

Department of Health & Human Services
Centers for Medicare & Medicaid Services
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519



November 6, 2017

Marie Zimmerman, State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Ms. Zimmerman:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #17-0012 --Miscellaneous technical revisions made to obsolete language.
--Effective Date: July 1, 2017
--Approval Date: November 6, 2017

If you have any additional questions, please have a member of your staff contact Sandra Porter at (312) 353-8310 or via e-mail at Sandra.Porter@cms.hhs.gov.

Sincerely,

/s/

Alan Freund
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosures

cc: Ann Berg, MDHS
 Sean Barrett, MDHS

Revision: HCFA-PM-99-10 (BERC)
September 1988

State/Territory: MINNESOTA

<u>Citation</u>	4.5	<u>Medicaid Agency Fraud Detection And Investigation Program</u>
42 CFR 455.12; 1902(a)64; AT-78-90; 48 FR 3742; 52 FR 48817		<p>The Medicaid agency has established and will maintain methods, criteria, and procedures that meet all requirements of 42 CFR §455.13 through § 455.21 and 42 CFR §455.23 for prevention and control of program fraud and abuse.</p> <p>Minnesota's process for receiving and compiling data concerning alleged and actual instances of fraud, waste, and abuse is as follows:</p> <ol style="list-style-type: none"> 1. Reports from recipients – Each Medicaid recipient receives an Explanation of Medical Benefits (EOMB), which contains the <u>telephone</u> number of the Department's Recipient Help Desk. If a call <u>When the Department is contacted</u>, all information is forwarded to the <u>the Department's Surveillance and Integrity Review (SIRS) Unit</u> the Department's Financial Fraud and Abuse Investigation Division (FFAID). <u>The SIRS unit FFAID determines whether</u> confirms that the caller is a Medicaid recipient and if further investigation is warranted: <ol style="list-style-type: none"> A. Recipient eligibility fraud: The SIRS Unit assigns the case to the Department's Program Assessment and Integrity (PAI) unit. <u>FFAID coordinates and administers the Fraud Prevention Investigation program.</u> This unit <u>FFAID</u> supervises the work of county <u>fraud prevention</u> investigators, who work closely with county eligibility determination staff (financial workers). <p style="margin-left: 40px;">The PAI Unit <u>FFAID</u> may also investigate eligibility fraud from reports received from county financial workers, from the fraud hot line (posted in each county public assistance office and listed in Medicaid brochures), or from law enforcement. (The unit compiles data using a computer based reporting system.</p>

TN NO. 17-12

Supersedes

TN NO. 98-28, 88-78

Approval Date 11/6/17

Eff. Date 7/1/2017

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September 1988

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Citation 4.5 Medicaid Agency Fraud Detection And Investigation Program

42 CFR 455.12;
1902(a)64;
AT-78-90;
48 FR 3742;
52 FR 48817

- B. Provider fraud: ~~The~~ FFAID's Surveillance and Integrity Review Section (SIRS) Unit investigates and, if necessary, refers the case to the Minnesota Attorney General's Office. ~~The SIRS Unit~~ keeps a log of each ~~call and all information received~~ fraud report received.
2. Reports from providers – The Department's Minnesota Health Care Programs Provider Manual informs providers that suspected fraud and abuse should be reported to ~~the~~ SIRS Unit. Additionally, providers are instructed to contact FFAID's Minnesota Restricted Recipient Program, ~~the Department's Primary Care Utilization Review Program with regarding~~ suspected or actual ~~misutilization~~ misuse of services or drugs.

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3. Other laboratory and x-ray services.

Coverage is limited to:

- 1) Laboratory services provided by a ~~Medicare certified laboratory.~~
~~In addition, such services must be provided by~~ laboratories that comply with the requirements of §353 of the Public Health Service Act (the Clinical Laboratory Improvement Amendments (CLIA) of 1988. Pub. L. 100-578).
- 2) X-ray services provided by an x-ray vendor in compliance with 42 CFR §§ ~~§§~~486.100 to 486.110.
- 3) X-ray services provided by or at the request of a chiropractor are covered only when necessary to support a diagnosis of subluxation of the spine.

