

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

August 20, 2021

Karen Kimsey, Director
The Commonwealth of Virginia
Department of Medical Assistance Services
600 Eat Broad Street, #1300
Richmond, VA 23219

Re: Virginia 21-0020

Dear Ms. Kimsey:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 21-0020. Effective for services on or May 15, 2021, this amendment adds a supplemental payment for freestanding children's hospitals.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment TN 21-0020 is approved effective May 15, 2021. The CMS-179 and the amended plan pages are attached.

If you have any questions, please contact Gary Knight at (304) 347-5723 or at gary.l.knight@hotmail.com.

Sincerely,

Francis T. McCullough

For

Rory Howe
Acting Director

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER
2 1 0 2 0

2. STATE
Virginia

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
5/15/2021

5. TYPE OF PLAN MATERIAL (Check One)

- NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447

7. FEDERAL BUDGET IMPACT

a. FFY 2021 \$ 0
b. FFY 2022 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A, revised page 17.3

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Same as box #8.

10. SUBJECT OF AMENDMENT

DSH Changes for Children's Hospitals

11. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED

Secretary of Health and Human Resources

12. SIGNATURE OF STATE AGENCY OFFICIAL

Karen Kimsey

13. TYPED NAME

Karen Kimsey

14. TITLE

Director

15. DATE SUBMITTED

5/18/2021

16. RETURN TO

Dept. of Medical Assistance Services
600 East Broad Street, #1300
Richmond VA 23219

Attn: Regulatory Coordinator

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

May 18, 2021

18. DATE APPROVED

August 20, 2021

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

May 15, 2021

20. SIGNATURE OF REGIONAL OFFICIAL

Francis T. McCullough For

21. TYPED NAME

Rory Howe

22. TITLE

Acting Director, Financial Management Group

23. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-INPATIENT SERVICES

Supplemental Payments for Freestanding Children's Hospitals (12VAC 30-70-427)

Effective May 15, 2021, freestanding children's hospitals with greater than 50 percent Medicaid utilization in 2009 will receive additional hospital supplemental payments equal to what would have been paid under the disproportionate share hospital (DSH) formula in effect prior to June 2, 2017, without regard to the uncompensated care cost limit. These additional hospital supplemental payments shall take precedence over supplemental payments for private acute care hospitals. If the federal regulation is voided, DMAS shall continue DSH payments to the impacted hospitals and adjust the additional hospital supplemental payments authorized in this paragraph accordingly. The department shall have the authority to implement these changes effective May 15, 2021, and prior to completion of any regulatory action to effect such changes.

TN No. 21-020Approval Date 8/20/2021Effective Date 05/15/21

Supersedes

TN No. 19-004

HCFA ID: