

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Financial Management Group

March 25, 2019

Mr. Blake T. Fulenwider
Deputy Commissioner
Chief, Division of Medical Assistance Plans
Georgia Department of Community Health
2 Peachtree Street, NW, 36th floor
Atlanta, GA 30303-3159

RE: Georgia State Plan Amendment 19-0002

Dear Mr. Fulenwider:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number 19-0002. Effective January 1, 2019, this amendment proposes to modify the methodology to the IPPS for inpatient hospital facilities. Specifically, this amendment proposes to change the reimbursement methodology for Long Term Acute Care Hospitals (LTACHs) and Institutional Rehabilitation Facilities (IRFs) from a per case payment to a per diem payment utilizing a facility specific per diem rate.

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 January 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 below the word "Sincerely,".

Kristin Fan
Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 19-002	2. STATE GEORGIA
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	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
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TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: January 1, 2019
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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)

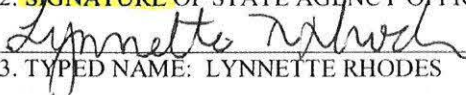
6. FEDERAL STATUTE/REGULATION CITATION: Section 1917(b) <i>et seq.</i> of the Act, 1917(a)(1)(B) of the Act, and 42 C.F.R. 700 <i>et seq.</i>	7. FEDERAL BUDGET IMPACT: FFY 2019: \$7,893,490 6,835,944 FFY 2020: \$10,602,294 9,206,007
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 14d	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): N/A
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10. SUBJECT OF AMENDMENT: State Plan Amendment 19-002, Long Term Acute Care Hospitals and Institutional Rehabilitation Facilities Per Diem Rates

11. GOVERNOR'S REVIEW (Check One):

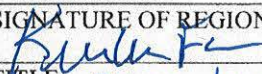
GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED **Single State Agency Comments Attached**
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Department of Community Health Division of Medicaid 2 Peachtree Street, NW, 36th Floor Atlanta, Georgia 30303-3159
13. TYPED NAME: LYNNETTE RHODES	
14. TITLE: ACTING EXECUTIVE DIRECTOR, DIVISION OF MEDICAL ASSISTANCE PLANS	
15. DATE SUBMITTED: 1/14/19	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED: MAR 25 2019
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PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: JAN 01 2019	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Kristin Fan	22. TITLE: Director, FMG

23. REMARKS:

* Per State's concurrence, pen and inke adjustment to Federal budget impacts amounts reported in Box 7. (LM)

METHODS AND STANDARDS FOR REESTABLISHING PAYMENT RATES
INPATIENT SERVICES

Reimbursement of Long Term Acute Care Hospitals and Institutional Rehabilitation Facilities

For admissions on and after January 1, 2019, Long Term Acute Care Hospitals (LTACHs) and Institutional Rehabilitation Facilities (IRFs) will be reimbursed utilizing a facility specific per diem rate. To qualify for per diem reimbursement, the facility must be permitted as a Long Term Acute Care Hospital or a Rehabilitation Hospital in the state of Georgia.

The facility specific per diem rate will be based on CY 2016 historical claims submitted for Georgia Medicaid recipients. Charges on each historical claim shall be converted to estimated costs by applying the hospital specific cost to charge ratio from each hospital's submitted cost report. The historical claims costs and days are summarized to calculate the facility-specific per diem cost and the LTACH and IRF average per diem cost.

LTACHs and IRFs will be placed into one of two peer groups based on ownership status: (1) State Owned Peer Group and (2) Non-State Owned Peer Group.

LTACHs and IRFs in the Non-State Owned Peer Group will have a facility-specific per diem rate set at 80.02% of the facility's CY 2016 Medicaid claims cost. LTACHs and IRFs in the State Owned Peer Group will have a facility-specific per diem rate set at 100% of the facility's CY 2016 Medicaid claims cost.

LTACH and IRF facilities that enroll in Georgia Medicaid on or after January 1, 2019 will receive payment under an average per diem rate.

The per diem rate for newly enrolled LTACHs in the Non-State Owned Peer Group will be set at 80.02% of average LTACH CY 2016 Medicaid claims costs. The per diem rate for newly enrolled LTACHs in the State Owned Peer Group will be set at 100% of average LTACH CY 2016 Medicaid claims costs.

The per diem rate for newly enrolled IRFs in the Non-State Owned Peer Group will be set at 80.02% of average IRF CY 2016 Medicaid claims costs. The per diem rate for newly enrolled IRFs in the State Owned Peer Group will be set at 100% of average IRF CY 2016 Medicaid claims costs.

Qualifying LTACHs and IRFs are eligible to receive the Hospital Provider Fee Add-On Amount as described in Attachment 4.19-A, Section II, Subsection (C)(2).

Out-of-state LTACHs and IRFs will be reimbursed under the Inpatient Perspective Payment System (IPPS), as described in Attachment 4.19-A, Section II, Subsection (D)(3).