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3. Other laboratory and x-ray services.

Coverage is limited to:

- 1) Laboratory services provided by a ~~Medicare certified laboratory.~~
~~In addition, such services must be provided by~~ laboratories that comply with the requirements of §353 of the Public Health Service Act (the Clinical Laboratory Improvement Amendments (CLIA) of 1988. Pub. L. 100-578).
- 2) X-ray services provided by an x-ray vendor in compliance with 42 CFR §§ ~~§§~~486.100 to 486.110.
- 3) X-ray services provided by or at the request of a chiropractor are covered only when necessary to support a diagnosis of subluxation of the spine.

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6.c. Chiropractors' services.

Chiropractors are paid using the same methodology as item 5.a., Physicians' services. ~~As provided for in item 5.a., Medical Assistance provides for an additional annual payment for state fiscal year 2011 and thereafter, which includes a Department medical education payment made for each fiscal year and distributed to a sponsoring institution prior to April 30 of each year for the previous fiscal year, for distribution to Medical Assistance enrolled chiropractors.~~

The base rates as described in this item are adjusted by the following clauses of Supplement 2 of this Attachment:

- W. Professional services rate decrease 2011
- cc. Supplemental payment for medical education

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9. Clinic services

Clinic services are paid using the same methodology as item 5.a.,
Physicians' services, except:

dental services provided by clinics are paid using the same
methodology as item 10, Dental services

end-stage renal disease hemodialysis provided by renal dialysis
clinics is paid using the same methodology as item 2.a., Outpatient
hospital services

~~As provided for in item 5.a., Medical Assistance provides for an
additional annual payment for state fiscal year 2011 and thereafter,
which includes a Department medical education payment for each state
fiscal year to a sponsoring institution prior to April 30 of each year
for the previous state fiscal year for distribution to Medical
Assistance enrolled physician and chiropractic clinics. In accordance
with Code of Federal Regulations, title 42, section 447.321(b)(2), this
payment will not exceed the Medicare upper payment and charge limits.~~

Freestanding ambulatory surgical centers:

Payment for facility services or facility component is the lower of:

(1) submitted charge; or

(2) (a) Medicare rates; or

(b) if there is not a Medicare rate, effective October 1,
1992, payment is at 105.6% of the 1990 average submitted
charge; or

(c) if there is not a Medicare rate and there is not a
105.6% of the 1990 average submitted charge, effective
October 1, 1992, payment is at the State agency established
rate, which is derived by backing down the submitted charge
to 1990 (by using the CPI) and increasing this amount by
5.6%.

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9. Clinic services, continued.

The base rate as described in the item is adjusted by the following clauses of Supplement 2 of this Attachment:

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax rate adjustment
- E. Modifiers subject to an increase in base payment rate
- U. Facility services decrease effective July 1, 2009
- aa. Ambulatory surgery centers facility fees are adjusted by the miscellaneous services and materials rate decrease 2011.
- cc. Supplemental payment for medical education
- gg. Miscellaneous services and materials rate increase effective September 1, 2014.

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13.d. Rehabilitative services.

Rehabilitative services are paid using the same methodology in item 5.a., Physicians' services, except as listed below.

Physical therapy assistants are paid using the same methodology as item 11.a., Physical therapy.

Occupational therapy assistants are paid using the same methodology as item 11.b., Occupational therapy.

With the exceptions below, **Mental health services** are paid the lower of the submitted charge or the Resource Based Relative Value Scale calculated rate.

This rate includes mental health services provided by community mental health centers. For partial hospitalization services provided by community mental health centers, the hourly rate is based on outpatient hospital charges for partial hospitalization.

