
Table of Contents

State/Territory Name: Montana

State Plan Amendment (SPA) #: 17-0028

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Denver Regional Office
1961 Stout Street, Room 08-148
Denver, CO 80294



REGION VIII - DENVER

March 8, 2018

Marie Matthews, Medicaid & CHIP Director
Montana Department of Public Health & Human Services
P.O. Box 4210
Helena, MT 59604

Re: SPA MT-17-0028

Dear Ms. Matthews:

We have approved the State Plan Amendment (SPA) submitted under transmittal number MT-17-0028. The amendment implements a statewide 2.99% rate reduction for Optometrist Services, with the effective fee schedule date reflected on Montana's Attachment 4.19B Introduction Page.

Please be informed that this State Plan Amendment was approved on March 7, 2018, with an effective date of January 1, 2018. We are enclosing the summary page and the amended plan page(s).

The State assures that the change in reimbursement for Optometrist Services is not expected to have an effect on access to care for Medicaid beneficiaries. The State provided evidence from analysis reflected in a revised Addendum to Montana Medicaid 2016 Access Monitoring Plan that revealed consistent beneficiary utilization and provider enrollment for the benefit. Based on this information, CMS infers that the amendment does not affect consistency with the access to care requirements described in §1902(a)(30)(A) of the Social Security Act. While this SPA results in an overall decrease in State expenditures for Optometrist services, it was determined to be a nominal change in overall reimbursement as described in State Medicaid Director Letter (SMDL) #17-004.

In order to track expenditures associated with this amendment, Montana should follow the CMS-64 reporting instructions outlined in Section 2500 of the State Medicaid Manual (SMM).

For those individuals whose expenditures qualify for the newly eligible federal medical assistance percentage, report on the Form CMS-64.9 VIII and those not enrolled in the new adult group, claims should be reported on the Form CMS-64.9.

For Optometrist Services, the expenditures should be reported on: Line 9A – Other Practitioners Services – Regular Payments.

If you have any questions regarding this SPA please contact Barbara Prehmus at (303) 844-7472.

Sincerely,



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

cc: Sheila Hogan, Department Director
Mary Eve Kulawik

MONTANA

- I. Reimbursement for Optometric Services shall be:
- A. The lower of:
1. The provider's usual and customary charge for the service; or
 2. Reimbursement provided in accordance with the methodology described in Number II.
- II. The Department's fee schedule for Optometric Services is determined in the following hierarchical order: RBRVS; Medicare rate; Medicaid fee.
- A. In accordance with the Resource Based Relative Value Scale (RBRVS) methodology, by multiplying Medicare's Relative Value Units (RVU), or Medicare's rate and time units for anesthesia services, which is numeric, by the Montana Medicaid specific conversion factor, which is a dollar amount, to equal a fee. Specific to Montana Medicaid, there is an ability to multiply the fee times a policy adjuster (either plus or minus) to affect the fee.
1. RBRVS means the version of the Medicare resource based relative value scale contained in the Medicare Physician Fee Schedule (MPFS) adopted by the Centers for Medicare and Medicaid Services (CMS). The Department will update Medicare additions, deletions, or changes to procedure codes on the first of each quarter.
 2. RVU means a numerical value assigned by Medicare in the RBRVS methodology to each procedure code used to bill for services provided by a health care provider. The RVU assigned to a particular code expresses the relative effort and expense expended by a provider in providing one service as compared with another service.
- B. Medicare Rates: Optometrists will be paid at 97.01% of the Medicare rate for supplies and goods where the RBRVS methodology is not applicable. Medicare rates are updated effective the first day of the quarter based on the Medicare quarterly adjustment.

MONTANA

- C. For services not included in the RBRVS methodology, or Medicare's rate, a Medicaid fee is determined by:
1. Reviewing cost information for the service if available or by reviewing the reimbursement of similar services if cost information is not available for procedure codes that are new (less than one year in existence); have no or low utilization; or have inconsistent charges.
 2. For procedure codes that cannot be determined by the methodology in II. C. 1., by multiplying the average charge for the service by the payment-to-charge ratio. The payment-to-charge ratio means the percent determined by dividing the previous state fiscal year's total Medicaid reimbursement for RBRVS provider covered services by the previous state fiscal year's total Medicaid charges for RBRVS provider covered services.
 3. For supplies or equipment where utilization cannot meet the methodology outlined in C.1., reimbursement will be set at 72.8% of the manufacturer's suggested retail price (MSRP). For items without an MSRP, the charge will be considered reasonable if the provider's acquisition charge from the manufacturer is at least 50% of the charge amount.
 4. For items that are custom fabricated at the place of service, the amount charged will be considered reasonable if it does not exceed the average charge of all Medicaid providers by more than 20%. For services where utilization cannot meet the methodology in II. C. 1., the fee shall be set at the same rate as a service similar in scope.
- III. Unless otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's rates were set as of the date on the Attachment 4.19B Introduction Page and are published at <http://medicaidprovider.mt.gov>.