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| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL | | 1. TRANSMITTAL NUMBER: 09-014 | 2. STATE North Dakota |
| FOR: HEALTH CARE FINANCING ADMINISTRATION | | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES | | 4. PROPOSED EFFECTIVE DATE July 1, 2009 | |
| 5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment) | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.120 | | 7. FEDERAL BUDGET IMPACT: a. FFY <u>2009</u> \$ <u>6,449</u> b. FFY <u>2010</u> \$ <u>25,797</u> | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment to Page 5 of Attachment 3.1-A Attachment to Page 5 of Attachment 3.1-B Attachment 4.19B pgs 1 & 1a | | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment to Page 5 of Attachment 3.1-A Attachment to Page 5 of Attachment 3.1-B Attachment 4.19B pg 1 | |
| 10. SUBJECT OF AMENDMENT: Amends the State Plan to change the eyeglasses service limitation to 2 years. | | | |
| 11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <u>Maggie D. Anderson, Director,</u> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <u>Medical Services Division</u> | | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL: Maggie D. Anderson | | 16. RETURN TO: Maggie D. Anderson, Director Division of Medical Services ND Department of Human Services 600 East Boulevard Avenue Dept 325 Bismarck ND 58505-0250 | |
| 13. TYPED NAME: Maggie D. Anderson | | 17. DATE RECEIVED: <u>6/16/09</u> | |
| 14. TITLE: Director, Division of Medical Services | | 18. DATE APPROVED: <u>11/17/10</u> | |
| 15. DATE SUBMITTED: June 16, 2009 | | FOR REGIONAL OFFICE USE ONLY | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: <u>7/1/09</u> | | 20. SIGNATURE OF REGIONAL OFFICIAL: <u>Richard C. Allen</u> | |
| 21. TYPED NAME: Richard C. Allen | | 22. TITLE: APA, DMCH | |
| 23. REMARKS: | | | |

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER
TYPES OF CARE

The following is a description of the policies that apply to rates and fees established for services other than inpatient hospital care, nursing facility care, and intermediate care for the mentally retarded.

Out-of-state providers are paid the same rates and fees applicable to providers in North Dakota. Medicare crossover claims will be paid based on the lesser of the Medicare coinsurance and deductible or the maximum amount payable for the service per the rates and fees established less the Medicare payment.

- 1) Outpatient services, are paid using a fixed percentage of charges established by the state agency, except for laboratory procedures paid according to item 3 below, dietitian services paid at the lower of the actual charge or maximum allowable charge established by the state agency, and ambulatory behavioral healthcare (partial hospitalization) paid a per diem rate established by the state agency. The fixed percentage of charges for out-of-state hospitals shall be the average of the fixed percentage paid to all hospitals categorized as Group 1 Hospitals.
- 2) Clinic services payment is based on the cost of delivery the services as determined by the single state agency from cost data submitted periodically by the clinic. In those years when no cost information is requested by the single state agency, each clinic will receive an inflation increase as determined by the state agency.
- 3) For laboratory services, Medicaid will pay the lower of billed charges, Medicare maximum allowable charge, or fee schedule established by the state agency. Medicaid payment for lab services may not exceed the Medicare rate on a per test basis.

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER
TYPES OF CARE - (continued)

- 4) For x-ray services, Medicaid will pay the lower of billed charges or fee schedule established by the state agency.
- 5) For prosthetic devices, medical equipment, supplies and appliances, Medicaid will pay the lower of billed charges or fee schedule established by the state agency.
- 6) For physicians, podiatrists, chiropractors, and psychologists, the lower of billed charges or fee schedule established by the state agency.
- 7) For optometrists, dentists and dentures, Medicaid will pay the lower of billed charges or Medicaid fee established by the state agency.
- 8) For private duty nursing, Medicaid will pay the lower of billed charges or the established fee as determined by the state agency.
- 9) For physical, occupational and speech therapy, payment will be the lower of billed charges or the fee established by the state agency.
- 10) For eyeglasses, Medicaid will pay the lower of billed charges or the fee schedule established by the state agency.

The agency's rates were set as of July 1, 2009 and are effective for services received on or after that date. All rates are published on the agency's web site at: <http://www.nd.gov/dhs/services/medicalserv/medicaid/provider-fee-schedules.html>. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers. The agency rates shall be inflated by no more than 7% annually.

LIMITATIONS ON AMOUNT, DURATION AND SCOPE

Service

12d. Replacement Policy – Eyeglasses

Effective July 1, 2009, individuals 21 years of age and older are limited to one pair of eyeglasses no more often than once every two years. Medicaid will not pay for the repair and/or replacement of eyeglasses during that two year period unless the repair or replacement is prior approved as medically necessary by the Department's optometric consultant. The same will apply in subsequent payments for eyeglasses in relation to the two-year cycle following receipt of eyeglasses.

Soft contact lenses are not covered under the Medicaid program unless prior approved by the Department's optometric consultant.

Hard contact lens replacement will be covered if the individual wore them when becoming eligible for Medicaid. Initial fitting of hard contacts will also be considered on a prior approval basis when refractive error cannot be corrected with standard eyeglasses.

Repair and/or replacement of eyeglasses for individuals under 22 years of age will require an authorization process. Medical necessity should be documented for the need to repair or replace eyeglasses prior to the one-year time frame. Each request will be reviewed by the optometric consultant to determine approval or denial.

STATE: North Dakota

Attachment to Page 5 of
Attachment 3.1-B

LIMITATIONS ON AMOUNT, DURATION AND SCOPE

Service

13c. Preventative Services

The North Dakota Medicaid Program will provide payment if the services is recommended by a physician without prior authorization to a licensed registered dietitian by the State of North Dakota for the following diagnosis or conditions:

1. Diabetes Insulin, non-insulin dependent and pregnancy related
2. Cardiovascular conditions including hyperlipidemia
3. Eating disorders, morbid obesity, anorexia nervosa and bulimia

All other diagnosis will require prior authorization. The request for prior approval must include a recommendation for the service from a physician and documentation must be present that demonstrates the medical necessity for the service. The medical consultant will review the information and approve or disapprove the service based on a determination that the proposed service will reduce or limit the progression of the particular disease or condition.

All nutritional services will be limited to an initial visit and three follow up visits. Additional visits may be provided if they are prior authorized by the medical consultant. Additional visits must be recommended by a physician and will be approved if it can be demonstrated that progress is being made in diet control and there is ample evidence that a recipient will continue to need additional visits in order to benefit from the services of a licensed registered dietitian. The number of additional visits may vary based on the individual needs of each recipient.

TN No: 09-014
Supersedes
TN No: 03-012B

Approval Date 11/7/10 Effective Date: 7/1/09

LIMITATIONS ON AMOUNT, DURATION AND SCOPE

Service

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