## Revised Submission 4.13.12

Replacement Page April 2012

Attachment 4.19-B Page 18b

State: Missouri

Supplemental Payment to Community Mental Health Centers. The Department of Mental Health (DMH) contracts with privately owned and operated Community Mental Health Centers (CMHCs), which act as administrative entities of DMH. The CMHCs are designated entry and exit points for DMH services and are required to provide a comprehensive array of services to any DMH patients in their designated service areas who seek care.

To recognize the CMHCs' higher costs of doing business and their role as safety net providers, each Missouri CMHC will be paid an annual supplement, payable in quarterly installments by the 30<sup>th</sup> day after the end of each quarter. The supplemental payment will increase reimbursement for CMHC-provided clinic services to 1.36 times the Medicare rate for such services, an amount that the State reasonably estimates to be comparable to that paid by private commercial payers. The payment will be subject to the clinic upper payment limit established at 42 C.F.R. § 447.321 (2006).

Amount of Annual Supplemental Payment. Each CMHC's annual payment will be determined using the following methodology.

<u>Step 1</u>: For each category of service where there is a corresponding Medicare fee for a CMHC-provided clinic procedure, DMH will subtract the current Medicaid rate from the market proxy of 1.36 times the Medicare rate, then multiply the result by the number of units of service.

Step 2: For each category of service where there is no corresponding Medicare fee for a CMHC-provided clinic procedure, DMH will calculate the difference between what the CMHC received under the current Medicaid rate, and what the CMHC would have received if paid the cost-based fee used to approximate the commercial rate for such procedures, then multiply the result by the number of units of service.

Step 3: The amounts calculated in steps 1 and 2 will be added together to determine each CMHC's total supplemental payment.

<u>Step 4</u>: In all years subsequent to State Fiscal Year 2012, the results of these calculations will be multiplied by a trend factor equal to the Consumer Price Index in the expenditure category Medical Care Services/Professional Services.

State Plan TN# MO 12-02
Supersedes TN# new material

Effective Date 7/1/12
Approval Date SE2 2 5 2012