

## **Table of Contents**

**State/Territory Name: ND**

**State Plan Amendment (SPA) #: 23-0016**

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/ Division of Reimbursement Review**

August 7, 2023

Krista Fremming, Interim Director  
Medical Services Division  
North Dakota Department of Human Services  
600 E. Boulevard Avenue, Dept. 325  
Bismarck, ND 58505-0250

RE: North Dakota State Plan Amendment TN: 23-0016

Dear Director Fremming:

We have reviewed the proposed North Dakota State Plan Amendment (SPA) 23-0016, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on July 19, 2023. This state plan amendment implements a 3% inflationary increase for Rural Health Clinic Services.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2023. We are enclosing the approved CMS-179 and a copy of the plan pages.



If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or [matthew.klein@cms.hhs.gov](mailto:matthew.klein@cms.hhs.gov)

Sincerely,



Todd McMillion  
Director

Enclosures

<p><b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b></p>		<p>1. TRANSMITTAL NUMBER <u>2 3</u> — <u>0 0 1 6</u></p>	<p>2. STATE <u>ND</u></p>
<p>TO: CENTER DIRECTOR CENTERS FOR MEDICAID &amp; CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES</p>		<p>3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX    <input type="radio"/> XXI</p>	
<p>5. FEDERAL STATUTE/REGULATION CITATION <u>42 CFR 447.204</u></p>		<p>4. PROPOSED EFFECTIVE DATE <u>July 1, 2023</u></p>	
<p>7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-B page 4a</u></p>		<p>6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u>                      \$ <u>9,021</u> b. FFY <u>2024</u>                      \$ <u>28,256</u></p>	
<p>9. SUBJECT OF AMENDMENT <u>Amends the State Plan to implement an inflationary increase of three percent for Rural Health Clinic Services.</u></p>		<p>8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-B page 4a (TN 22-0010)</u></p>	
<p>10. GOVERNOR'S REVIEW (Check One)</p> <p><input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT                      <input checked="" type="radio"/> OTHER, AS SPECIFIED:  <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL</p>			
<p>11. SIGNATURE OF STATE AGENCY OFFICIAL </p>	<p>15. RETURN TO Krista Fremming, Interim Director Medical Services Division ND Department of Health and Human Services 600 East Boulevard Avenue Dept 325 Bismarck ND 58505-0250</p>		
<p>12. TYPED NAME <u>Krista Fremming</u></p>	<p>14. DATE SUBMITTED <u>July 19, 2023</u></p>		
<p>13. TITLE <u>Interim Medical Services Director</u></p>	<p><b>FOR CMS USE ONLY</b></p>		
<p>16. DATE RECEIVED <u>07/19/2023</u></p>	<p>17. DATE APPROVED <u>August 7, 2023</u></p>		
<p><b>PLAN APPROVED - ONE COPY ATTACHED</b></p>			
<p>18. EFFECTIVE DATE OF APPROVED MATERIAL</p>	<p>19. SIGNATURE OF APPROVING OFFICIAL </p>		
<p>20. TYPED NAME OF APPROVING OFFICIAL <u>Todd McMillion</u></p>	<p>21. TITLE OF APPROVING OFFICIAL <u>Director, Division of Reimbursement and Review</u></p>		
<p>22. REMARKS</p>			

The APM rate is a fixed rate and is not subject to adjustment or reconciliation except as provided for below. The APM rate shall equal or exceed the PPS rate that was established for the center.

The RHC's APM rate shall be established according to a two-step process, as follows:

1. Establishment of APM Rate:

(a) The APM rate shall be equal to an amount (calculated on a per visit basis) that is:

- i. For provider-based RHCs, an APM rate shall be established based on 100% of the RHC's billed charges, exclusive of lab charges, for the RHC's fiscal year 2000 plus the fee schedule amount for laboratory services divided by the number of visits.
- ii. For freestanding RHCs the rate will be \$61.85.

(b) The calculation of the APM rate and any subsequent adjustments to that rate shall be on the basis of the reasonable costs of the RHC as provided for under 42 C.F.R. part 413 without the application of provider screens and caps or limitations on costs or cost categories.

(c) The APM rate shall be increased by three percent effective July 1, 2023.

2. One-Time Adjustment:

Each RHC that is an enrolled provider on June 30, 2012 shall have one opportunity to rebase its APM rate. The APM rate shall be adjusted to the Medicare cost per visit, excluding provider screens and caps, from its fiscal year 2012 Medicare cost report. The cost per visit shall exclude laboratory costs and shall be increased by one percentage point for each three month period from the cost report end date to July 1, 2013.

3. Upon the RHC's application, the APM rate shall be adjusted to reflect any increase or decrease in the scope of services furnished by the RHC.