

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 East 12<sup>th</sup> Street, Suite 355  
Kansas City, Missouri 64106



**Division of Medicaid and Children's Health Operations**

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December 14, 2012

Brian Kinkade, Interim Director  
Missouri Department of Social Services  
Broadway State Office Building  
P.O. Box 1527  
Jefferson City, Missouri 65102-1527

Dear Mr. Kinkade:

This letter is being sent as a companion to our approval of Missouri State plan amendment (SPA) 12-017. During our review of the SPA, the Centers for Medicare & Medicaid Services (CMS) performed an analysis of the coverage and reimbursement for the services revised by this plan amendment. This SPA proposes to remove references to the second surgical opinion requirement for certain elective surgeries. These Attachment 3.1A changes are effective July 1, 2012.

Based on our review, CMS has identified additional issues that we would like to bring to your attention. We welcome the opportunity to work with you and your staff to discuss options for resolving the concerns outlined below.

**Attachment 4.19-B, Page 1 – Methods and Standards For Establishing Payment Rates**

Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services under the state plan. The second paragraph on Attachment 4.19 B Page 1 is in contradiction with this federal regulation and CMS request that the State delete that paragraph.

**Attachment 4.19-B, Page 1 – Physician, Dental and Podiatry Services**

Insert the following Effective Date Language “Except as otherwise noted in the plan, state developed fee schedule rates are the same for both public and private providers of Physician, Dental, and Podiatry services. The agency’s fee schedule rate was set as of *INSERT DATE*, and is effective for services provided on or after that date. The fee schedule and any annual periodic adjustments to the fee schedule are published at *INSERT WEBSITE*.”

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Please respond to this letter by March 14, 2013, with a corrective action plan describing how the State will resolve the issues identified above. Failure to respond timely will result in our initiation of the formal compliance process. During the 90 days, we are willing to provide any required technical assistance. If you have any questions, please contact Kevin Slaven or Deborah Read at (816) 426-5925.

Sincerely,

/s/

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

cc: Ian McCaslin