

Steve Bullock, Governor

Richard H. Opper, Director

August 31, 2016

Address

Re: Inpatient Hospital Services Medicaid State Plan Amendment (SPA) and Plan First Section 1115 Medicaid Family Planning Waiver Renewal

Dear

The following SPA and waiver renewal do not affect Tribes, Urban Indian Centers or Indian Health Service directly; but under our agreement with Tribes and the federal government, we provide you notice of all Medicaid State Plan and waiver changes.

On or before September 30, 2016, the Montana Department of Public Health Human Services (DPHHS) will submit the Inpatient Hospital Services Medicaid State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS) to update the Hospital Tax methodology, effective January 1, 2017.

In 2016, Montana expanded Medicaid by enacting the Montana Health and Economic Livelihood Partnership (HELP) Program. The HELP Program provides coverage through a contract with a Third Party Administrator (TPA). The TPA administers the delivery and payment for healthcare services for many of the newly eligible adults. Other HELP expansion participants receive coverage through the Medicaid provider network.

The current Hospital Tax methodology does not include the use of the claims data for the newly expanded Medicaid population. The proposed amendment will revise the database sources used to calculate the Hospital Reimbursement Adjustor (HRA) and add the HELP program data, including the TPA paid claims data, to the HRA methodology. The estimated fiscal impact is \$115 million.

We invite your comments and questions on the Inpatient Hospital services SPA postmarked by **September 29, 2016.**

On or before December 31, 2016, DPHHS will submit a 3-year Plan First Section 1115 Medicaid Family Planning Waiver Renewal for approval to CMS with a proposed effective date of January 1, 2018. The waiver renewal makes no substantial changes. The current waiver includes about 2,000 women, ages 19-44, able to become pregnant but not presently pregnant, who are not otherwise eligible for Medicaid, and earning a household income up to 211% of the federal poverty level. The waiver goals are to decrease the number of births paid for by

Medicaid, and improve health outcomes for members. Services are limited to waiver covered family planning services and supplies. The estimated total annual fiscal benefit impact is \$1.01 million.

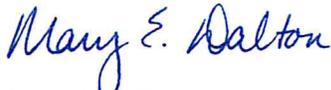
We invite your comments and questions on the Plan First Waiver renewal postmarked by **October 10, 2016**.

The proposed Plan First changes, waiver benefit description, eligibility and program description, copayment requirements, waiver evaluation design with goals/objectives, healthcare delivery system, public meeting details, and public notice schedule are located on the Department website at <http://www.dphhs.mt.gov/planfirst>. Two public meetings will be held regarding the renewal:

- 1) October 4, 2016, 12:30-1:30 PM by WebEx, or in person at the Cogswell Building, Room C209, 1400 Broadway, Helena, MT; and
- 2) October 5, 2016, 12:30-1:30 PM by WebEx, or in person at the conference room at the Yellowstone County Office of Public Assistance, 111 N 31st St., Billings, Montana.

Please direct your comments and questions on the Inpatient Hospital Services SPA and Plan First Waiver renewal to Mary Eve Kulawik, Medicaid State Plan Amendment and Waiver Coordinator, at (406) 444-2584 or mkulawik@mt.gov; or Director's Office, PO Box 4210, Helena, MT 59604-4210. Please let us know if you would like to arrange a date and time to discuss further.

Sincerely,



Mary E. Dalton
State Medicaid Director

cc: Jessica Windy Boy, CEO, Rocky Boy Tribal Health Board
Jason Smith, Director, Governor's Office of Indian Affairs
Lesia Evers, Tribal Relations Manager, DPHHS
Mary Lynne Billy, Director, Office of American Indian Health