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State/Territory Name: NE

State Plan Amendment (SPA) #: 15-0005

This file contains the following documents in the order listed:

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

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



Division of Medicaid and Children's Health Operations

November 23, 2015

Calder Lynch, Director
Department of Health & Human Services
Division of Medicaid and Long Term Care
301 Centennial Mall S., 5th Floor
PO Box 95026
Lincoln, Nebraska 68509

Dear Mr. Lynch:

On August 26, 2015, the Centers for Medicare & Medicaid Services (CMS) received Nebraska's State Plan Amendment (SPA) transmittal #15-0005, which proposes to increase the fee schedule rate by 2.00% with a proposed effective date of July 1, 2015.

This SPA 15-0005 was approved on November 23, 2015, with an effective date of July 1, 2015, as requested by the State. Enclosed is a copy of the CMS-179 form, as well as, the approved pages for incorporation into the Nebraska State plan.

If you have any questions regarding this amendment, please contact Kevin Slaven at (816) 426-5925 or Kevin.Slaven@cms.hhs.gov.

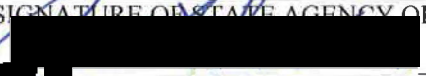
Sincerely,

//s//

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

Enclosure

cc: Nancy Keller

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 15-0005	2. STATE Nebraska
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, 2015	
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:		7. FEDERAL BUDGET IMPACT: a. FFY 2015 \$269,142.00 b. FFY 2016 \$1,149,464.00	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Item 1, pages 1-3; Att. 4.19-B, Item 1a; Att. 4.19-B, Item 2a, page 4; Att. 4.19-B, Item 4b, page 3; Att. 4.19-B, Item 5, page 1; Att. 4.19-B, Item 9, Page 5; Att. 4.19-B, Item 13d, Page 1a; Att. 4.19-B, Item 24a; Att. 4.19-B, Item 27		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B, Item 1, pages 1-3; Att. 4.19-B, Item 1a; Att. 4.19-B, Item 2a, page 4; Att. 4.19-B, Item 4b, page 3; Att. 4.19-B, Item 5, page 1; Att. 4.19-B, Item 9, Page 5; Att. 4.19-B, Item 13d, Page 1a; Att. 4.19-B, Item 24a; Att. 4.19-B, Item 27	
10. SUBJECT OF AMENDMENT: SFY16 Practitioner Services			
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 Governor has waived review <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Nancy Keller Division of Medicaid & Long-Term Care Nebraska Department of Health & Human Services 301 Centennial Mall South Lincoln, NE 68509	
13. TYPED NAME: Calder Lynch			
14. TITLE: Director, Division of Medicaid and Long-Term Care			
15. DATE SUBMITTED: August 26, 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: August 26, 2015		18. DATE APPROVED: November 23, 2015	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
21. TYPED NAME: James G. Scott		22. TITLE: Associate Regional Administrator for Medicaid and Children's Health Operations	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

When services which are reimbursed per a fee schedule, except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. Except for Clinical Laboratory services and Injectable Drugs, the agency's rates were set as of July 1, 2015, and are effective for services on or after that date. All rates are published at: http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

- The fee schedule amounts for Clinical Laboratory services are based on 100% Medicare Clinical Laboratory Fee Schedule. The Department shall update the Clinical Laboratory fee schedule using the most current calendar update as published by the Centers for Medicare and Medicaid Services.
- The fee schedule amounts for Injectables are based on 100% Medicare Drug fee schedule. The Department shall update the Injectables Fee Schedule using the most current calendar update as published by the Centers for Medicare and Medicaid Services.
- Injectable medications approved by the Medicaid Medical Director but not included on the Medicare Drug Fee Schedule will be reimbursed at the estimated acquisition cost (EAC) used to reimburse pharmacy claims.
- The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date.
- Payment methods for each service are defined in Attachment 4.19B, Methods and Standards for Establishing Payment Rates, as referenced below.

