601

FOR CMS USE ONLY

16. DATE RECEIVED
September 18, 2022

17. DATE APPROVED
December 14, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
October 1, 2022

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

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I. The Department will reimburse Medicaid providers for EPSDT services the lower of:

A. The provider's usual and customary (billed) charge for the service;

B. The Department's fee schedule published on the agency's website at http://medicaidprovider.mt.gov. The rate for each EPSDT service is a set fee per unit of service and set as of the date on the Attachment 4.19B Introduction Page. Unless otherwise specified in this state plan, reimbursement rates are the same for governmental and non-governmental providers. The reimbursement rates on the fee schedules are provided in accordance with the methodology described in this state plan.

II. In accordance with the Social Security Act, the Department provides medically necessary EPSDT services. When the Department has not established a fee schedule for a service required by an individual covered under EPSDT, a rate is negotiated with the provider. This rate is set at a comparable rate to a service similar in scope.

III. The Department's fee schedule for all EPSDT rehabilitative services is determined as follows:

A. Rate-Setting Method:

Montana has a prospective Medicaid rate-setting method that was developed to reflect service definitions, provider requirements, operational service delivery, and administrative considerations. Each rate is calculated on a unit basis and set at an amount based on estimated reasonable and efficient cost at a certain point in time. Increases after that point in time calculation are based on legislative appropriations.

B. Rate Components

The calculation separates out direct service components from indirect program components and overhead expenses essential to administer the service and program. In some rates individual, family, and group therapies, along with community-based psychiatric and support services (CBPRS) are costed independently and then added into the unit rate as a direct service expenditure. The following elements are used to determine the rate, based on estimated reasonable costs, at a certain point in time, as applicable to each service:

1. Direct Service Expenditures

- Direct staff wages
- Employee benefit costs
- Direct supervision
- On-call differential for services that require 24-hour per day, 7-day a week on call for crisis intervention and response.
- Program support costs
- Travel costs

2. Administrative Overhead / Indirect Costs

3. Auxiliary Operational Expenditures

4. *Productivity or Billable Time.* The productivity adjustment factor accounts for the amount of non-billable time spent by staff.

5. *Calculation Adjustors*
   - Medicaid Offsets. Offsets are accounted for when providers receive other revenues in relation to the service. (e.g., direct care wage).
   - CPI adjustment. A CPI adjustment is used to adjust economic series or surveys for price changes and to translate these series into inflation adjusted dollars at time of calculations.
   - Other inflationary adjustments. Inflationary adjustments are allowed for legislative provider rate changes, other legislative adjustments, or changes in service scope from year to year.
   - Policy adjustor. A policy adjustor may be applied to increase or decrease rates when the Department determines that relative adjustments to specific rates are appropriate to meet Medicaid policy goals and appropriated budgets.
   - Frontier Differential. A rate adjustment may be applied to services for youth residing in a Montana county with a per capita population of fewer than 6 people per square mile.

MONTANA

C. Bundle-specific rate setting.

EPSDT Rehabilitative services include the following components, as noted in the Supplements to Attachments 3.1A and 3.1B and are calculated in the units as noted. CBPRS is included in this table but is not a bundle. CBPRS is the sole unbundled service whose rate calculation is part of this State Plan Amendment. All other unbundled EPSDT rehabilitative services are covered by other state plans or their rates are included in the State's Resource Based Relative Value System (RBRVS.

The state will regularly review responses from Medicaid beneficiaries related to the types, quantity and intensity of Montana's behavioral health service array, and will review utilization of services every two years. If utilization falls significantly or beneficiary surveys identify gaps in access to care, the state will review bundled rates for sufficiency to ensure beneficiaries receive the types, quantity and intensity of services required to meet their medical needs and to ensure that the rates remain economic and efficient based on the services that are actually provided as part of the bundle. Room and board or other unallowable facility costs are excluded from all rates.

Any provider delivering services through a bundle will be paid through that bundle's payment rate and cannot bill separately. Providers delivering separate services outside of the bundle may bill for those separate services in accordance with the Montana's Medicaid billing procedures.

At least one of the services included in the bundle must be provided within the service payment unit in order for providers to bill the bundled rate.

Pursuant to Administrative Rules of the State of Montana, Medicaid providers must maintain records which fully demonstrate the extent, nature and medical necessity of services and items provided to Montana Medicaid recipients.

