June 29, 2018

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 Department of Health 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)(a), the following is a summary of recent changes:

State Plan Amendments

Administrative Changes and Updates to the State Plan

The Department submitted an amendment to the State Plan to update organizational changes within the Department and to clarify executive authority to submit State Plan changes.

This amendment, therefore, updates executive authority to submit State Plan changes on behalf of the Department, and updates functions and responsibilities of the Department, the Division of Medicaid and Health Financing (DMHF), and individual bureaus within DMHF.

This amendment does not affect annual appropriations and there is no cost shift to more expensive services for Medicaid members and their families.
Outpatient Hospital Supplemental Payments

The Department submitted a State Plan Amendment to reference only the agency website to find the inflation and utilization trend rates for each state fiscal year.

This amendment references the agency website and the annual rate is removed from the State Plan page.

This amendment will not affect future appropriations and there is no cost shift to more expensive services for Medicaid members and their families.

Capital Improvement Incentive

The Department submitted an amendment to the State Plan to improve Intermediate Care Facilities for Individuals with Intellectual Disability (ICFs/ID).

This amendment allows payment to providers through a capital incentive to improve facilities and equipment that support an individual’s right to privacy, dignity, respect, and autonomy.

In the 2018 General Session, the Legislature appropriated $2,116,200 in one-time total funds ($291,000 one-time from the Nursing Care Facilities Provider Assessment Fund, $350,000 one-time General Fund, and the remainder from federal funds) to the Department for ICF/IDs to make capital improvements during SFY 2019. ICF/IDs that qualify for the incentive will receive supplemental payments.

This amendment does not affect future appropriations and there is no cost shift to more expensive services for Medicaid members and their families.

State Teaching Hospital Payments

The Department submitted an amendment to the State Plan to remove a reference to a table no longer published by the U.S. Bureau of Labor and Statistics. This amendment removes the reference previously used to calculate inflation trends for state teaching hospital payments.

This amendment does not affect annual appropriations or payments, and there is no cost shift to more expensive services for Medicaid members and their families.
Annual Rebasing Update

The Department submitted an amendment to the State Plan based on the existing requirement to annually rebase pricing of physician codes. This amendment, therefore, updates the effective date of rates to July 1, 2018, for the following Medicaid services:

- Home Health Services;
- Physician and Anesthesia Services;
- Optometry Services;
- Speech Pathology Services;
- Audiology Services;
- Chiropractic Services;
- Eyeglasses Services;
- Clinic Services;
- Physical Therapy and Occupational Therapy;
- Rehabilitative Mental Health Services;
- Dental Services and Dentures;
- Transportation Services (Special Services); and
- Transportation Services (Ambulance).

This amendment does not affect annual appropriations and there is no cost shift to more expensive services for Medicaid members and their families.

Hemophilia Disease Management Services

The Department submitted an amendment to the State Plan to increase the monthly nursing visit limit for hemophilia patients.

This amendment, therefore, adjusts payment methodology to allow for more monthly in-home visits and requires prior authorization for additional visits. It also clarifies reimbursement methodology for covered outpatient drugs.

There is an estimated cost increase of approximately $46,100 to the General Fund. There is no cost shift to more expensive services for Medicaid members and their families.

WAIVERS

Choice of Dental Care Delivery Program Waiver Renewal - This waiver renewal request was submitted on 6/1/2018. The waiver renews the Medicaid dental managed care program in accordance with section 26-18-2.6.
Community Supports Waiver Amendments - An amendment was submitted on 5/1/2018 that updated the number of people served for fiscal year 2018 to better reflect the actual number served during that time-period. In addition, another amendment was submitted on 5/24/2018 that updates expected average reimbursement for waiver services to reflect rate updates based on appropriations during the 2018 legislative session.

Acquired Brain Injury Amendments - An amendment was submitted on 5/24/2018 that updates expected average reimbursement for waiver services to reflect rate updates based on appropriations during the 2018 legislative session.

Technology Dependent Waiver Renewal - This waiver renewal request was submitted on 3/30/2018 to renew the waiver for a 5 year period with a proposed effective date of 7/1/2018. It included some minor modifications to available services and waiver targeting criteria.

Medically Complex Children's Waiver Renewal - This waiver renewal request will be submitted on 6/30/2018 to renew the waiver for a 5 year period with a proposed effective date of 10/1/2018. It includes updates to level of care and targeting criteria for the program, adjustments to provider qualifications for certain services, and updated forecasts for annual enrollment and cost.

Sincerely,

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