Service	Attachment	Effective Date
CHIROPRACTORS' SERVICES	ATTACHMENT 4.19-B Item 6c, Page 1 of 2	July 1, 2015
PHYSICIANS' SERVICES	ATTACHMENT 4.19-B Item 5, Page 1 and 2	July 1, 2015
OPTOMETRISTS' SERVICES	ATTACHMENT 4.19-B Item 6b, Page 1	July 1, 2015
MENTAL HEALTH SERVICES	ATTACHMENT 4.19-B Item 9, Page 1 of 4	July 1, 2015
PHYSICAL THERAPY	ATTACHMENT 4.19-B Item 11a, Page 1 of 2	July 1, 2015
OCCUPATIONAL THERAPY	ATTACHMENT 4.19-B Item 11b, Page 1 of 2	July 1, 2015

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Service	Attachment	Effective Date
SPEECH, HEARING, AND LANGUAGE DISORDERS	ATTACHMENT 4.19-B Item 11c, Page 1 of 2	July 1, 2015
DENTURIST SERVICES	ATTACHMENT 4.19-B Item 12b	July 1, 2015
PROSTHETIC DEVICES SERVICES	ATTACHMENT 4.19-B Item 12c	July 1, 2015
OPTOMETRIST'S SERVICES	ATTACHMENT 4.19-B Item 12d	July 1, 2015
EXTENDED SERVICES TO PREGNANT WOMEN	ATTACHMENT 4.19-B Item 20, Page 1 of 2	July 1, 2015
AMBULATORY PRENATAL CARE FOR PREGNANT WOMEN	ATTACHMENT 4.19-B Item 21, Page 1 of 2	July 1, 2015
TRANSPORTATION SERVICES	ATTACHMENT 4.19-B Item 24a	July 1, 2015
TELEHEALTH SERVICES	ATTACHMENT 4.19-B Item 1a	July 1, 2015
CHILDREN'S MENTAL HEALTH & SUBSTANCE ABUSE	ATTACHMENT 4.19-B Item 4b, Page 3	July 1, 2015
FREESTANDING BIRTH CENTER SERVICES	ATTACHMENT 4.19-B Item 27	July 1, 2015
PEDIATRIC FEEDING DISORDER CLINIC	ATTACHMENT 4.19-B Item 9, Page 5	July 1, 2015
OTHER OUTPATIENT SERVICES	ATTACHMENT 4.19-B Item 2a, Page 4	July 1, 2015
PERSONAL ASSISTANCE SERVICES	ATTACHMENT 4.19-B Item 26	July 1, 2015
ANATOMIACL LABORATORY SERVICES	ATTACHMENT 4.19-B Item 3, Page 1 of 3	July 1, 2015
X-RAY SERVICES	ATTACHMENT 4.19-B Item 3, Page 2	July 1, 2015

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Service	Attachment	Effective Date
HOME HEALTH SERVICES	ATTACHMENT 4.19-B Item 7, Page 1 and 2 of 2	July 1, 2015
DENTAL SERVICES	ATTACHMENT 4.19-B Item 10, Page 1 of 2	July 1, 2015
AMBULANCE	ATTACHMENT 4.19-B Item 23a	July 1, 2015
ANESTHESIA	ATTACHMENT 4.19-B Item 6d	July 1, 2015
DURABLE MEDICAL EQUIPMENT – MEDICAL SUPPLIES	ATTACHMENT 4.19-B Item 7c	July 1, 2015
EARLY AND PERIODIC SCREENING, DIAGNOSIS AND TREATMENT (EPSDT) SERVICES	ATTACHMENT 4.19-B Item 4b, Page 1 and 2	July 1, 2015
NURSING SERVICES	ATTACHMENT 4.19-D Page 5	July 1, 2015
ICF/IDD SERVICES	ATTACHMENT 4.19-D Page 55	July 1, 2015
PODIATRISTS' SERVICES	ATTACHMENT 4.19-B Item 6a, Page 1	July 1, 2015
PRTF SERVICES	ATTACHMENT 4.19-A Page 30	July 1, 2015
SECURE PSYCHIATRIC RESIDENTIAL REHABILITATION	ATTACHMENT 4.19-B Item 13d, Page 1a	July 1, 2015

