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State/Territory Name: New Hampshire

State Plan Amendment (SPA) #: NH-22-0046

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

February 1, 2023

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

RE: New Hampshire State Plan Amendment Transmittal Number 22-0046

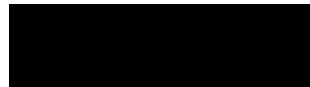
Dear Commissioner Weaver:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 22-0046. Effective November 10, 2022, this amendment adds cost reconciliation language to the state plan for Medicaid disproportionate share hospital payments to state government-owned psychiatric hospitals.

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 Subpart C. This is to inform you that Medicaid State plan amendment TN 22-0046 is approved effective November 10, 2022. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Mark Wong at (415) 744-3561 or mark.wong@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 — 0 0 4 6</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 November 10, 2022	
5. FEDERAL STATUTE/REGULATION CITATION SSA 1923 and 42 CFR Part 447	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>1,804,883</u> b. FFY <u>2024</u> \$ <u>1,665,577</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A, Page 5	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-A, Page 5 (10-011)	

9. SUBJECT OF AMENDMENT
State Government Owned Psychiatric Hospital Disproportionate Share Hospital Methodology Clarification

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

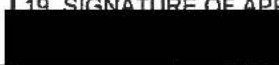
OTHER, AS SPECIFIED.

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>12-22-22</u>	

FOR CMS USE ONLY

16. DATE RECEIVED December 22, 2022	17. DATE APPROVED February 1, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL November 10, 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
Comments, if any, will follow.

Disproportionate Share – Payment Adjustment

There are two types of payment adjustments for hospitals qualifying as disproportionate share hospitals.

The first type of disproportionate share payment adjustment shall be made for state government owned psychiatric hospitals.

Hospitals of this type shall receive payment equal to its hospital-specific limit as defined in Section 1923(g) of the Social Security Act. The hospitals will initially receive quarterly interim payments during the DSH year equal to its estimated hospital-specific limit based upon the identified uncompensated care days during the period. The interim payment is the product of the allowable Medicare per diem rate, as defined in Attachment 4.19-A, Page 4a, and determined based on the most recently settled cost report, multiplied by the number of DSH allowable days for the current period.

The DSH allowable days used for interim payment purposes are calculated based upon the defined quarter dates of service in three report categories: uninsured days; Medicaid MCO days; and Medicaid FFS days. Duplicates within the three report categories are removed from the allowable days. The net number of DSH allowable days are multiplied by the MCR daily rate to arrive at the hospital costs. The MCR daily rate is based upon the most recent settled cost report per diem. Consistent with the statutory requirements governing Medicaid DSH and applicable limits, the calculated hospital costs are then reduced by payments received for Medicaid eligible individuals and uninsured individuals. Each quarter, the days and payments received for the three report categories are reported by the hospital, and the entire fiscal year to date is examined to arrive at the most recent quarter interim payment.

Upon completion of the independent DSH audit as required by Section 1923(j) of the Act, the initial DSH payments will be reconciled to the hospital-specific limit as determined during the independent DSH audit. If the independent DSH audit was performed prior to the availability of audited or settled cost reports for the state government owned hospitals, then the DSH payments will be further reconciled to the hospital-specific limit that is determined based on audited or settled cost report cost data; if necessary, this additional reconciliation will be completed within 12 months of the availability of the audited or settled cost report. The determination of each hospital's final hospital-specific limit will follow that of the independent DSH audit cost protocol.

All hospitals qualifying for DSH payments meet the requirements of Section 1923(d) of the Act. Only hospitals with a Medicaid inpatient utilization rate of not less than 1 percent will be defined or deemed as a disproportionate share hospital. In addition, consistent with 1923(d)(1), no hospital will be defined or deemed as a DSH unless the hospital either: a) has at least two obstetricians with staff privileges at the hospital and who have agreed to provide obstetric services to individuals entitled to medical assistance for such services under the State plan; or b) meets one of the statutory exemptions specified in 1923(d)(2)(A).