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Name of Service	**Service Bundle Includes:**	**Rate Components Include:**	**Unit**
Community-Based Psychiatric Rehabilitation and Support (CBPRS)	Not a bundle but included here because its rate setting methodology is not included elsewhere.	• Direct staff wages • Employee benefit costs • Direct supervision • Program support costs • Travel costs • Administrative overhead/Indirect costs • Auxiliary Operational Expenditures • Productivity adjustment factor • Medicaid offsets • CPI adjustment • Other inflationary adjustments • Policy adjustor	Per 15 minutes
Comprehensive Behavioral Health Treatment (CBHT)	• Individual Therapy • Group Therapy • Family Therapy • CBPRS • Care Coordination • Crisis Services	• Usual and Customary Market Rate • Historical Utilization • CPI • Frontier Differential	Per diem

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Name of Service	**Service Bundle Includes:**	**Rate Components Include:**	**Unit**
Therapeutic Group Home (TGH)	• Individual Therapy • Group Therapy • Family Therapy • CBPRS Within a TGH, additional CBPRS may be provided as a prior-authorized add-on service. This service is referred to as Extraordinary Needs Aide (ENA).	• Direct staff wages • Employee benefit costs • Direct supervision • Program support costs • Administrative overhead/Indirect costs • Auxiliary Operational Expenditures • Medicaid offsets • CPI adjustment • Other inflationary adjustments • Policy adjustor	Per diem (TGH) Per 15 minutes (CBPRS)
Home Support Services	• Functional assessment • Crisis Services • Family Support Services	• Direct staff wages • Employee benefit costs • Direct supervision • On-call differential (crisis services) • Program support costs • Travel costs • Administrative overhead/Indirect costs • Auxiliary Operational Expenditures • Productivity adjustment factor • Medicaid offsets • CPI adjustment • Other inflationary adjustments • Policy adjustor • Frontier Differential	Per 15 minutes

Name of Service	**Service Bundle Includes:**	**Rate Components Include:**	**Unit**
Therapeutic Foster Care (TFC)	• Functional assessment • Crisis Services • Family Support Services	• Direct staff wages • Employee benefit costs • Direct supervision • On-call differential (crisis services) • Program support costs • Travel costs • Administrative overhead/Indirect costs • Auxiliary Operational Expenditures • Productivity adjustment factor • Medicaid offsets • CPI adjustment • Other inflationary adjustments • Policy adjustor	Per diem
Therapeutic Foster Care Permanency (TFC-P)	• Functional assessment • Crisis Services • Family Support Services • Individual Therapy • Group Therapy • Family Therapy • CBPRS	• Direct staff wages • Employee benefit costs • Direct supervision • On-call differential (crisis services) • Program support costs • Travel costs • Administrative overhead/ Indirect costs • Auxiliary Operational Expenditures • Productivity adjustment factor • Medicaid offsets • CPI adjustment • Other inflationary adjustments • Policy adjustor	Per diem

MONTANA

Name of Service	**Service Bundle Includes:**	**Rate Components Include:**	**Unit**
Youth Day Treatment Services	• Individual Therapy • Group Therapy • Family Therapy • CBPRS	• Direct staff wages • Employee benefit costs • Direct supervision • Program support costs • Administrative overhead/ Indirect costs • Auxiliary Operational Expenditures • Productivity adjustment factor • Medicaid offsets • CPI adjustment • Other inflationary adjustments • Policy adjustor	Per hour

D. Rate Notes and Formula

1. Community-Based Psychiatric Rehabilitation and Support (CBPRS) services and Home Support Services (HSS)are the only unbundled EPSDT rehabilitative service whose rate calculation is part of this State Plan Amendment. All other unbundled EPSDT rehabilitative services are covered by other state plans or their rates are included in the State’s Resource Based Relative Value System (RBRVS).

   Group therapy for Community-Based Psychiatric Rehabilitation and Support (CBPRS) has a maximum staff to member ratio of one to four. The rate for CBPRS group therapy is set at 30% of the individual rate.

   There is a separate rate for Community-Based Psychiatric Rehabilitation and Support (CBPRS) when CBPRS is provided within a Therapeutic Group Home (TGH). The separate rate calculation for CBPRS provided within a TGH excludes the mileage component.

