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**Financial Management Group**

December 4, 2019

Lynnette R. Rhodes, Esq.  
Executive Director, Medical Assistance Plans  
Department of Community Health  
2 Peachtree St., 36<sup>th</sup> Floor  
Atlanta, Georgia 30303-3159

RE: Georgia State Plan Amendment 19-0012

Dear Ms. Rhodes:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number 19-0012. This amendment proposes to update the reimbursement to hospitals for swing bed services. This update will increase the per diem payment from \$145 to \$295.

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, 2019. We are enclosing the CMS-179 and the amended approved plan pages.

If you have any questions, please call Anna Dubois at (850) 878-0916.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kristin Fan", is positioned above the printed name and title.

Kristin Fan  
Director

cc:

Anna Dubois  
Dan Yablochnikov

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <u>1 9 — 0 0 1 2</u>	2. STATE <b>GEORGIA</b>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <b>July 1, 2019</b>
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5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

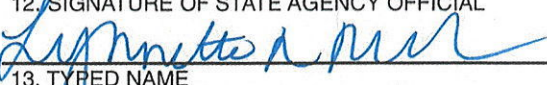
6. FEDERAL STATUTE/REGULATION CITATION 42 USC § 1396d(a)(1) (Section 1905(a)(1) of the Social Security Act)	7. FEDERAL BUDGET IMPACT a. FFY 2019 \$ <u>231,197</u> b. FFY 2020 \$ <u>920,412</u>
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A, Pages 23 - 24	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-A, Pages 23 - 24
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10. SUBJECT OF AMENDMENT  
Increase the prospective per diem rate paid to hospitals for swing bed services from \$145/day to \$295/day.

11. GOVERNOR'S REVIEW (Check One)

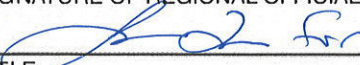
GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Georgia Department of Community Health Division of Medical Assistance Plans 2 Peachtree Street, NW, 36th Floor Atlanta, Georgia 30303-3159
13. TYPED NAME LYNNETTE R. RHODES, ESQ.	
14. TITLE EXECUTIVE DIRECTOR, MEDICAL ASSISTANCE PLANS	
15. DATE SUBMITTED <u>9/29/19</u>	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED <b>DEC 04 2019</b>
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL <b>JUL 01 2019</b>	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME <b>Kristin Fan</b>	22. TITLE <b>Director, FMG</b>

23. REMARKS

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
INPATIENT SERVICES

V. Other Information

A. Payment Assurance

The State will pay each hospital for services provided in accordance with the requirements of the Georgia Title XIX State Plan and applicable State and Federal rules and regulations. The payment amount shall be determined for each hospital according to the standards and methods set forth in the Georgia Title XIX inpatient Hospital Reimbursement Plan.

Hospitals will continue to submit claims as they have in the past. All requirements for documented services and charges will remain in effect, and all screens for completeness will continue. Hospital claims will be subject to post-payment review. The Department will be requesting information from the hospitals to substantiate the necessity and appropriateness of services rendered. Any denials for lack of medical necessity, documentation, or other reasons will result in recoupment of monies paid to the provider. A reduced rate for less than acute care is not applicable nor required.

Unlike a per diem or percent of charges system, this reimbursement plan does not provide incentives for prolonging a patient's stay. If a patient remains in the hospital beyond the time of medical necessity, the effect is to reduce the daily reimbursement rate.

B. Provider Participation

This plan is designed to assure adequate participation of hospitals in the Medicaid Program, the availability of hospital services of high quality to recipients, and services within which are comparable to those available to the general public.

C. Swing-bed Services

1. Reimbursement Methodology

Swing-bed providers will be reimbursed a prospective rate per patient day which will be \$295 per covered day. The per diem rate covers the cost of certain routine services as described in Attachment 3.1 A, page 1c-3 of the Plan. Ancillary services such as laboratory, radiology, and certain prescription drugs must be billed and reimbursed separately under the appropriate Medicaid program. For example, radiology

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
INPATIENT SERVICES

services provided in the outpatient department of the hospital should be billed as outpatient hospital services. Providers must bill on a monthly basis.

Medicaid will reimburse the Medicare Part A coinsurance for skilled level care of swing bed services provided to Medicaid/Medicare recipients.

Medicaid reimbursement will be reduced by the amount of the recipient's liability (patient income). Patient income is established by the county DFACS office and is the dollar amount shown on Form DMA-59, or the dollar amount shown on Form DMA-286 if the recipient has Medicaid/Medicare coverage. The patient's income is deducted in full from the Medicaid reimbursement rate until the income has been exhausted.

## 2. Cost Report and Cost Settlement

There will not be a year-end cost settlement process for the swing-bed services program. In addition, there is no swing-bed services cost report. Medicaid Swing-Bed program data should not be included in the Medicaid Hospital program cost report settlement data. The Medicaid routine swing-bed days should be excluded from the hospital's Medicaid routine days on Worksheet D-1, Part I of the cost report.

### D. Public Process

The State has in place a public process which complies with the requirements of Section 1902(a)(13)(A) of the Social Security Act.

### E. Revisions

The plan will be revised as operating experience data are developed and need for changes is necessary in accordance with Federal and State regulations. If it is found that there are insufficient controls on utilization transfers or cost, or if the Department determines that a different reimbursement methodology is warranted, the Department maintains its right to discontinue this system upon appropriate public notice of the proposed change.