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State/Territory Name: New Hampshire

State Plan Amendment (SPA) #: NH-22-0028

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
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

September 8, 2022

Lori A. Shibinette, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

RE: New Hampshire State Plan Amendment 22-0028

Dear Commissioner Shibinette:

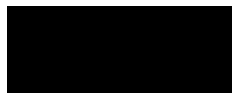
We have reviewed the proposed amendment to Attachments 4.19-A, -B, and -D of your Medicaid State plan submitted under transmittal number (TN) 22-0028. Effective May 17, 2022, this amendment provides for reimbursement under single case agreements for inpatient hospital services, outpatient services and nursing facility services where there is a lack of existing New Hampshire enrolled providers able to provide the medically necessary specialized services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subparts C and F. This is to inform you that Medicaid State plan amendment TN 22-0028 is approved effective May 17, 2022. The CMS-179 and the amended plan page(s) are attached.

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 2, 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 state responded to the letter on May 28, 2021, and CMS will continue to review the funding structure in question based on the state's responses. The result of the review may also be applicable to the expenditures related to the payments authorized in this SPA.


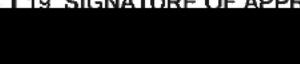
If you have any additional questions or need further assistance, please contact Mark Wong at (415) 744-3561 or mark.wong@cms.hhs.gov and Jerica Bennett at (410) 786-5609 or jerica.bennett@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>2 2</u> — <u>0 0 2 8</u>	2. STATE <u>NH</u>
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
5. FEDERAL STATUTE/REGULATION CITATION Title 19 of the Social Security Act and 42 CFR 447 Payment for Services		4. PROPOSED EFFECTIVE DATE May 17, 2022	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A, Page 1 Attachment 4.19-A, Page 4a.1 Attachment 4.19-B, Page 4 Attachment 4.19-D, Page 1 Attachment 4.19-D, Supplement 1, page 1		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>161,794</u> b. FFY <u>2023</u> \$ <u>431,057</u>	
9. SUBJECT OF AMENDMENT Single case agreements for inpatient hospital services, outpatient hospital services, and nursing facility services, including nursing facility services for residents with severe mental or neurological disorders.		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-A, Page 1 (10-0009) Attachment 4.19-A, Page 4a.1 (new page) - Attachment 4.19-B, Page 4 (98-04) Attachment 4.19-D, Page 1 (90-10) Attachment 4.19-D, Supplement 1 (new page) -	
10. GOVERNOR'S REVIEW (Check One) <input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="radio"/> 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		FOR CMS USE ONLY	
13. TITLE Associate Commissioner			
14. DATE SUBMITTED 6-22-22			
16. DATE RECEIVED June 22, 2022		17. DATE APPROVED September 8, 2022	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL May 17, 2022		19. SIGNATURE OF APPROVING OFFICIAL 	
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe		21. TITLE OF APPROVING OFFICIAL Director, Financial Management Group	
22. REMARKS Pen-and-ink changes made to Boxes 7 and 8 by CMS with state concurrence.			

PAYMENT FOR INPATIENT HOSPITAL SERVICES

The New Hampshire Department of Health and Human Services (the Department) shall make payment for inpatient hospital services, with the exception of governmental psychiatric hospital services and single case agreements, as follows:

1. A diagnosis related group (DRG) method of payment shall be used for all inpatient hospital services, except that in-state hospital pass through payments for capital costs shall not be paid.
2. The DRG relative weights shall be based on the Centers for Medicare and Medicaid Services (CMS) weights and grouper software published annually or periodically for Medicare in accordance with the requirements of 42 CFR 412.60, except that CMS weights shall not be used in the computations in 3 a (3) & (4) below.
3. Reimbursement shall be based on rates and amounts established by the Department in accordance with the following methodology:
 - a. Normal hospital operating costs shall be recognized and paid on a per discharge basis, and these payments shall be considered payment in full for such operating costs. Except where specifically noted otherwise, such payments shall apply to all hospitals—in-state, border, and out-of-state.
 - (1) Inpatient acute care services shall be paid a pre-determined price (in relation to a DRG with a relative weight equal to one; see 3.c. for calculation) associated with the DRG assigned by the Department, to each Medicaid hospital discharge, and this rate shall be uniformly applied, except as specified in (2), (3), (4), and (5) below.
 - (2) For in-state hospitals only, inpatient psychiatric care services shall be paid a pre-determined price associated with the applicable psychiatric DRG as assigned to each Medicaid discharge, but the price shall differ by the DPU or DRF peer group in which the facility is placed based upon severity of care.

TN No: 22-0028
Supersedes
TN No: 19-0009

Approval Date September 8, 2022 Effective Date: 05/17/2022

PAYMENT FOR OUT-OF-STATE INPATIENT HOSPITAL SERVICES
IN ACCORDANCE WITH SINGLE CASE AGREEMENTS

A New Hampshire Medicaid recipient may receive out-of-state inpatient hospital services in accordance with single case agreements under the following circumstances:

- 1) There is a lack of providers with a specific clinical expertise in New Hampshire able to provide the necessary services; and
- 2) The out-of-state provider is licensed, certified, or otherwise credentialed by a recognized body as a center of excellence in providing the necessary services.

The reimbursement rate for out-of-state inpatient hospital services in accordance with single case agreements will be negotiated between the New Hampshire Department of Health and Human Services (the Department) and the out-of-state facility providing the services. When negotiating the rate, the Department will take into consideration the following:

- 1) The actual costs of the facility;
- 2) The Medicare rate for the same or similar services, if any; and
- 3) The Medicaid rate for the same or similar services in the state where the facility is located.