~~Medical Assistance provides for an additional annual payment for: 1) State Fiscal Year 2006 (July 1, 2005 through June 30, 2006), which includes a Department payment made for that state fiscal year and distributed by a sponsoring institution prior to October 1, 2006; and 2) State Fiscal Year 2007 (July 1, 2006 through June 30, 2007), which includes a Department payment made for that state fiscal year and distributed by a sponsoring institution prior to October 1, 2007, to Medical Assistance enrolled community mental health centers. The Medical Assistance payment is increased according to the sum of subitems (1) through (3):~~

- ~~1) (Total amount available for this purpose in the Minnesota Medical Education and Research Trust Fund, divided by the state matching rate) minus \$4,850,000, multiplied by .9, multiplied by .67, multiplied by [(the number of full-time equivalent trainees at the site multiplied by the average cost per trainee for all sites) divided by (the total~~

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13.d. Rehabilitative services. (continued)

~~training costs across all sites)], for each type of graduate trainee at the clinical site.~~

~~(2) graduate trainee at the clinical site.~~

~~(Total amount available for this purpose in the Minnesota Medical Education and Research Trust Fund, divided by the state matching rate) minus \$4,850,000, multiplied by .9, multiplied by .33, multiplied by the ratio of the site's public program revenue to the public program revenue for all teaching sites.~~

~~(3) A portion of: [(the total amount available for this purpose in the Minnesota Medical Education and Research Trust Fund, divided by the state matching rate) minus \$4,850,000, multiplied by .10, multiplied by the provider's sponsoring institution's ratio of the amounts in subitems (1) and (2) to the total dollars available under subitems (1) and (2), in the amount the sponsoring institution determines is necessary to offset clinical costs at the site.~~

Community health worker services are paid using the same methodology that applies to community health workers in item 5.a., Physicians' services.

Effective January 1, 2015, the following services provided as part of **Adult Rehabilitative Mental Health Services (ARMHS)** are paid as described below:

- A **functional assessment** is paid the lower of the submitted charge or \$20.61 per 15 minute unit;
- Creation of an **individualized treatment plan** is paid the lower of the submitted charge or \$20.61 per 15 minute unit;
- **Basic living & social skills** provided by a mental health professional or practitioner are paid the lower of the submitted charge or \$17.17 per 15 minute unit;
- **Basic living & social skills** provided by a mental health rehabilitation worker are paid the lower of the submitted charge or \$12.87 per 15 minute unit;
- **Basic living & social skills** provided in a group setting, regardless of the provider, are paid the lower of the submitted charge or \$7.55 per 15 minute unit. A "group" is defined as two to 10 recipients.

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13.d. Rehabilitative services. (continued)

Co-occurring services address both the client's identified chemical dependency and mental health issues, including standardized mental health screening and appropriate mental health diagnostic assessment, monthly multi-disciplinary case review, and family education addressing both disorders and the interaction between the two. Programs must meet state licensing requirements and program enrollment standards. The rate may be applied to either outpatient, or residential settings, and is based on the additional cost of mental health professionals.

Special population services are specifically designed to address the unique needs of individuals who share a common language, racial, ethnic, or social background. Programs must meet state licensing requirements and program enrollment standards. The rate may be applied to either outpatient, or residential settings, and is based on the additional cost of program material translation, amending curriculum to address cultural perspectives, and staff training.

Civilly committed recipients present some of the most difficult and complex care needs. They receive high-intensity residential services, have been civilly committed to the care of the Commissioner, and are a potential threat to themselves or others. The rate is based on the increased costs for additional staff attention and monitoring.

Medical services include health care, nursing, dietary and emergency physician services that are documented as provided to clients. Programs must be able to meet adequate staffing standards of appropriately credentialed medical staff to assess and address the client's health care needs. The rate is based on additional costs for medical staff.

