

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE.

- 10) Transportation by common carrier will be reimbursed at the going rate or fare established for the general public. Ambulance services will be paid at the lower of actual billed charges or the maximum allowable charge established by the state. Private vehicles when utilized by a third party to provide transportation to a Medicaid recipient will be paid at the lower of billed charges or the mileage rate up to an upper limit periodically established by the state agency, not to exceed the mileage established by the state legislature. The payment for all meals necessary for recipients and attendants cannot exceed the amount allowed for state employees while they are traveling in the state of North Dakota. The payment for necessary lodging for recipients and attendants traveling within North Dakota cannot exceed the amount allowed for state employees. The payment for necessary lodging for recipients and attendants traveling outside of North Dakota will be limited by a maximum established by the single state agency. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly.
- 11) Family planning services provided by local health departments under the auspices of the Maternal and Child Health (MCH) Division of the State Department of Health will be paid the lower of billed charge or maximum established by the MCH Division. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly.
- 12) Home Health Agency services including nursing care, home health aide services, physical therapy, occupational therapy, speech pathology or audiology services, reimbursement will be at the lowest of the billed charge or maximum allowable charge established by the State. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly.
- 13) For prescribed drugs, including non-legend drugs that are prescribed by a physician and legend drugs, Medicaid will reimburse at the lower of 1) the Estimated Acquisition Cost (EAC) for that drug plus a dispensing fee, 2) the Federal Upper Limit (FUL) for that drug plus a dispensing fee, 3) North Dakota Medicaid's established Maximum Allowable Cost (MAC) for that drug plus a dispensing fee, or 4) the provider's usual and customary charges to the general public. The dispensing fee for legend drugs is \$4.60 for brand name drugs and \$5.60 for generic drugs. The dispensing fee for non-legend drugs that are prescribed by a physician is calculated at 1.5 times the allowed amount (EAC, FUL, or MAC) up to a maximum of \$4.60.

The ingredient cost for multiple source drugs identified and listed by CMS as having Federal Upper Limit (FUL) will not exceed, in the aggregate, the level of payment for those drugs as calculated by the current FUL methodology used by CMS

Estimated acquisition cost (EAC) will be this agency's best estimate of the price generally and currently paid by providers for a drug marketed or sold by a particular manufacturer or labeler. EAC is defined as the lesser of Average Wholesale Price (AWP) minus ten percent (10%) or Wholesale Acquisition Cost (WAC) plus 8% as determined by First Data Bank on a weekly basis.

A fee of fifteen cents per pill will be added to the dispensing fee for the service of pill splitting. Pill splitting is entirely voluntary for the patient and the pharmacist. Pill splitting will only be permitted under the following circumstances: when Medical Services determines it is cost effective, the pill is scored for ease of splitting, and the pharmacy staff splits the pill. This fee will only be allowed for medications that have been evaluated by the state for cost-effectiveness and entered into the Point-of-Sale system.

- 14) For hospice services Medicaid will pay the amounts established by HCFA at Sections 4306, 4307, and 4308 Part 4 of the State Medicaid Manual.
- 15) Nurse-Midwife services will be paid at the 85% level of the payment made for covered pre-natal, delivery and postpartum services provided by physicians, i.e., the lower of actual charge or 85% of the allowable amount established by the state agency for payment of physician services. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly

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- 16 Vacated
- 17 Vacated
18. Vacated
- 19 Nurse Practitioners are paid at the lower of billed charges or 75% of our physician fee schedule. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, for services reimbursed from the Professional Services Fee Schedule, as authorized and appropriated by the 2011 Legislative Assembly. For services reimbursed with fees based on Relative Value Units providers did not receive the three percent inflationary increase
- 20 Other Practitioner Services - Are paid at the lower of billed charges or 75% of the physician fee schedule. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, for services reimbursed from the Professional Services Fee Schedule, as authorized and appropriated by the 2011 Legislative Assembly. For services reimbursed with fees based on Relative Value Units providers did not receive the three percent inflationary increase.
- 21 Vacated
22. Vacated
- 23 Personal Care Services
- a Authorized personal care services provided to an individual who receives personal care services from a provider on less than a 24-hour-a-day-seven-day-a-week basis shall be paid based on a maximum 15-minute unit rate established by the department.
- North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly
- b Authorized personal care service provided to an individual by a provider who provides personal care services on a 24-hour-a-day-seven-day-a-week basis shall be paid using a prospective per diem rate for each day personal care services are provided.
- 1) The maximum per diem rate for an individual or agency provider shall be established using the provider's allowable hourly rate established under paragraph a. multiplied times the number of hours per month authorized in the individual's care plan times twelve and divided by 365. The provider may bill only for days in which at least 15 minutes of personal care service are provided to the individual. The maximum per diem rate for an individual or agency may not exceed the maximum per diem rate for a residential provider as established in subparagraph 2.

