

May 18, 2011

National Institutional Reimbursement Team  
CMS, CMSO  
Attention: Mark Cooley  
7500 Security Boulevard, M/S S3-13-15  
Baltimore, MD 21244-1850

RE: Nebraska TN # 11-13 – Children’s Mental Health & Substance Abuse Services

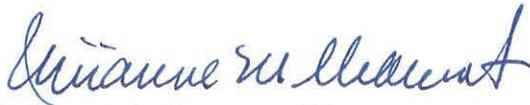
Dear Mr. Cooley:

Enclosed please find the above referenced amendment to the Nebraska State Plan regarding Children’s Mental Health and Substance Abuse Services as outlined in the Nebraska Child Behavioral Health Compliance Plan submitted to CMS December 17, 2010. We have also submitted concurrent SPA #11-10 to the Kansas City Regional Office regarding these services.

Prior to submitting this State Plan Amendment, the Division of Medicaid and Long-Term Care sought consultation from federally recognized Native American Tribes and Indian Health Programs within the State of Nebraska to discuss the impact that the proposed State Plan Amendment might have, if any, on the Tribes. No comments were received.

If you have content questions, please feel free to contact Margaret VanDyke, [margaret.vandyke@nebraska.gov](mailto:margaret.vandyke@nebraska.gov), 402-471-1608 or for submittal questions, Pat Taft, 402-471-7787, [pat.taft@nebraska.gov](mailto:pat.taft@nebraska.gov).

Sincerely,



Vivianne M. Chaumont, Director  
Division of Medicaid and Long-Term Care  
Department of Health and Human Services

cc: James G. Scott  
Gail Brown Stevenson

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 11-13	2. STATE Nebraska
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2011	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:		7. FEDERAL BUDGET IMPACT: a. FFY 2011      \$0 b. FFY 2012      \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, pp 15, 16 Attachment 4.19-A, page 29		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): Attachment 4.19-A, pp 15, 16	
10. SUBJECT OF AMENDMENT: Children's Mental Health and Substance Abuse Services			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      Governor has waived review <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Patricia (Pat) Taft Division of Medicaid & Long-Term Care Nebraska Department of Health & Human Services 301 Centennial Mall South Lincoln, NE 68509	
13. TYPED NAME: Vivianne M. Chaumont			
14. TITLE: Director, Division of Medicaid and Long-Term Care			
15. DATE SUBMITTED: May 18, 2011			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:		18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

The hospital will be notified in writing if the request for interim payment is denied.

10-010.03B12a Final Payment for Long-Stay Patient: When an interim payment is made for long-stay patients, the hospital shall submit a final billing for payment upon discharge of the patient. The date of admission for the final billing must be the date the patient was admitted to the hospital as an inpatient. The statement "from" and "to" dates must be the date the patient was admitted to the hospital through the date the patient was discharged. The total charges must be all charges incurred during the hospitalization. Payment for the entire hospitalization will be calculated at the same rate as all prospective discharge payments. The final payment will be reduced by the amount of the interim payment.

10-010.03B13 Payment for Non-physician Anesthetist (CRNA) Fees: Hospitals which meet the Medicare exception for payment of CRNA fees as a pass-through by Medicare will be paid for CRNA fees in addition to their prospective per discharge payment. The additional payment will equal 85% of the hospital's costs for CRNA services. Costs will be calculated using the hospital's specific anesthesia cost to charge ratio. CRNA fees must be billed using revenue code 964 - Professional Fees Anesthetist (CRNA) on the HCFA-1450 (UB-92) claim form.

10-010.03C Non-Payment for Hospital Acquired Conditions

NMAP will not make payment for those claims which are identified as non-payable by Medicare as a result of avoidable hospital complications and medical errors that are identifiable, preventable, and serious in their consequences to patients. This provision applies only to those claims in which Medicaid is a secondary payor to Medicare.

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TN No. 11-13

Supersedes

Approved \_\_\_\_\_ Effective \_\_\_\_\_

TN No. MS-09-10

10-010.03D Payments for Psychiatric Services: Payments for psychiatric discharges are made on a prospective per diem.

