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State/Territory Name: NH

State Plan Amendment (SPA) #: 22-0020

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

March 7, 2023
Lori A. Weaver
Interim Commissioner
Department of Health and Human Services
129 Pleasant St.
Concord, NH 03301

RE: New Hampshire State Plan Amendment (SPA) Transmittal Number 22-0020

Dear Interim Commissioner Weaver:

We have reviewed the proposed New Hampshire State Plan Amendment (SPA) to Attachment 4.19-B submitted under TN-22-0020, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31st, 2022. This plan updates Private Non-Medical Institution (PNMI) reimbursement methodology.

Based upon the information provided by the State, we have approved the amendment with an effective date of February 18th, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

Please note that our approval relates only to the requested change in payment methodology and that the resultant rates and related expenditures are consistent with section 1902(a)(30)(A) of the Act. CMS may still have questions on the funding structure in determining it's consistent with sections 1902(a)(2), 1903(a), and 1903(w) of the Act as implemented by 42 CFR §433.54. Approval of the subject SPA does not relieve the state of its responsibility to comply with federal laws and regulations, and to ensure that claims for federal funding are consistent with all applicable requirements. On April 2nd, 2021, CMS issued a letter on the New Hampshire Granite Advantage Health Care Trust Fund, in companion to the approval of New Hampshire's Medicaid managed care state directed payment preprints. The letter requested additional information to allow CMS to further review the state's sources of non-federal share financing of the Medicaid adult expansion population. The result of that review may also be applicable to the expenditures related to the payments authorized in this SPA.

If you have any additional questions or need further assistance, please contact Jerica Bennett at 1-410-786-1167 or jerica.bennett@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 2 - 0 0 2 0</u>	2. STATE <u>NH</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE February 18, 2022	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 434.2; 42 CFR Part 447	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>0</u> b. FFY <u>2023</u> \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1 A, Page 3-6 Attachment 3.1 B, Page 5-3 Attachment 4.19-B, Page 3a-1 Attachment 4.19-B, Page 3a-1.1	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 3.1 A, Page 3-6, TN 07-07 Attachment 3.1 B, Page 5-3, TN 07-07 Attachment 4.19-B, Page 3a-1, TN 21-0013 Attachment 4.19-B, Page 3a-1.1 -- N/A, new page	

9. SUBJECT OF AMENDMENT
Private Non-Medical Institution (PNMI) methodology description

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

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Janine Corbett Division of Medicaid Services - Brown Building 129 Pleasant Street Concord, NH 03301
12. TYPED NAME Ann H. Landry	
13. TITLE Associate Commissioner	
14. DATE SUBMITTED <u>3-31-2022</u>	

FOR CMS USE ONLY

16. DATE RECEIVED 03/31/2022	17. DATE APPROVED March 7, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL 02/18/2022	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS

02/16/23-Pen and Ink Change-Box 7 and 8 were amended to remove coverage pages as they were retracted from this SPA submission-J.Bennett

PAYMENT RATES FOR ALL TYPES OF CARE OTHER THAN INPATIENT
HOSPITAL, SKILLED NURSING, OR INTERMEDIATE NURSING CARE SERVICES

15. Other Diagnostic, Screening, Preventative, and Rehabilitation Services

Payment for family centered early supports and services (previously called early intervention) is made in accordance with a fee schedule established by the department. Rates were set as of January 1, 2021, and are effective for services provided on or after that date. No provider shall bill or charge the department more than the provider’s usual and customary charge. All fee schedules are accessible at www.nhmmis.nh.gov, under the “documents and forms” tab under “documentation,” and are applicable to all public and private providers.

Payment for covered services provided by a residential facility (private non-medical institution [PNMI]) is determined by budgeted costs submitted to the department. A single facility prospective rate is paid to each facility. Rates are reviewed in accordance with the policies and procedures set by the department. No provider shall bill or charge the department more than the provider’s usual and customary charge. Payment does not include room and board.

a. In State PNMI: for In-State providers, the PNMI rate is determined as follows:

1. Daily Rate Determination:
 - i. Net Expenses- difference between the total budgeted costs (total expenses) and total allowable revenue. Net expenses do not include charges related to educational costs.
 - ii. Certified Beds- quantity of beds certified within the licensed capacity for the facility.
 - iii. Utilization Factor- percentage of certified beds/daily attendance over a 3 year period. The utilization factor is capped at 95% maximum with a minimum utilization of 75%.
 - iv. Rate Calculation Capacity- certified beds multiplied by the utilization factor.
 - v. Units of Service- rate calculation capacity multiplied by the length of the program year.
 - vi. Daily Rate- net expenses are divided by the units of service to determine the daily rate.
2. Time Study:
 - i. Time Study- review of participants to determine reimbursable Medicaid work activities; time studies occur annually and run for approximately 10 days.
 - ii. Time Study Records- documentation of all staff who are involved in the provision of rehabilitative services and are present during the time study period.
 - iii. Facility Participation- facilities are requested to participate in times studies to determine the portion of time direct care staff attributed to rehabilitative services. Facilities that have not completed times studies will use a median percentage based on certified state facilities providing the same level of care at the time of the rate-setting period.

15. Other Diagnostic, Screening, Preventative, and Rehabilitation Services (continued)**a. In State PNMI (continued):**

3. PNMI Reimbursable Rate: per diem rate determined by multiplying the Facility Daily Rate with the Time Study Percentage.

b. Out of State PNMI: for Out of State providers, PNMI calculation is determined by the following:

1. Rate Determination:
 - i. Rate Setting Authority- states with rate setting authority for applicable residential programs receive reimbursement at that state's provided rate.
 - ii. Budgeted Cost/Utilization Factor- States that do not have a rate setting authority may submit budget proposals with itemized lists of expenditures. The methodology as applied for in-state providers is used to determine the PNMI Reimbursable rate.
 - iii. When there is no rate setting authority and no budget is provided, rates are set as an average of contracted rates between that facility and others with the same service until a budget is submitted.
2. Rate Review: PNMI rates will be reviewed and updated as directed by the applicable state's rate setting authority or through revised budgets submitted by the provider.

No provider shall bill or charge the department more than the provider's usual and customary charge. Payment does not include room and board.

Payment for ISO (Individual Service Option), Out of Home, Foster Care (Agency and Child) (previously called Therapeutic Foster Care) is made on a per diem basis in accordance with a fee schedule established by the department. Rates were set as of January 1, 2021, and are effective for services provided on or after that date. No provider shall bill or charge the department more than the provider's usual and customary charge. All fee schedules are accessible at www.nhmmis.nh.gov, under the "documents and forms" tab under "documentation," and are applicable to all public and private providers.

Note: When it is stated that "rates were set as of" this indicates the most recent date rates were changed on one or more codes for the type of service/practitioner in question. It is not meant to imply that all of the codes pertaining to the type of service/practitioner in question were changed or reviewed.