The base rate as described in this item is adjusted by the following clauses of Supplement 2 of this Attachment:

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax Rate Adjustment
- E. Modifiers
- G. Community and Public health Clinics
- I. Exceptions to payment methodology and reconstructing a rate
- P. Rate Increase Effective July 1, 2007
- T. Rate Increase July 1, 2010
- bb. Reimbursement for costs of services provided by a non-state, government-operated community mental health center
- cc. Supplemental payment for medical education
- ff. Professional services rate increase effective September 1, 2014

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Payment for services for patients that are simultaneously covered by Medical Assistance and a liable third party other than Medicare will be made as the lesser of the following:

- a. the patient liability according to the provider/third party payer (insurer) agreement;
- b. covered charges minus the third party payment amount; or
- c. the Medical Assistance rate minus the third party payment amount.

D. MinnesotaCare Tax Rate Adjustment

Total payment for services provided on or after January 1, 2004, is **increased by two percent** for the following Minnesota providers and services. This is an increase to the rate methodology described elsewhere in this Attachment for the following Minnesota providers and services. This rate increase is applied after all other payment rate increases or decreases described below ~~in paragraphs N-W have been made.~~

- outpatient hospital services (Item 2.a)
- x-ray services (Item 3)
- EPSDT services, excluding rehabilitative services and services provided to a recipient with severe emotional disturbance residing in a children's residential treatment facility (Item 4.b)
- physicians' services (Item 5.a)
- medical and surgical services furnished by a dentist (Item 5.b)
- podiatrists' services (Item 6.a)
- optometrists' services (Item 6.b)
- chiropractors' services (Item 6.c)
- other practitioners' services: mental health, public health nursing, ambulatory surgical center, certified registered nurse anesthetist, nurse practitioner, case management services provided as a component of receiving clozapine, and clinical nurse specialist services (Item 6.d)
- clinic services (Item 9)
- dental services (Item 10)
- physical therapy services (Item 11.a)
- occupational therapy services (item 11.b)
- speech, language, and hearing therapy services (Item 11.c)
- dentures (Item 12.b)
- eyeglasses (Item 12.d)
- diagnostic, screening, and preventive services (Items 13.a, 13.b, and 13.c)
- rehabilitative services: day treatment for mental illness, services for treating chemical abuse, rehabilitative restorative

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- and specialized maintenance physical therapy, occupational therapy, and speech, language and hearing therapy services, and respiratory therapy services (Item 13.d)
 - services for individuals age 65 or older in institutions for mental diseases (Item 14)
 - inpatient psychiatric facility services for individuals under 22 years of age (Item 16)
 - nurse midwife services (Item 17)
 - pregnancy-related and postpartum services for 60 days after the pregnancy ends (Item 20.a)
 - services for any other medical condition that may complicate pregnancy (Item 20.b)
 - certified pediatric or family nurse practitioner services (Item 23)
 - licensed ambulance services, excluding volunteer ambulance services (Item 24.a)
 - emergency hospital services (Item 24.e)

E. Modifiers

22 modifier: unusual procedural services = additional reimbursement based on line description or claim attachment. This modifier specifies a ratio for twin delivery and VBAC delivery. All other services are priced according to the service rendered. (Item 5.a)

99 modifier: multiple modifier = may be an increase or a decrease to the reference file allowable depending on the modifiers represented within the 99. (Item 5.a)

F. Family Planning

Effective for services provided on or after July 1, 2007, **family planning services** provided by family planning clinics, public health clinics and community health clinics are paid 25% over the rate in effect on June 30, 2007. (Item 5.a.)

~~Effective for services provided on or after January 1, 2011, **family planning services** provided by family planning clinics, public health clinics and community health clinics are paid 25% over the rate in effect on January 1, 2011. (Item 5.a.)~~

Effective for services provided on or after July 1, 2013, **family planning services** provided by family planning clinics, public health clinics and community health clinics are paid 20% over the rate in effect on June 30, 2013. (Item 5.a.)

G. Community and Public Health Clinic

Effective July 1, 1989, rates for services provided by **community and public health** clinics are increased by 20%, except for laboratory services.