

**§ 495.320**

**§ 495.320 FFP for payments to Medicaid providers.**

Subject to the requirements outlined in this subpart, FFP is available at 100 percent of State expenditures for payments to Medicaid eligible providers to encourage the adoption and meaningful use of certified EHR technology.

**§ 495.322 FFP for reasonable administrative expenses.**

(a) Subject to prior approval conditions at § 495.324, FFP is available at 90 percent in State expenditures for administrative activities in support of implementing incentive payments to Medicaid eligible providers.

(b) FFP available under paragraph (a) of this section is available only for expenditures incurred on or before September 30, 2022, except for expenditures related to audit and appeal activities required under this subpart, which must be incurred on or before September 30, 2023.

[83 FR 41711, Aug. 17, 2018]

**§ 495.324 Prior approval conditions.**

(a) A State must obtain prior written approval as specified in paragraph (b) of this section, when the State plans to initiate planning and implementation activities in support of Medicaid provider incentive payments encouraging the adoption and meaningful use of certified EHR technology with proposed Federal financial participation.

(b) To receive 90 percent match, each State must receive prior approval for all of the following:

(1) The HIT advance planning document and the implementation advance planning document.

(2) For the acquisition solicitation documents and any contract that a State may utilize to complete activities under this subpart, unless specifically exempted by the Department of Health and Human Services, prior to release of the acquisition solicitation documents or prior to execution of the contract, when the contract is anticipated to or will exceed \$500,000.

(3) For contract amendments, unless specifically exempted by the Department of Health and Human Services, prior to execution of the contract amendment, involving contract cost in-

**42 CFR Ch. IV (10–1–23 Edition)**

creases exceeding \$500,000 or contract time extensions of more than 60 days.

(4) The State Medicaid HIT plan.

(c) Failure to submit any of the information specified in paragraph (b) of this section to the satisfaction of HHS may result in disapproval or suspension of project funding.

(d) A State must obtain prior written approval from HHS of its justification for a sole source acquisition, when it plans to acquire noncompetitively from a nongovernmental source HIT equipment or services, with proposed FFP under this subpart if the total State and Federal acquisition cost is more than \$500,000.

[75 FR 44565, July 28, 2010, as amended at 83 FR 41711, Aug. 17, 2018]

**§ 495.326 Disallowance of FFP.**

If the HHS finds that any acquisition approved or modified under the provisions of this subpart fails to comply with the criteria, requirements, and other undertakings described in the approved HIT planning advance planning document and HIT implementation advance planning document to the detriment of the proper and efficient operation of the Medicaid program, payment of FFP may be disallowed. In the case of a suspension of approval of a HIT planning advance planning document and HIT implementation advance planning document, suspension would occur in the same manner as 45 CFR 205.37(c) and 307.40(a).

**§ 495.328 Request for reconsideration of adverse determination.**

If CMS disapproves a State request for any elements of a State's advance planning document or State Medicaid HIT Plan under this subpart, or determines that requirements are met for approval on a date later than the date requested, the decision notice includes the following:

(a) The finding of fact upon which the determination was made.

(b) The procedures for appeal of the determination in the form of a request for reconsideration.