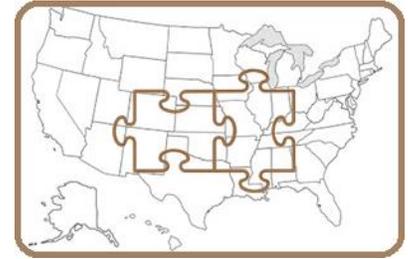


State Plan Amendments Can Tailor a Medicaid Program

State Can Adjust Rules, Regs, and Services



Medicaid’s State Plans let states design services, rates, and delivery systems

A State Plan outlines the services, payment rates, managed care options, benefit limits, and cost-sharing. Every state plan is different based upon the needs and wants of the state.

State Plan Amendments let states make permanent changes to the Medicaid State Plan

With approval from CMS, a states can use a State Plan Amendment to change provider payment rates, add or cut optional services, implement managed care, and change benefit regulations such as prescription limits and cost-sharing. All changes made must comply with federal requirements. SPAs changes must apply statewide. Services must be available for all Medicaid enrollees regardless of eligibility category, and enrollees must be given a choice among providers.¹

States have used SPAs to make incredibly detailed changes to their Medicaid programs²:

<p><i>A state can change provider payment rates</i></p>	<p>Texas used a SPA to reduce payment rates for physical therapy, occupational therapy, and speech therapy.</p> 	<p>Montana used a SPA to increase the rate for physical therapy services by 2%</p> 
<p><i>A state can add optional services</i></p>	<p>Missouri used a SPA to add adult dental coverage to the state plan</p> 	<p>Montana used a SPA to establish a \$1,125 limit on dental treatment services</p> 
<p><i>A state can alter benefit requirements</i></p>	<p>Kentucky used a SPA to remove the four prescription limit for the pharmacy benefit</p> 	<p>Alabama used a SPA to limit the number of outpatient pharmacy prescriptions to a total of five drugs per month</p> 

State residents can get involved in this process. To be approved, an SPA must have a public comment period. States often accept comments via email or through online comment forms. They may also hold hearings. Residents can learn about their state’s open comment periods from [their Medicaid agency](#) or via their state's Medicaid Advisory Committee.

Bottom line: States and their residents have the power to tailor their Medicaid programs to meet their needs

Sources:

1. Families USA http://familiesusa.org/sites/default/files/product_documents/State-Plan-Amendments-and-Waivers.pdf
2. Medicaid.gov <https://www.medicaid.gov/about-us/contact-us/contact-state-page.html> (search for SPA)