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# State/Territory Name: Montana

## State Plan Amendment (SPA) #: MT-10-019

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages



### **Region VIII**

July 29, 2010

Mary Dalton, Medicaid & Health Services Manager Montana Department of Health & Human Services 1400 Broadway PO Box 202951 Helena, MT 59620

Re: SPA MT-10-019

Dear Ms Dalton:

We are pleased to inform you that CMS has approved Montana State Plan Amendment (SPA) 10-019, "Dental Services" with an effective date of July 1, 2010.

We appreciate the cooperation extended by your staff in the review and approval of this state plan amendment.

If you have any questions regarding this SPA please contact Dee Raisl at 303-844-2682.

Sincerely,

/s/

Richard C. Allen Associate Regional Administrator Division for Medicaid and Children's Health Operations

Cc: Duane Preshinger Jo Thompson

| DEPARTMENT OF HEALTH AND HUMAN SERVICES<br>HEALTH CARE FINANCING ADMINISTRATION                                                                                        |                                                                                                                                                                                                                        | FORM APPROVED<br>OMB NO. 0938-0193      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF<br>STATE PLAN MATERIAL                                                                                                           | 1. TRANSMITTAL NUMBER:<br>10-019                                                                                                                                                                                       | 2. STATE<br>Montana                     |
| FOR: HEALTH CARE FINANCING ADMINISTRATION                                                                                                                              | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE<br>SOCIAL SECURITY ACT (MEDICAID)                                                                                                                                          |                                         |
| TO: REGIONAL ADMINISTRATOR<br>HEALTH CARE FINANCING ADMINISTRATION<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES                                                          | 4. PROPOSED EFFECTIVE DATE<br>07/01/2010                                                                                                                                                                               |                                         |
|                                                                                                                                                                        | CONSIDERED AS NEW PLAN                                                                                                                                                                                                 | AMENDMENT                               |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME<br>6. FEDERAL STATUTE/REGULATION CITATION:<br>N/A                                                                          | NDMENT (Separate Transmittal for eac           7. FEDERAL BUDGET IMPACT:           a. FFY 10           \$0.00           b. FFY 11           \$0.00                                                                     | h amendment)                            |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br>4.19B Methods & Standards for Establishing Payment Rates for<br>Service 10 Dental Services.                       | <ol> <li>9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION<br/>OR ATTACHMENT (If Applicable):</li> <li>4.19B Methods &amp; Standards for Establishing Payment Rates<br/>for Service 10 Dental Services.</li> </ol>         |                                         |
| 10. SUBJECT OF AMENDMENT:<br>The purpose of this amendment is to document the revised date the agend                                                                   | cy's rates were set.                                                                                                                                                                                                   |                                         |
| 11. GOVERNOR'S REVIEW (Check One):<br>GOVERNOR'S OFFICE REPORTED NO COMMENT<br>COMMENTS OF GOVERNOR'S OFFICE ENCLOSED<br>NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | OTHER, AS SPECIFIED:                                                                                                                                                                                                   |                                         |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:                                                                                                                                | <ul> <li>16. RETURN TO:</li> <li>Montana Dept of Public Health and Human Services</li> <li>Mary E. Dalton, State Medicaid Director</li> <li>Attn: Jo Thompson</li> <li>PO Box 4210</li> <li>Helena MT 59604</li> </ul> |                                         |
| 13. TYPED NAME: Mary E/Dalton<br>14. TITLE: State Medicaid Director                                                                                                    |                                                                                                                                                                                                                        |                                         |
| 15. DATE SUBMITTED: 6/28/2010                                                                                                                                          | -                                                                                                                                                                                                                      |                                         |
| 17. DATE RECEIVED: 6/28/16                                                                                                                                             | 18. DATE APPROVED: 7 / タ                                                                                                                                                                                               | 9/10                                    |
| PLAN APPROVED – ON                                                                                                                                                     |                                                                                                                                                                                                                        |                                         |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br>7 /1/10                                                                                                                    | IAL O                                                                                                                                                                                                                  | FFICIAL:                                |
| 21. TYPED NAME:<br>LIChard C. Allen<br>23. REMARKS:                                                                                                                    | APA                                                                                                                                                                                                                    | ana an |
|                                                                                                                                                                        |                                                                                                                                                                                                                        |                                         |

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- 1. Reimbursement for Dental Services shall be the lowest of the following:
  - a. The provider's usual and customary charge for the service.
  - b. The Department's fee schedule for dental services.
- 2. The Department's fee schedule is calculated as follows:
  - a. Dental procedures are identified through the following process:

(1) Procedures identified through ADA/CDT coding manual; or(2) Dental procedures identified by the Department not identified in the current ADA/CDT.

- b. Definitions:
  Relative Value Unit (RVU) The unit value assigned to a specific procedure code published in c.(1).
  Relative Value for Dentists(RVD): a value given to each procedure code outlined in 2.c.(1)(b)(i).
- c. Reimbursement rates are set by one of the following methods:

(1) For procedures listed in the "Relative Values for Dentists" published biennially by Relative Value Studies, Incorporated, reimbursement rates shall be determined using the following methodology:

(a) The fee for a covered service shall be the amount determined by multiplying the (RVU) by the conversion factor specified in 2.c.(1)(b)(iii).
(b) The conversion factor and provider fees for dentists, dental hygienists, and denturists procedures are calculated as follows:

(i) The total units of each procedure code paid in a prior period is multiplied by the RVU to equal the RVD for each procedure code. Typically, the prior period used is the prior state fiscal year.

(ii) The sum of all RVDs calculated in 2.c.(1)(b)(i) equals the total units of dental service.

(iii) The Montana Legislature's appropriation for dental service during the appropriation period is divided by the total units of dental service calculated in 2.c.(1)(b)(ii). The resulting dollar value is equal to one unit of dental value and is the dental conversion factor.

TN: 10-019 Approved Date: 7/24/10 Effective Date: 07/01/2010

Supersedes TN: 09-017

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(iv) The RVU for each dental procedure is multiplied by the dental conversion factor calculated in 2.c.(1)(b) (iii) to calculate the Medicaid reimbursement for the procedure. When this calculation is made for all covered procedures the Montana Medicaid Dental, Dental Hygienist, and Denturist Fee Schedules are generated.

(v) A policy adjuster may be applied to some fees calculated in 2.c.(1)(b) (iv) for certain categories of services or to the conversion factor to increase or decrease the fees paid by Medicaid.

(2) Where a fee cannot be set using this methodology, the reimbursement is determined using the "by report" methodology. The "by report' reimbursement is paid at 85% of the provider's usual and customary charge.

(3) For orthodontia services the fee is established at 85% of the provider's usual and customary charges per treatment phase. The Department will initially pay 40% of the treatment phase with the remainder to be paid in equal payments over the treatment period.

(4) Unless otherwise specified in the plan, the same published methodology is used to reimburse governmental providers and non-governmental providers.

(5) The agency's rates were set as of July 1, 2010 and are published at  $\underline{www.mtmedicaid.org}$ 

TN: 10-019 Approved Date: 7/24/10 Effective Date: 07/01/2010

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