The reimbursement rate for out-of-state inpatient hospital services in accordance with single case agreements may not exceed the usual and customary charges of the facility for such services.

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

16. Inpatient Psychiatric Facility Services - Payment rates for inpatient psychiatric facility services provided to all Medicaid eligible clients will be established by the Commissioner based on reasonable costs as submitted by the provider.

A New Hampshire Medicaid recipient may receive specialized services, in state or out of state, in accordance with single case agreements under the following circumstances:

- a) There is a lack of New Hampshire Medicaid-enrolled providers with a specific clinical expertise able to provide the necessary services; and
- b) The provider is licensed, certified, or otherwise credentialed by a recognized body as a center of excellence in providing the necessary services.

The reimbursement rate for specialized services in accordance with single case agreements will be negotiated between the New Hampshire Department of Health and Human Services (the Department) and the facility providing the services. When negotiating the rate, the Department will take into consideration the following:

- a) The actual costs of the facility;
- b) The Medicare rate for the same or similar services, if any; and
- c) The Medicaid rate for the same or similar services in the state where the facility is located.

The reimbursement rate for specialized services in accordance with single case agreements may not exceed the usual and customary charges of the facility for such services.

17. Nurse-Midwife Services - Nurse-midwife services may be provided under the categories of physician, ARNP (other licensed providers), clinic, or rural health clinic services. Payment for nurse-midwife services is made based on the specific type of service provided. Payment is in accordance with the same principles of reimbursement developed for payment to the specific types of providers as described in #5, #6, and #9 herein.

MEDICAL ASSISTANCE	SUBJECT NURSING HOME REIMBURSEMENT	DATE SR
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POLICY

9999

Purpose, Scope
and Effective
Date

9999.1

a. Purpose:

The purpose of these regulations is to define the items of expense which will be taken into account or excluded in the calculation of reasonable costs, and the methods and standards for reimbursement on a reasonable cost related basis for long-term care facilities under Title XIX of the Social Security Act.

b. Scope:

Except where indicated, these regulations apply to all long-term care facilities providing services to Medicaid patients in the State of New Hampshire. These regulations do not apply to Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IIDs) (15 beds or less) or state-operated facilities. Regulations for single case agreements, including for long-term care for behavioral health, are outlined separately, in Supplement 1. The manual includes the Policies and principles applicable to Nursing Facilities as well as methods and standards for reimbursement for nursing care.

Reasonable
Cost
Principles

9999.2

The following are the principles underlying cost or cost-related reimbursement:

Any questions concerning the reasonableness of any cost should be resolved to the extent possible by references to the regulations in effect for Medicare and Medicaid.

MEDICAL ASSISTANCE	SUBJECT NURSING HOME REIMBURSEMENT	DATE SR
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POLICY
9999

Single Case
Agreements
9999.14

Specialized Behavioral Health Long-Term Care Beds Rate:

(1) Qualifying Nursing Facility. For individuals who are residents on or after May 17, 2022, effective May 17, 2022, qualifying nursing facilities will be able to receive a member-based per diem rate for residents with severe mental or neurological disorders who are receiving specialized services for such disorders. In order to qualify for this member-based per diem rate, a nursing facility must:

(a) provide nursing facility services, including the specialized rehabilitation services described in (1)(b) below, to residents with mental or neurological disorders, including residents with acquired brain injuries;

(b) provide the following specialized rehabilitation services for its residents, as medically necessary to meet their service plan needs, which may include, but is not limited to:

1. an individualized therapeutic skill development plan for each member;
2. individual counseling;
3. group counseling (therapeutic and life skills groups);
4. sensory modulation and cognitive rehabilitation;
5. neuropsychological testing, evaluation, and intervention;
6. alcohol and substance abuse counseling and prevention;
7. vocational programming; and
8. community re-integration.

(c) Maintain a program staff or contracted resources of specially trained professionals, including, but not limited to, a neuropsychiatrist, a neuropsychologist, licensed clinical social workers, licensed mental health counselors, vocational specialists, life skills counselors, peer support specialists, certified brain injury specialists, substance abuse counselors, and therapeutic technicians, sufficient to meet the residents' needs. All such staff must be trained in behavior modification and de-escalation techniques.

(2) Per Diem Rate for Approved Admitted Members. Qualifying nursing facilities may receive a flat member-based per diem rate of \$289.12 for members with a mental or neurological disorder that severely affects the member's behavior who are residents on or after May 17, 2022, provided that the qualifying nursing facility receives approval from NH DHHS prior to the member's admission that the member requires specialized rehabilitation services described in (1)(b) above and is therefore eligible for this enhanced rate. The specialized services program is designed to transition the member back to community-based care or less-restrictive placement, and such rate applies only during the time that the member has been approved by NH DHHS for the enhanced rate. If a facility's existing per diem rate is higher than the \$289.12 specialized per diem rate, the facility shall be paid at the higher per diem rate.

Qualifying facilities may also admit members without seeking approval for the enhanced rate from NH DHHS. In such circumstances, qualifying nursing facilities will receive the standard nursing facility rate established under the NH State Plan, Attachment 4.19-D, *Nursing Home Reimbursement, Rate Setting & Payment, Section 9999.8*, with respect to those members.

TN No: 22-0028

Supersedes

TN No: N/A (new page)

Approval Date: September 8, 2022

Effective Date: 05/17/2022