DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 235
Kansas City, Missouri 64106

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

Division of Medicaid and Children's Health Operations

November 3, 2010

Refer to:
DMCH: BC
MO SPA 10-01

Ronald J. Levy, Director
Dept of Social Services
Broadway State Office Building
PO Box 1527
Jefferson City, Missouri 65102

Dear Mr. Levy:

On April 12, 2010, the Centers for Medicare & Medicaid Services (CMS) received Missouri's State Plan Amendment (SPA), transmittal #10-01, which changes the rate at which MO HealthNet will reimburse providers for crossover claims for Medicare Part A and Medicare Advantage (Part C) inpatient skilled nursing facility benefits.

Based on the revisions we have received, we are pleased to inform you that SPA 10-01 is approved with an effective date of April 1, 2010. Enclosed is a copy of the CMS 179 form as well as the approved pages for incorporation into the Missouri State plan. If you have any questions regarding this amendment, please call Barbara Cotterman at (816) 426-5925.

Sincerely,

James G. Scott
Associate Regional Administrator
for Medicaid and Children's Health Operations

Enclosure

cc: Ian McCaslin, M.D. M.PH.
Marga Hoelscher

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 10-01

2. STATE: Missouri

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
April 1, 2010

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 Subpart C
1902(n) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2010 $ 0
b. FFY 2011 $ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
~~Attachment 4-19D~~
~~Pages 6, 6a, 6b, 124, 125, 125a, and 125b~~
Supplement 1 to Attachment 4.19-B;
Pages 1,3,4,5

9. PAGE NUMBER OF THE SUPERSEDES PLAN SECTION OR ATTACHMENT (If Applicable):
~~Attachment 4-19D~~
~~Pages 6, 124, and 125~~
Supplement 1 to Attachment 4.19-B Pgs 1,3

10. SUBJECT OF AMENDMENT:
This amendment provides for a change in reimbursement methodology of Medicare Part A and Medicare Advantage/Part C inpatient skilled nursing facility crossover claims.

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:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPE NAME: Ronald J. Levy

14. TITLE: Director

15. DATE SUBMITTED: April 12, 2010

16: RETURN TO:
MO HealthNet Division
P.O. Box 6500
Jefferson City, MO 65102

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: April 13, 2010

18. DATE APPROVED: November 3, 2010

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2010

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: James G. Scott

22. TITLE: Associate Regional Administrator for Medicaid and Children's Health Operations

23. REMARKS: Per and ink changes per RAI response dated 8/31/2010 and e-mail from State

FORM HCFA-179 (07-92)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Missouri

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Payment of Medicare Part A and Part B Deductible/Coinsurance and Medicare Part C Deductible/Coinsurance/Co-payment

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Except for a nominal recipient copayment (as specified in Attachment 4.18 of this State plan), if applicable, the Medicaid agency uses the following general method for payment:

1. Payments are limited to State plan rates and payment methodologies for the groups and payments listed below and designated with the letters "SP".

   SP: Part A hospital payments are limited to the lower of the Medicare deductible and coinsurance amounts or the amount the Medicaid applicable State Plan payment schedule amount exceeds the Medicare payment. This methodology is applicable to QMBs, other Medicaid recipients, and dual eligibles (QMB Plus).

   SP: Part A inpatient skilled nursing facility benefit payments are limited to the fee-for-service amount that would have been paid by MHD for those services. This methodology is applicable to QMBs, other Medicaid recipients, and dual eligible (QMB Plus) and is set out on Pages 4 and 5 of this attachment.

   For specific Medicare services which are not otherwise covered by this State plan, the Medicaid agency uses Medicare payment rates unless a special rate or method is set out on Page 3 in item 1 of this attachment.

2. Payments are up to the full amount of the Medicare rate for the groups and payments listed below, and designated with the letters "MR".

3. Payments are up to the amount of a special rate, or according to a special method, described on Page 3 in item 2 of this attachment, for those groups and payments listed below and designated with the letters "NR".

4. Any exceptions to the general methods used for a particular group or payment are specified on Page 3 in item 3 of this attachment.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Missouri

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Payment of Medicare Part A and Part B Deductible/Coinsurance and Medicare Part C Deductible/Coinsurance/Co-payment

1. Other Medicaid Recipients: Payments for specific Medicare services, which are not otherwise covered by this State plan, the Medicaid agency uses Medicare payment rates, except for services of practitioners not otherwise covered by this State plan. The Medicaid agency will not pay for services of practitioners not otherwise covered by this State plan.

2. QMBs and Dual Eligibles (QMB Plus): For Medicare Advantage Part A type claims, the hospital payments are limited to the lower of the Medicare Advantage deductible and coinsurance amounts or the amount the Medicaid applicable payment schedule amount exceeds the Medicare Advantage payments. For Medicare Advantage inpatient skilled nursing facility benefit claims, nursing facility payments are limited to the fee-for-service amount that would have been paid by MHD for those services. This methodology is set out on pages 4 and 5 of this attachment. For all other Medicare Advantage Part A type claims, except as described in the previous two sentences, and Medicare Advantage Part B type claims, the deductible and coinsurance/co-payment amounts are paid up to the full amount of the Medicare Advantage rate.