Tiered rates will be used for all acute psychiatric inpatient services. This includes services provided at a facility enrolled as a provider for psychiatric services which is not a licensed psychiatric hospital or a Medicare-certified distinct part unit. Payment for each discharge equals the applicable per diem rate times the number of approved patient days for each tier.

Payment is made for the day of admission, but not the day of discharge.

10-010.03D1 For payment of inpatient hospital psychiatric services, effective July 1, 2011, the tiered per diem rate will be:

Days of Service	Per Diem Rate
Days 1 and 2	\$673.82
Days 3 and 4	\$622.87
Days 5 and 6	\$594.56
Days 7 and greater	\$566.25

10-010.03E Payments for Rehabilitation Services: Payments for rehabilitation discharges are made on a prospective per diem.

All rehabilitation services, regardless of the type of hospital providing the service, will be reimbursed on a per diem basis. This includes services provided at a facility enrolled as a provider for rehabilitation services which is not a licensed rehabilitation hospital or a Medicare-certified distinct part unit. The per diem will be the sum of -

1. The hospital-specific base payment per diem rate;
2. The hospital-specific capital per diem rate; and
3. The hospital's direct medical education per diem rate, if applicable.

Payment for each discharge equals the per diem times the number of approved patient days.

Payment is made for the day of admission but not for the day of discharge.

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TN No. 11-13

Supersedes

Approved \_\_\_\_\_ Effective \_\_\_\_\_

TN No. NE 10-12

STATE: NEBRASKA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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INPATIENT PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES (PRTFs) FOR INDIVIDUALS AGE 21 OR YOUNGER

Reimbursement for Medicaid-covered PRTF services is based on prospective, statewide per diem rates, as determined for each reimbursement category of facility. Payment will be a per diem for active treatment on each child's treatment plan provided by and in the facility. Pharmacy and physician services on the treatment plan provided by and in the facility will be paid separately. The reimbursement categories are as follows:

- General hospital-based PRTF;
- General free-standing PRTF; and
- Specialty free-standing PRTF, including facilities treating multiple conditions or sexually deviant behaviors

Reimbursement rates for services are based upon a Medicaid fee schedule established by the State of Nebraska. Costs for private, in-state facilities consistent with 42 CFR Section 413, Nebraska regulations and policies, OMB Circular A-122 and the Medicare Provider Reimbursement Manual (CMS Publication 15-1), commercial third party payments and market rates will be considered when establishing the fee schedules. For PRTF, the rates will consider the allowable costs as reported by providers in a standardized expense report. The cost data are adjusted to reflect changes in the service definition, to account for differences in service definitions between the historical reporting period and the period in which the rates will be in effect. In addition, the cost report data are adjusted for cost of living increases. DHHS will not pay more than the facility's usual and customary daily charges billed for eligible recipients. Fees will not exceed the Medicare upper limit when applicable. Fees will be consistent with efficiency, economy and quality of care per Section 1902(a)(3) of the Social Security Act and 42 CFR 447.200. Fees will be sufficient to assure the availability of services to clients as required by 42 CFR 447.204. DHHS will not cost settle for services provided to recipients admitted to privately operated PRTFs reimbursed under the above prospective payment system. The statewide prospective per diems shall constitute full reimbursement for privately operated PRTFs with pharmacy and physician services being paid separately. Public PRTFs will be cost-settled per Attachment 4.19A, page 18. The PRTF per diem rates are for Medicaid clients under twenty-one years of age unless, per 42 CFR 435.1009, the child was receiving PRTF inpatient psychiatric services under 42 CFR 440.160 prior to his 21st birthday, in which case the child may receive services until he is unconditionally released or, if earlier, the date he reaches age 22. Payment rates do not include costs of providing educational services

Except as otherwise noted in the Plan, the State-developed fee schedule is the same for both governmental and private individual practitioners and the fee schedule and any annual/periodic adjustments to the fee schedule are published at <http://www.dhhs.ne.gov/med/provhome.htm> (Division of Medicaid and Long-Term Care website). The above mentioned fee schedule is applicable to all services reimbursed via a fee schedule. The agency's rates were set as of July 1, 2011 and are effective for services provided on or after that date.

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Transmittal # 11-13

Supersedes

Transmittal # New page

Approval \_\_\_\_\_ Effective \_\_\_\_\_