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Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of Telehealth services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

OUTPATIENT HOSPITAL SERVICES

NMAP pays for covered psychiatric partial hospitalization services at the lower of:

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as:
 - a. The unit value multiplied by the conversion factor;
 - b. The invoice cost (indicated as "IC" in the fee schedule);
 - c. The maximum allowable dollar amount; or
 - d. The reasonable charge for the procedure as determined by the Medicaid Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of psychiatric partial hospitalization services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

Revisions of the Fee Schedule: The Department reserves the right to adjust the fee schedule to:

1. Comply with changes in state or federal requirements;
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CPT;
3. Establish an initial allowable amount for a new procedure based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medicaid Division determines that the current allowable amount is:
 - a. Not appropriate for the service provided; or
 - b. Based on errors in data or calculation.

The Department may issue revisions of the Nebraska Medicaid Fee Schedule during the year that it is effective. Providers will be notified of the revisions and their effective dates.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: NebraskaMETHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Other Licensed Practitioners: Licensed Alcohol and Drug Counselor (LADC)

Rehabilitation Services - 42 CFR 440.130(d): Day Treatment/Intensive Outpatient Service by Direct Care Staff; Community Treatment Aide; Professional Resource Family Care; and Therapeutic Group Home

Reimbursement for services is based upon a Medicaid fee schedule established by the State of Nebraska. Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental and private providers of substance abuse services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at

http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx

The Nebraska Medicaid fee schedule outlined above will be established using the following methodologies:

- If a Medicare fee exists for a defined covered procedure code, then Nebraska will set the Nebraska Medicaid fee schedule for LADC at 95 percent of the licensed Master's level rate paid under Attachment 3.1A, Item 6d for any codes permitted under their scope of practice per Nebraska state law.
- Where Medicare fees do not exist for a covered code, the fee schedule will be set using a market-based pricing methodology as described below. These reimbursement methodologies will produce rates sufficient to enlist enough providers so that services under the Plan are available to individuals at least to the extent that these services are available to the general population, as required by 42 CFR 447.204. These rates comply with the requirements of Section 1902(a)(30) of the Social Security Act 42 CFR 447.200, regarding payments and consistent with economy, efficiency and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained. The Medicaid fee schedule will be equal to or less than the maximum allowable under the same Medicare rate, where there is a comparable Medicare rate. Room and board costs are not included in the Medicaid fee schedule.

The market-based pricing methodology will be composed of provider cost modeling for four key components: direct care salary expenses, employee related expenses, program indirect expenses and administrative expenses. The analysis includes national compensation studies for Nebraska to determine the appropriate wage or salary expense for the direct care worker providing each service based on the staffing requirements and roles and responsibilities of the worker, published information related to employee related expenses and other notable cost components and cost data and fees from similar State Medicaid programs. The following list outlines the major components of the cost model to be used in fee development:

- (1) Staffing Assumptions and Staff Wages
- (2) Employee-Related Expenses – Benefits, Employer Taxes (e.g., FICA, unemployment, and workers compensation)
- (3) Program-Related Expenses (e.g., supplies)
- (4) Provider Overhead Expenses
- (5) Program Billable Units

The fee schedule rates will be developed as the ratio of total annual modeled provider costs to the estimated annual billable units.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

PHYSICIANS' SERVICES

For dates of service on or after August 1, 1989, Nebraska Medicaid pays for covered physicians' services at the lower of:

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as:
 - a. The unit value multiplied by the conversion factor (last updated on July 1, 2015);
 - b. The invoice cost (indicated as "IC" in the fee schedule); or
 - c. The reasonable charge for the procedure as determined by the Medicaid Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).
3. Exception: The Director of the Division of Medicaid and Long-Term Care or designee may enter into an agreement for a negotiated rate with an out-of-state provider which will be based on a percentage of billed charges, not to exceed 100%, only when the Medical Director of the Division has determined that:
 - a. The client requires specialized services that are not available in Nebraska; and
 - b. No other source of the specialized service can be found.

