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State/Territory Name: North Dakota

State Plan Amendment (SPA) #: 20-0015

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

October 5, 2020

Ms. Caprice Knapp, Medicaid Director
North Dakota Department of Health and Human Services
600 E. Boulevard Avenue, Dept. 325
Bismarck, ND 58505-0250

RE: TN 20-0015

Dear Ms. Knapp:

We have reviewed the proposed North Dakota State Plan Amendment (SPA) to Attachment 4.19-B 20-0015, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on July 23, 2020. This plan amendment provides a yearly inflationary increase for personal care services reimbursement rates as of July 1, 2020.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.


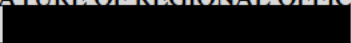
If you have any additional questions or need further assistance, please contact LaJoshica (Josh) Smith at 214-767-6453 or Lajoshica.Smith@cms.hhs.gov.

Sincerely,

[Redacted Signature]

Todd McMillion
Director
Division of Reimbursement Review

Cc: LeeAnn Thiel

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		1. TRANSMITTAL NUMBER: 20-0015	2. STATE North Dakota
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <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 447.204		7. FEDERAL BUDGET IMPACT: a. FFY <u>2019</u> <u>\$100,100</u> b. FFY <u>2020</u> <u>\$314,400</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B pages 3 and 3a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B pages 3 and 3a	
10. SUBJECT OF AMENDMENT: Amends the State Plan to implement an inflationary increase for Personal Care Services.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <u>Caprice Knapp, Director</u> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <u>Medical Services Division</u>			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Caprice Knapp, Director Medical Services Division ND Department of Human Services 600 East Boulevard Avenue Dept 325 Bismarck ND 58505-0250	
13. TYPED NAME: Caprice Knapp			
14. TITLE: Director, Medical Services Division			
15. DATE SUBMITTED: July 23, 2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 07/23/2020		18. DATE APPROVED: 10/5/2020	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/2020		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Todd McMillion		22. TITLE: Director, Division of Reimbursement Review	
23. REMARKS: : On 09/28/20, the State authorized a pen & ink change to the CMS-179 – box 7: FFY 2020 - \$100,100 & FFY 2021 – \$314,400.			

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE:

- 18. Covered outpatient drugs submitted on a professional claim form will be reimbursed at the lower of the fee schedule established by the state agency or the estimated acquisition cost for the national drug code as outlined on item 32 on pages 6 and 6a of Attachment 4.19-B.
- 19. Effective July 1, 2019, for Nurse Practitioner Services, payment will be the lower of billed charges or 75% of the reimbursement under Attachment 4.19-B, Methods and Standards for Establishing Payment Rates – Other Types of Care (continued), item 6, 6a and 6b.
- 20. Effective July 1, 2019, for Other Practitioner Services, unless otherwise specified, payment will be the lower of billed charges or 75% of the reimbursement under Attachment 4.19-B, Methods and Standards for Establishing Payment Rates – Other Types of Care (continued), item 6, 6a and 6b.
- 21. Effective July 1, 2019, Registered Nurses who are either employed by or under contract through a school for nursing services provided to Medicaid eligible children (under age 21) who have an approved Individualized Education Program that documents medical necessity for nursing services that support the child’s need to access free appropriate public education, payment will be the lower of billed charges or reimbursement under Attachment 4.19-B, Methods and Standards for Establishing Payment Rates – Other Types of Care (continued), item 6, 6a, and 6b.
- 22. Vacated
- 23. Personal Care Services
 - a. Authorized personal care services provided to an individual who receives personal care services from a provider on less than a 24-hour-a-day-seven-day-a-week basis shall be paid based on a maximum 15-minute unit rate established by the department. Rates will be established for individual and agency providers.

North Dakota Medicaid providers will receive a 2.5 percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2020, as authorized and appropriated by the 2019 Legislative Assembly. Providers who travel at least twenty-one miles round-trip to provide personal care services to individuals in rural areas, will receive a rate adjustment effective for dates of service January 1, 2015.

- b. Authorized personal care service provided to an individual by a provider who provides personal care services on a 24-hour-a-day-seven-day-a-week basis shall be paid using a prospective per diem rate for each day personal care services are provided.
 - 1) The maximum per diem rate for an individual or agency provider shall be established using the provider’s allowable hourly rate established under paragraph a. multiplied times the number of hours per month authorized in the individual’s care plan times twelve and divided by 365. The provider may bill only for days in which at least 15 minutes of personal care service are provided to the individual. The maximum per diem rate for an individual or agency may not exceed the maximum per diem rate for a residential provider as established in subparagraph 2.

- 2) The per diem rate for a residential provider is established based on the residential provider's reported allowable costs for direct and indirect personal care services divided by the number of days personal care services were provided during the report period. The per diem rate is applicable to all eligible individuals authorized to receive personal care services from the residential provider and does not vary based on the amount of services authorized for each individual. The per diem rate is payable only for days in which at least 15 minutes of personal care services is provided to the individual in the residential facility. For an individual who does not receive at least 15 minutes of personal cares per day, the rate payable to a residential provider for personal care services shall not exceed the maximum allowable hourly rate for an agency as established in paragraph a.

The per diem rate shall be established annually for each residential provider based on a cost report that identifies actual costs incurred for the provision of personal care services during the provider's fiscal year. The established per diem rate may not exceed the maximum per diem rate. North Dakota Medicaid providers will receive a 2.5 percent inflationary increase in reimbursement effective for dates of service on or after July 1, 2020, as authorized and appropriated by the 2019 Legislative Assembly.

Allowable costs included in the personal care per diem rate are:

1. Salaries, fringe benefits and training expenses for direct supervisors and staff who provide assistance with:
 - a. Activities of daily living including eating, bathing, dressing, mobility, toileting, transferring and maintaining continence; and
 - b. Instrumental activities of daily living that include personal hygiene, light housework, laundry, meal preparation, transportation, grocery shopping, using the telephone, medication management and money management.
2. Administration and overhead expenses that include salaries and fringe benefits of an administrator, assistant administrator or top management personnel, liability insurance, central and home office costs excluding property costs, telephone, personnel recruitment costs, computer software costs, business office expenses, and working capital interest.

24. Vacated

25. Organ Transplants - Payments for physician services are based on Attachment 4.19-B No. 6 as described in this attachment. Payment for hospital services are based on Attachment 4.19-A.