- 2) The per diem rate for a residential provider is established based on the residential provider's reported allowable costs for direct and indirect personal care services divided by the number of days personal care services were provided during the report period. The per diem rate is applicable to all eligible individuals authorized to receive personal care services from the residential provider and does not vary based on the amount of services authorized for each individual. The per diem rate is payable only for days in which at least 15 minutes of personal care services is provided to the individual in the residential facility. For an individual who does not receive at least 15 minutes of personal care per day, the rate payable to a residential provider for personal care services shall not exceed the maximum allowable hourly rate for an agency as established in paragraph a.

The per diem rate shall be established annually for each residential provider based on a cost report that identifies actual costs incurred for the provision of personal care services during the provider's fiscal year. The established per diem rate may not exceed the maximum per diem rate. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly

Allowable costs included in the personal care per diem rate are

- 1 Salaries, fringe benefits and training expenses for direct supervisors and staff who provide assistance with:
    - a. Activities of daily living including eating, bathing, dressing, mobility, toileting, transferring and maintaining continence; and
    - b. Instrumental activities of daily living that include personal hygiene, light housework, laundry, meal preparation, transportation, grocery shopping, using the telephone, medication management and money management.
  - 2 Administration and overhead expenses that include salaries and fringe benefits of an administrator, assistant administrator or top management personnel, liability insurance, central and home office costs excluding property costs, telephone, personnel recruitment costs, computer software costs, business office expenses, and working capital interest.
- 24 Vacated
- 25 Organ Transplants - Payments for physician services are based on Attachment 4 19-B No 5 as described in this attachment. Payment for hospital services are based on Attachment 4 19-A.
- 26 For diagnostic, screening, preventive and rehabilitative services, Medicaid will pay the lower of actual billed charges or the maximum allowable fee established by the state agency

See page 3b-1 for description of rehabilitative services reimbursement methodology effective January 1, 2010

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North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly

- 27 Emergency hospital services provided by hospitals not otherwise participating in the Medicaid program are paid at the fixed percentage of charges for out-of-state hospitals as established in paragraph 1
- 28 For Targeted Case Management Services for Pregnant Women and Infants, traumatic brain injury individuals, children in alternative care, children receiving child protective services, and pre and post adoption children, and individuals in need of long term care services, payment will be based on the lower of the providers actual billed charge or the fee schedule established in 15 minute units of service by the state. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, as authorized and appropriated by the 2011 Legislative Assembly

26 For diagnostic, screening, preventive and rehabilitative services. (continued)

- a. The Contractor (i.e., Disease Management Organization [DMO]) for the preventative services – Health Management Program – will be reimbursed through a payment methodology that is compliant with 42 CFR 438.6(c). Capitation payments will be made monthly

The program will operate under the authority of the 1915(b)(4) waiver

- b. Effective for services provided on or after January 1, 2010:

The current fee schedule(s) for rehabilitative services are published on the North Dakota Department of Human Services web site. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, for services reimbursed from the Professional Services Fee Schedule, as authorized and appropriated by the 2011 Legislative Assembly. For services reimbursed with fees based on Relative Value Units providers did not receive the three percent inflationary increase.

For rehabilitative services, each qualified Medicaid service practitioner will be reimbursed a rate from the Medicaid fee schedule for defined units of service. For the private providers, the fee schedule was historically established by a comparison of codes to other, relative codes and to what other regional (private, Medicare and Medicaid) payers allowed. For the governmental providers, the fee schedule is established based on the cost of delivering the services, which is used to set a fee for each service provided.

For private providers enrolling the following provider types, reimbursement is the lower of billed charges or a maximum of 75% of the professional fee schedule for the following provider types: Licensed Social Worker (LSW), Licensed Independent Clinical Social Worker (LICSW), Licensed Certified Social Worker (LCSW), Licensed Addiction Counselor (LAC), Licensed Associate Professional Counselor (LAPC), Licensed Professional Counselor (LPC), and Licensed Professional Clinical Counselor (LPCC)

For Crisis Stabilization, Transitional Living, and Day Treatment reimbursement will be at a daily rate; not to exceed cost.

The State Medicaid agency will have a contract with each entity receiving payment under provisions of services (Crisis Stabilization, Transitional Living, and Day Treatment) as defined in Attachment 3.1-A and Attachment 3.1-B that will require that the entity furnish to the State Medicaid agency on an annual basis the following:

- a. Data, by practitioner, on the utilization by Medicaid beneficiaries of the services included in the unit rate and;
- b. Cost information by practitioner type and by type of service actually delivered within the service unit

Future rate updates will be based on information obtained from the providers.

- 32. Payment for Certified Registered Nurse Anesthetists will be limited to the lower of actual charges or 75% of the allowable amount established by the state agency for payment of physician services. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, for services reimbursed from the Professional Services Fee Schedule, as authorized and appropriated by the 2011 Legislative Assembly. For services reimbursed with fees based on Relative Value Units providers did not receive the three percent inflationary increase.
  
- 33. For Licensed Independent Certified Social Workers Medicaid will pay the lower of the actual amount billed or 75% of the physician fee schedule. North Dakota Medicaid providers will receive a three percent inflationary increase in reimbursement effective for dates of service July 1, 2011, for services reimbursed from the Professional Services Fee Schedule, as authorized and appropriated by the 2011 Legislative Assembly. For services reimbursed with fees based on Relative Value Units providers did not receive the three percent inflationary increase.

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