The following is a listing of specialized physician services that have been previously rendered by out-of-state providers:

- a. lung transplants; and
- b. pediatric heart transplants.

Note: The above listing is not all-inclusive of the specialized physician services that will be reimbursed via negotiated rates in the future, as it is based on previous experience.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of physicians' services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

Physicians and non-physician care providers are subject to a site-of-service payment adjustment. A site-of-service differential that reduces the fee schedule amount for specific CPT/HCPCS codes will be applied when the service is provided in the facility setting. Based on the Medicare differential, Nebraska Medicaid will reimburse specific CPT/HCPCS codes with adjusted rates based on the site-of-service.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Pediatric Feeding Disorder Clinic Intensive Day Treatment: Reimbursement for pediatric feeding disorder clinic intensive day treatment for medically necessary services will be a bundled rate based on the sum of the fee schedule amounts for covered services provided by Medicaid enrolled licensed practitioners. This service is reimbursed via a daily rate.

Pediatric Feeding Disorder Clinic Outpatient Treatment: Reimbursement for Pediatric Feeding Disorder Clinic Outpatient Treatment for medically necessary services will be based on the appropriate fee schedule amount for a physician consultation. This service is reimbursed via an encounter rate.

An encounter means a face-to-face visit between a Medicaid-eligible patient and a physician, psychologist, speech therapist, physical therapist, or dietician during which services are rendered. Encounters with more than one health professional and multiple encounters with the same health professional which take place on the same day and at a single location constitute a single visit.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of pediatric feeding disorder services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx

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State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

SECURE PSYCHIATRIC RESIDENTIAL REHABILITATION

Medicaid has researched the cost of an existing similar service to develop a comparable rate. Costs for treatment and rehabilitation services are contained in the Medicaid rate. The rate does not include room and board. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Secure Psychiatric Residential Rehabilitation Services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

The State Medicaid agency will have an agreement with each entity receiving payment under Secure Psychiatric Residential Rehabilitation services that will require that the entity furnish to the Medicaid agency on an annual basis the following:

- Data, by practitioner, on the utilization by Medicaid beneficiaries of the services included in the unit rate,
- Cost information by practitioner type and by type of service actually delivered within the services unit,
- Provider's annual utilization data and cost information shall support that the required type, quantity and intensity of treatment services are delivered to meet the medical needs of the clients served. Medicaid Agency or its designee may further evaluate through on site or post pay review of the treatment plans and the specific services delivered as necessary to assure compliance.

COMMUNITY SUPPORT SERVICES

Community Support Services shall be reimbursed on a direct service by service basis and billed in 15 minute increments up to a maximum of 144 units per 180 days.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of community support services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

This rate will be the same for quasi-governmental and private providers of community support service.

The rate includes all indirect services and collateral contacts that are medically necessary rehabilitative related interventions.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

TRANSPORTATION SERVICES

For dates of service on or after May 1, 2011, Medicaid pays for emergency and non-emergency medical transportation services at the lower of:

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as:
 - a. The unit value multiplied by the conversion factor;
 - b. The invoice cost (indicated as "IC" in the fee schedule);
 - c. The maximum allowable dollar amount; or
 - d. The reasonable charge for the procedure as determined by the Medicaid Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of non-emergency transportation services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

FREESTANDING BIRTH CENTER SERVICES

Nebraska Medicaid providers of birthing center services are reimbursed based on a fee schedule as follows:

- a. Payment for birthing center services provided by a participating, licensed birthing center is limited to the allowable rates established by Nebraska Medicaid.
- b. The fee schedule established by Nebraska Medicaid is based upon a review of Medicaid fees paid by other states;
- c. The birthing center and the birth attendant must bill separately for the services provided by each. The birthing center may bill only for facility services outlined elsewhere in this state plan.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Freestanding Birthing Center Services. The agency's fee schedule rate was set as of July 1, 2015 and is effective for services provided on or after that date. All rates are published on the agency's website at http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx.

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