   Other Medicaid Recipients: The Medicaid agency will not pay Medicare Advantage deductibles and coinsurance/co-payments. Liability for payment by the Medicaid state agency is limited to Medicaid State Plan covered services rendered by Medicaid providers to Medicaid eligibles in excess of any third party (including Medicare Part C) liability. When the following conditions are met, there may be a liability by the Medicaid state agency for a specific service received through a Medicare Advantage Plan:
   - The Medicare Advantage service is also covered under the State Plan.
   - The Medicare Advantage provider is also a Medicaid provider.
   - The amount specified in the State Plan is greater than the Medicare Advantage payment amount.

3. Other Medicaid Recipients: Part B deductible and coinsurance are paid up to the full amount of the Medicare rate except for services of practitioners not otherwise covered by this State plan. The Medicaid agency will not pay for services of practitioners not otherwise covered by this State plan.

Reimbursement Methodology of Medicare/Medicaid crossover claims for Inpatient Skilled Nursing Facility Benefits

(A) Effective for dates of service beginning April 1, 2010, reimbursement of Medicare/Medicaid crossover claims (crossover claims) for Medicare Part A and Medicare Advantage/Part C inpatient skilled nursing facility benefits shall be as follows:

1. Crossover claims for Medicare Part A inpatient skilled nursing facility benefits in which Medicare was the primary payer and the MO HealthNet Division is the payer of last resort for the coinsurance must meet the following criteria to be eligible for MO HealthNet reimbursement:

   A. The crossover claim must be related to Medicare Part A inpatient skilled nursing facility benefits that were provided to MO HealthNet participants also having Medicare coverage; and

   B. The crossover claim must contain approved coinsurance days. The amount indicated by Medicare to be the coinsurance due on the Medicare allowed amount is the crossover amount eligible for MO HealthNet reimbursement. The coinsurance amount is based on the days for which Medicare is not the sole payer. These days are referred to as coinsurance days and are days twenty-one (21) through one hundred (100) of each Medicare benefit period; and

   C. The Other Payer paid amount field on the claim must contain the actual amount paid by Medicare. The MO HealthNet provider is responsible for accurate and valid reporting of crossover claims submitted to MO HealthNet for payment. Providers submitting crossover claims for Medicare Part A inpatient skilled nursing facility benefits to the MO HealthNet program must be able to provide documentation that supports the information on the claim upon request. The documentation must match the information on the Medicare Part A plan's remittance advice. Any amounts paid by MO HealthNet that are determined to be based on inaccurate data will be subject to recoupment; and

   D. The nursing facility's Medicaid reimbursement rate multiplied by the approved coinsurance days exceeds the amount paid by Medicare for the same approved coinsurance days.

2. Crossover claims for Medicare Advantage/Part C (Medicare Advantage) inpatient skilled nursing facility benefits in which a Medicare Advantage plan was the primary payer and the MO HealthNet Division is the payer of last resort for the copay (coinsurance) must meet the following criteria to be eligible for MO HealthNet reimbursement:

A. The crossover claim must be related to Medicare Advantage inpatient skilled nursing facility benefits that were provided to MO HealthNet participants who also are either a Qualified Medicare Beneficiary (QMB Only) or Qualified Medicare Beneficiary Plus (QMB Plus); and

B. The crossover claim must be submitted as a Medicare UB-04 Part C Institutional Crossover claim through the MHD online internet billing system; and

C. The crossover claim must contain approved coinsurance days. The amount indicated by the Medicare Advantage plan to be the coinsurance due on the Medicare Advantage plan allowed amount is the crossover amount eligible for MO HealthNet reimbursement. The coinsurance amount is based on the days for which the Medicare Advantage plan is not the sole payer. These days are referred to as coinsurance days and are established by each Medicare Advantage plan; and

D. The Other Payer paid amount field on the claim must contain the actual amount paid by the Medicare Advantage plan. The MO HealthNet provider is responsible for accurate and valid reporting of crossover claims submitted to MO HealthNet for payment. Providers submitting crossover claims for Medicare Advantage inpatient skilled nursing facility benefits to the MO HealthNet program must be able to provide documentation that supports the information on the claim upon request. The documentation must match the information on the Medicare Advantage plan's remittance advice. Any amounts paid by MO HealthNet that are determined to be based on inaccurate data will be subject to recoupment; and

E. The nursing facility's Medicaid reimbursement rate multiplied by the approved coinsurance days exceeds the amount paid by the Medicare Advantage plan for the same approved coinsurance days.

3. MO HealthNet reimbursement will be the lower of –

A. The difference between the nursing facility's Medicaid reimbursement rate multiplied by the approved coinsurance days and the amount paid by either Medicare or the Medicare Advantage plan for those same coinsurance days; or

B. The coinsurance amount.

4. Nursing facility providers may not submit a MO HealthNet Fee For Service nursing facility claim for the same dates of service on the crossover claim for Medicare Part A and Medicare Advantage inpatient skilled nursing facility benefits. If it is determined that a MO HealthNet Fee For Service nursing facility claim is submitted and payment is made it will be subject to recoupment.