REPLACEMENT PAGE JULY 22, 2011

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 B outpatient hospital payments, except payments made to public hospitals operated by the Department of Mental Health, from all sources will not be less than the Medicaid established rate of payment. Payments made to public hospitals operated by the Department of Mental Health will continue to be paid the Medicare deductible and coinsurance amounts. This methodology is applicable to QMB, other Medicaid recipients, and dual eligibles (QMB Plus) and is set out on Pages 6 and 7 of this attachment.

   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.

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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.

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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 Medicare Advantage Part B type claims, the hospital payments, except payments made to public hospitals operated by the Department of Mental Health, from all sources will not be less than the Medicaid established rate of payment. Payments made to public hospitals operated by the Department of Mental Health will continue to be paid the Medicare deductible and coinsurance amounts. This methodology is set out on Pages 6 and 7 of this attachment. For all other Medicare Advantage Part A type claims and Medicare Advantage Part B type claims, except as described in the previous seven sentences, the deductible and coinsurance/co-payment amounts are paid up to the full amount of the Medicare Advantage rate.

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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 Outpatient Hospital Benefits

(A). Effective for dates of service beginning October 1, 2010, reimbursement of Medicare/ Medicaid crossover claims (crossover claims) for Medicare Part B and Medicare Advantage Part C outpatient hospital services, except for public hospitals operated by the Department of Mental Health (DMH), shall be determined as follows:

1. Crossover claims for Medicare Part B outpatient hospital services in which Medicare was the primary payer and the MO HealthNet Division (MHD) is the payer of last resort for cost sharing (i.e., coinsurance, copay, and/or deductibles), must meet the following criteria to be eligible for MHD reimbursement:

   A. The crossover claim must be related to Medicare Part B outpatient hospital services that were provided to MO HealthNet participants also having Medicare Part B coverage; and,

   B. The crossover claim must contain approved outpatient hospital services which MHD is billed for cost sharing; 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 MHD for payment regardless of how the claim is submitted. Providers submitting crossover claims for Medicare Part B outpatient hospital services to MHD 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 B plan's remittance advice. Any amounts paid by MHD that are determined to be based on inaccurate data will be subject to recoupment.

2. Crossover claims for Medicare Advantage/Part C (Medicare Advantage) outpatient hospital services in which a Medicare Advantage plan was the primary payer and MHD is the payer of last resort for cost sharing (i.e., coinsurance, copay, and/or deductibles), must meet the following criteria to be eligible for MHD reimbursement:

   A. The crossover claim must be related to Medicare Advantage outpatient hospital services 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 Professional Crossover claim through the MHD online internet billing system; and

Reimbursement Methodology of Medicare/Medicaid crossover claims for Outpatient Hospital Benefits

C. The crossover claim must contain approved outpatient hospital services which MHD is billed for cost sharing; 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 MHD for payment. Providers submitting crossover claims for Medicare Advantage outpatient hospital services to MHD 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 MHD that are determined to be based on inaccurate data will be subject to recoupment.

3. MHD reimbursement for approved outpatient hospital services. Part B outpatient hospital payments, except payments made to public hospitals operated by the Department of Mental Health, from all sources will not be less than the Medicaid established rate of payment. Payments made to public hospitals operated by the Department of Mental Health will continue to be paid the Medicare deductible and coinsurance amounts.

4. MHD will continue to reimburse one hundred percent (100%) of the allowable cost sharing amounts for outpatient services provided by public hospitals operated by DMH as set forth above in paragraph (1)(C)3.