   CBPRS Rate = ((((Hourly Provider Direct Costs + Hourly Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ (Productivity Adjustment Factor or Billable Hours) x Calculation Adjustors)) ÷ 4 to convert to 15-minute unit)

MONTANA

2. Therapeutic Group Home (TGH)

In the Therapeutic Group Home rate calculation, licensed therapies and non-licensed observations and supports are separate components of the rate. Room and board, educational components, and other non-allowable facility costs are excluded from the per diem Therapeutic Group Home rate.

For Auxiliary Operational Expenditures, only a designated dollar amount or percentage of the facility and equipment that is devoted to treatment and programming is included in the bundled rate (e.g. therapist office space, individual treatment or therapy rooms, and family or group treatment or therapy rooms).

In lieu of a productivity or billable time percentage, the Therapeutic Group Home rate calculation uses actual units of service or occupied bed days. The number of occupied bed days is used to allocate costs into a daily service unit. At time of calculation, the representative or current state fiscal year bed days or units is used to allocate expenditures into a daily unit rate.

TGH Rate = (((Provider Direct Costs + Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ Medicaid Bed Days or Units of Service) x Calculation Adjustors)

3. Home Support Services (HSS)

HSS Rate = (((Hourly Provider Direct Costs + Hourly Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ (Productivity Adjustment Factor or Billable Hours) x Productive FTE Hours) ÷ 4 to convert to 15-minute unit.

4. Therapeutic Foster Care (TFC)

TFC Rate = (((Hourly Provider Direct Costs + Hourly Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ (Productivity Adjustment Factor or Billable Hours) x Productive FTE Hours) ÷ Daily Units) x Calculation Adjustors)

MONTANA

5. Therapeutic Foster Care Permanency (TFC-P)

A minimum of ten hours per week of community-based psychiatric and supports (CBPRS) is required for each member under Therapeutic Foster Care Permanency (TFC-P). Community-based psychiatric and supports (CBPRS) is reimbursed per 15-minute increment on the basis of a separate departmental fee schedule rate. The estimated average service time for behavioral aide services per member, is multiplied by the current fee schedule rate for CBPRS. This amount is then added into direct service costs for the TFC-P daily rate.

The Therapeutic Foster Care Permanency (TFC-P) bundled rate includes individual, family, and group therapy services. The estimated average number of services necessary for individual, family, and group therapies per member is multiplied by the current rate schedule under RBRVS methodology. This component is then added into direct service costs for the TFC-P daily rate.

TFC-P Rate = (((Hourly Provider Direct Costs + Hourly Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ (Productivity Adjustment Factor or Billable Hours x Productive FTE Hours)) ÷ (Daily Units x Calculation Adjustors))

6. Youth Day Treatment

All educational components are excluded from the Youth Day Treatment Medicaid rate. The Youth Day Treatment rate is based on caseload assumptions for Full Time Equivalents (FTE) necessary to provide day treatment for one classroom of twelve members. The rates are divided into hourly time increments for billing purposes.

Youth Day Treatment Rate = (((Hourly Provider Direct Costs + Hourly Provider Indirect Costs and Auxiliary Operational Expenditures) ÷ (Productivity Adjustment Factor or Billable Hours)) x Calculation Adjustors)

7. Comprehensive Behavioral Health Treatment (CBHT)

CBHT services are provided by Medicaid-enrolled public school districts. To provide CBHT, public school districts must be licensed as, or contract with, a mental health center with an endorsement to provide CBHT.Contracted service costs are considered under Provider Direct and Indirect Costs and Auxiliary Operational Expenditures.

CBHT services are reimbursed according to a per-diem rate of $96.96 for services delivered in a non-frontier differential county, and $111.50 for services delivered in a frontier differential county, based on historical program utilization and expenditures with adjustments for inflation.

One CBHT team with up to three employees will not be reimbursed for more than 360 service days per team per month.The CBHT team is reimbursed once per service day, per youth, even if multiple CBHT team members provide services to the same youth. A service day is a minimum of 30 total minutes of service provided by the CBHT team. The licensed or licensure candidate mental health professional must provide a minimum of three core services per month to each youth enrolled in the CBHT team. There is no limit on the number of youth that may be served.

For youth who are referred to CBHT services but upon assessment do not meet admissions criteria; up to ten service days per youth, per state fiscal year, may be billed for an intervention, assessment, and if necessary, referral to other services. These service days must be billed as part of the 360 service days monthly team total.

