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State/Territory Name: KS

State Plan Amendment (SPA) #: 22-0026

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



Financial Management Group

September 27, 2022

Sarah Fertig, State Medicaid Director
Kansas Department of Health and Environment
Division of Health Care Finance
Landon State Office Building
900 SW Jackson, Room 900-N
Topeka, KS 66612-1220

RE: Kansas SPA 22-0026

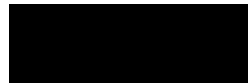
Dear Ms. Fertig:

We have reviewed the proposed amendment to Attachments 4.19-A and 4.19-B of your Medicaid State plan submitted under transmittal number (TN) 22-0026. This amendment removes the Health Care Access Improvement Panel sections from the Kansas Medicaid State Plan. The proposed effective date of the SPA is July 1, 2022.

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. We have found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved them with an effective date of July 1, 2022. We are enclosing the CMS-179 and the amended approved plan pages.

If you have any questions, please contact Fredrick Sebree at Fredrick.sebree@cms.hhs.gov.

Sincerely,



Rory Howe
Director

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**


1. TRANSMITTAL NUMBER <u>22</u> — <u>0026</u>	2. STATE <u>KS</u>
3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
4. PROPOSED EFFECTIVE DATE <u>July 1, 2022</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>42 CFR 447</u>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>-315,210</u> b. FFY <u>2023</u> \$ <u>-1,135,440</u>
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4 19-A Page 20</u> <u>Attachment 4 19-B #5 Page 1</u>	8. PAGENUMBER OF THE SUPERSEDED PLAN SECTION <u>Attachment 4 19-A Page 20</u> <u>Attachment 4 19-B #5 Page 1</u>

9. SUBJECT OF AMENDMENT
The Health Care Access Improvement Panel (HCAIP) sections of the Kansas Medicaid State Plan are being removed from the Kansas Medicaid State Plan.

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:
Sarah Fertig is the Governor's Designee

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Sarah Fertig, State Medicaid Director KDHE, Division of Health Care Finance Landon State Office Building 900 SW Jackson, Room 900-N Topeka, KS 66612-1220
12. TYPED NAME <u>Sarah Fertig</u>	
13. TITLE <u>State Medicaid Director</u>	
14. DATE SUBMITTED <u>July 29, 2022</u>	

FOR CMS USE ONLY

16. DATE RECEIVED <u>7/29/2022</u>	17. DATE APPROVED <u>September 27, 2022</u>
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL <u>7/1/2022</u>	PROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL <u>Rory Howe</u>	21. TITLE OF APPROVING OFFICIAL <u>Director, Financial Management Group</u>

22. REMARKS

Methods and Standards for Establishing Payment Rates - Inpatient Hospital Care

2.4600 DRG Daily Rates

The agency computed DRG daily rates for all DRG classifications. These rates will be used for computing reimbursement in cases involving day outliers, transfers, and eligibility changes (see subsections 2.5300, 2.5400, and 2.5600).

2.4700 Hospital Specific Medicaid Cost to Charge Ratios

The agency established a cost to charge ratio of Medicaid utilization of inpatient services for each hospital. This ratio shows a comparison of Medicaid reimbursable costs of general hospital inpatient services with the corresponding covered charges.

Cost to charge ratios (CCR's) were calculated using the cost reports submitted by hospitals and charge data from the claims database used to compute the DRG weights and hospital group rates.

These ratios will be used in the DRG reimbursement system to estimate costs of claims for determining whether the claims meet the cost outlier criteria (subsection 2.5110), and also to compute payment for cost outliers (subsection 2.5310). Please note these ratios should not be confused with the cost to charge ratios of various ancillary service departments computed in hospital cost reports. The cost to charge ratio for out-of-state hospitals is a statewide average ratio.

2.5000 Determination of Payment Under the DRG Reimbursement System

This section provides policies and methodologies for the determination of payment in various situations under the DRG reimbursement system.

KANSAS MEDICAID STATE PLAN

Attachment 4.19-B
#5

Page 1

Methods and Standards for Establishing Payment Rates

Outpatient Services

Outpatient services for hospitals are reimbursed based on reasonable fees as related to customary charges.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers for the above services. The agency's fee schedule rate was set as of July 1, 2022 and is effective for services provided on or after that date. The agency's established fee schedule rates are published on the agency's website at <https://portal.kmap-state-ks.us/PublicPage/ProviderPricing/Disclaimer?searchBy=ScheduleList>

This link will take the user to a page titled "Reference Copyright Notice." Scroll to the bottom of the page and click on the word "Accept" to access the fee schedule. The next page that appears is titled "KMAP Fee Schedules."

To access a fee schedule:

- a. Select the program from the drop-down list -TXIX;
- b. Choose the type of rates – Medicaid;
- c. After choosing the rate type, the user will see a list of the current and historical versions of the corresponding schedule;
- d. Click the schedule TXIX.