



State of Utah

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Governor

SPENCER J. COX
Lieutenant Governor

Utah Department of Health

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Executive Director

Division of Medicaid and Health Financing

NATE CHECKETTS
Deputy Director, Utah Department of Health
Director, Division of Medicaid and Health Financing

January 2, 2019

Members of the Social Services Appropriations Subcommittee
State Capitol
Salt Lake City, Utah 84114

Dear Subcommittee Member:

The Centers for Medicare and Medicaid Services (CMS) requires the Utah Department of Health (Department) to update its State Plan and existing waivers for Medicaid when the State makes changes to the program. In accordance with these changes and reporting requirements of Subsection 26-18-3(3), the following is a summary of recent changes:

Long-Acting Reversible Contraceptives

The Department submitted a state plan amendment (SPA) to update the reimbursement methodology used for long-acting reversible contraceptives (LARCs) in accordance with HB 12 Family Planning Services Amendments passed during the 2018 General Session.

This SPA creates additional and separate payments to providers for the insertion of LARCs immediately after childbirth. Previously these devices and services had been part of bundled payments made to hospitals.

The Department estimates total annual expenditures to increase by about \$117,000 as a result of this change. Funds were appropriated in HB 12 (2018) for this purpose.

Rehabilitative Mental Health and Substance Use Disorder Services

The Department submitted a SPA to include a bundled payment methodology for certain rehabilitative mental health and substance use disorder services.



To this end, a bundled payment methodology is applied to services provided through Assertive Community Treatment (ACT) teams and Mobile Crisis Outreach Teams (MCOT) in accordance with HB 42 Medicaid Waiver for Mental Health Crisis, 2018 General Session. Before HB 42, there were fewer of these teams in the State and Medicaid reimbursement was paid on a service by service basis, rather than a single, bundled rate.

In addition, substance use disorder (SUD) residential treatment programs with 16 or fewer beds will also be reimbursed through a bundled payment methodology. Previously, Medicaid reimbursement was paid on a service by service basis, rather than a single, bundled rate.

The Department estimates total annual expenditures to increase by about \$488,100 as a result of this change. Funds were appropriated in HB 42 (2018) for this purpose.

Sincerely,

Nate Checketts
Deputy Director, Department of Health
Director, Medicaid and Health Financing