IV. The Department’s methodology for all other, non- rehabilitative EPSDT services is determined as follows.

Provider-Orientation and Mobility Specialist (Provider, Service, Unit, Limits)

Service	**Unit**	**Reimbursement**	**Limits**
Sensory Integration	15 min units	Fee schedule referenced in I.B.	none
Self-Care Management	Per occurrence	Fee schedule referenced in I.B.	none

Provider-Department approved Cleft/Craniofacial Interdisciplinary Teams *

Service	Unit	Reimbursement	Limits
Cleft/Craniofacial Interdisciplinary Teams	Day	Fee schedule referenced in I.B.	N/A

Provider-Department approved Metabolic Interdisciplinary Teams *

Service	Unit	Reimbursement	Limits
Metabolic Interdisciplinary Teams	Day	Fee schedule referenced in I.B.	N/A

Provider-Department approved Cystic Fibrosis Interdisciplinary Teams *

Service	Unit	Reimbursement	Limits
Cystic Fibrosis Interdisciplinary Teams	Day	Fee schedule referenced in I.B.	N/A

* The bundled rates for the three interdisciplinary teams providing EPSDT Services through the Public Health and Safety Division of the Department (Provider, Service, Unit, Limits) are arrived at using a prospective Medicaid rate-setting method that was developed to reflect service definitions, provider requirements, operational service delivery, and administrative considerations at a certain point in time. Each service provided by individual team members is included in the bundled Medicaid rate with an applied efficiency factor. The efficiency factor is set considering service configuration, team composition, scale of operation, expected costs, volume of service and overall caseload.

V. Direct Care Wage Add-on Reimbursement

Effective February 15, 2013, additional direct care wage reimbursement payments will be made to providers that employ direct-care workers (DCW).

These funds will be distributed proportionally in an annual payment to participating EPSDT rehab service providers based on the number of units of Medicaid EPSDT rehab direct care services provided by each provider during the most recent twelve months for which claims data is available.

The amount of direct care wage reimbursement payments allocated to each direct care service type for distribution is based on legislative appropriation, historical direct-care wage fund allocations from the most recent survey of providers, and the proportion of Medicaid expenditures each direct care service is in relation to all direct care services in a ***provider type*** allocation.

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Direct care worker (DCW) for EPSDT rehabilitative services means a non-professional employee of a Medicaid-enrolled provider who is assigned to work directly with youth or in youth-specific rehab service activities for no less than 75% of their hours of employment. A DCW is primarily responsible for the implementation of the treatment goals of the youth. The term "Direct Care Worker" includes Community Based Psychiatric Rehabilitation Services aides, Home Support Services or Therapeutic Foster Care Treatment staff and aides, Day Treatment aides, Therapeutic Group Home nonprofessional staff and Extraordinary Needs Aides. Wage add-on payments are made to direct care workers providing the following services: Community Based Psychiatric Rehabilitation services, family support services, and crisis services.

Distribution to each participating provider is calculated in the following manner:

Step 1: Total amount appropriated / historical direct care wage allocation = amount direct care wage per participating provider type.

Step 2: Amount of direct care wage per participating provider type / all participating provider units (standardized) in the provider type = amount direct care wage per standardized unit of service.

Step 3: Amount of direct care wage per standardized unit of service × amount of direct care wage per unit = amount of individual provider direct care wage reimbursement.

Total amount appropriated per year for all EPSDT rehabilitation direct care wage reimbursement is $2,337,109 per state fiscal year.

MONTANA

Applied Behavior Analysis (ABA) Services

I. Reimbursement for Applied Behavior Analysis (ABA) services will be the lower of:

A. The provider's usual and customary (billed) charge for the service; or

B. The Department's fee schedule which is based on a resource based relative value scale (RBRVS) methodology. In accordance with RBRVS methodology, a Relative Value Unit (RVU), which is numeric, is multiplied by the Montana Medicaid specific conversion factor, which is a dollar amount, to equal a fee. Specific to Montana Medicaid, there is an ability to multiply the fee times a policy adjuster (either plus or minus) to affect the fee.

1. Current Procedural Terminology (CPT) Category I codes are being utilized for adaptive behavior assessment/intervention services for the assessment and treatment of a Serious Emotional Disturbance (SED) including Autism Spectrum Disorder, or Developmental Disability diagnosis, that meets Functional Impairment Criteria. For Behavior Identification Assessments 97151 and Adaptive Treatment with Protocol 97155, the Department fee is based on a service provided by a Board Certified Behavior Analyst, the fee is reduced approximately 26% when provided by a Board Certified Assistant Behavior Analyst or a student enrolled in an accredited BCBA graduate level education program.