

DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF MEDICAID AND MEDICAL ASSISTANCE
Statutory Authority: 31 Delaware Code, Section 512 (31 **Del.C.** §512)

PROPOSED

PUBLIC NOTICE

Juvenile Justice Initiative

In compliance with the State's Administrative Procedures Act (APA - Title 29, Chapter 101 of the **Delaware Code**) and under the authority of 31 **Del.C.** §512, Delaware Health and Social Services ("Department") / Division of Medicaid and Medical Assistance (DHSS/DMMA) is proposing to amend Title XIX Medicaid State Plan Supplement 5 to Attachment 3.1-A page 7, Supplement 5 to Attachment 3.1-A page 8, Supplement 5 to Attachment 3.1-A page 9, Supplement 5 to Attachment 3.1-A page 10, Supplement 5 to Attachment 3.1-A page 11, Supplement 5 to Attachment 3.1-A page 12, Supplement 5 to Attachment 3.1-A page 13, Attachment 3.1-M page 1, Attachment 3.1-M page 2, and Attachment 4.19-B page 30, specifically, to expand services provided for incarcerated individuals.

Any person who wishes to make written suggestions, compilations of data, testimony, briefs, or other written materials concerning the proposed new regulations must submit same by mail to Planning and Policy Unit, Division of Medicaid and Medical Assistance, 1901 North DuPont Highway, P.O. Box 906, New Castle, Delaware 19720-0906; by email to DHSS_DMMA_Publiccomment@Delaware.gov; or by fax to 302-255-4413 by 4:30 p.m. on March 31, 2025. Please identify in the subject line: Juvenile Justice Initiative.

The action concerning the determination of whether to adopt the proposed regulation will be based upon the results of Department and Division staff analysis and the consideration of the comments and written materials filed by other interested persons.

SUMMARY OF PROPOSAL

The purpose of this notice is to advise the public that Delaware Health and Social Services (DHSS)/Division of Medicaid and Medical Assistance (DMMA) is proposing to amend Title XIX Medicaid State Plan regarding Juvenile Justice Initiative.

Statutory Authority

- The Consolidated Appropriations Act (CAA) of 2023
- Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (The SUPPORT Act)
- 1902(a)(84)(D) of the Social Security Act

Background

The CAA requires states to provide services to eligible juveniles incarcerated in public institutions. States must provide certain services, such as Early and periodic Screening, Diagnostic, and Treatment Services (EPSDT) and Targeted Case Management (TCM) for eligible juveniles who are within 30 days of release post adjudication.

Summary of Proposal

Purpose

The purpose of this proposed regulation is to improve care transitions for certain individuals who are incarcerated individuals and are eligible for Medicaid.

Summary of Proposed Changes

Effective January 1, 2025, the DHSS/DMMA proposes to amend Title XIX Medicaid State Plan to expand services provided for incarcerated individuals.

Public Notice

In accordance with the *federal* public notice requirements established in Section 1902(a)(13)(A) of the Social Security Act and 42 CFR 440.386 and the *state* public notice requirements of Title 29, Chapter 101 of the **Delaware Code**, DHSS/DMMA gives public notice and provides an open comment period for 30 days to allow all stakeholders an opportunity to provide input on the proposed regulation. Comments must be received by 4:30 p.m. on March 31, 2025.

Centers for Medicare and Medicaid Services Review and Approval

The provisions of this state plan amendment (SPA) are subject to approval by the Centers for Medicare and Medicaid

Services (CMS). The draft SPA page(s) may undergo further revisions before and after submittal to CMS based upon public comment and/or CMS feedback. The final version may be subject to significant change.

Provider Manuals and Communications Update

Also, there may be additional provider manuals that may require updates as a result of these changes. The applicable Delaware Medical Assistance Program (DMAP) Provider Policy Specific Manuals and/or Delaware Medical Assistance Portal will be updated. Manual updates, revised pages or additions to the provider manual are issued, as required, for new policy, policy clarification, and/or revisions to the DMAP program. Provider billing guidelines or instructions to incorporate any new requirement may also be issued. A newsletter system is utilized to distribute new or revised manual material and provide other pertinent information regarding DMAP updates. DMAP updates are available on the Delaware Medical Assistance Portal website: <https://medicaid.dhss.delaware.gov/provider>

Fiscal Impact

	Federal Fiscal Year 2025	Federal Fiscal Year 2026
General (State) funds	\$0	\$151,184
Federal funds	\$0	\$221,282

Attachment 4.19-B

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Targeted Case Management for Eligible Juveniles under the Consolidated Appropriations Act (CAA) (2023) Requirements

Reimbursements for services are based upon a Medicaid fee schedule established by the Delaware Medical Assistance Program (DMAP).

The fee development methodology-built fees considering each component of provider costs are outlined below. These reimbursement methodologies produced rates sufficient to enlist enough providers so that services under the State Plan are available to beneficiaries at least to the extent that these services are available to the general population, as required by 42 CFR 447.204. These rates comply with the requirements of Section 1902(a)(3) of the Social Security Act and 42 CFR 447.200, regarding payments and are consistent with economy, efficiency, and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained. The Medicaid fee schedule is equal to or less than the maximum allowable under the same Medicare rate, where there is a comparable Medicare rate. Room and board costs are not included in the Medicaid fee schedule.

The fee development methodology will primarily be composed of provider cost modeling, through Delaware provider compensation studies, cost data, and fees from similar State Medicaid programs may be considered, as well. The following list outlines the major components of the cost model to be used in fee development:

- Staffing Assumptions and Staff Wages;
- Employee-Related Expenses - Benefits, Employer Taxes (e.g., Federal Insurance Contributions Act (FICA), unemployment, and workers compensation);
- Program-Related Expenses (e.g., supplies);
- Practice model standards (compensation, supervision, materials and supplies, travel, training, administration, and utilization);
- Provider Overhead Expenses; and
- Program Billable Units.

The fee schedule rates will be developed as the ratio of total annual modeled provider costs to the estimated annual billable units. A unit of service is defined according to Healthcare Common Procedure Coding System (HCPCS) approved code set unless otherwise specified.

Except as otherwise noted in the State Plan, the State-developed fee schedule is the same for both governmental and private individual providers and the fee schedule and any annual/periodic adjustments to the fee schedule are published in the Delaware Register of Regulations. The Agency's fee schedule rate was set as of November 1, 2025, and is effective for services provided on or after that date. All rates are published on the Delaware Medical Assistance Program (DMAP)

website at <https://medicaidpublications.dhss.delaware.gov/docs/search?EntryId=1080>.

TN: 25-0001

Supersedes TN: NEW

Approval Date: _____

Effective: 1/1/25

***Please Note: Due to formatting of certain amendments to the regulation, they are not being published here.**

Copies of the documents are available at:

<https://regulations.delaware.gov/register/march2025/proposed/Supplement 5 to Attachment 3.1-A page 7-13 Amended.pdf>

<https://regulations.delaware.gov/register/march2025/proposed/Attachment 3.1-M pages 1-2 Amended.pdf>

28 DE Reg. 651 (03/01/25) (Prop.)