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State/Territory Name: Nevada

State Plan Amendment (SPA) #: 14-009

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

March 4, 2015

Romaine Gilliland, Director
Department of Health and Human Services
4126 Technology Way, Suite 100
Carson City, NV 89706

Dear Mr. Gilliland:

Enclosed is an approved copy of Nevada State Plan Amendment (SPA) 14-009. This SPA was submitted to my office on December 30, 2014 requesting to amend Attachment 4.19-B to extend the primary care physician rate increase provided for by section 1202 of the Affordable Care Act to June 30, 2015.

The approval is effective January 1, 2015. Attached are copies of the following pages to be incorporated into your State Plan:

- Attachment 4.19-B, Pages 1c, 1c-1, 1c-2, and 1c-3

If you have any questions, please contact Brian Zolynas by phone at (415) 744-3601 or by email at Brian.Zolynas@cms.hhs.gov.

Sincerely,

/s/

Hye Sun Lee, MPH
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosure

cc: Laurie Squartsoff, Administrator, DHCFFP

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
14-009

2. STATE
NEVADA

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
January 1, 2015

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
State Plan Under Title XIX of the Social Security Act: 42 CFR 447

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 \$6,592,819 ~~XXXXXX~~

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Pages 1c, 1c-2, and 1c-3
Attachment 4.19-B, Page 1c-1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Attachment 4.19-B, Pages 1c, 1c-2, and 1c-3
Attachment 4.19-B, Page 1c-1

10. SUBJECT OF AMENDMENT:

The section entitled "Payment for services billed by Physicians using Current Procedural Terminology (CPT) codes" will be revised to reflect an extension for the primary care physicians' rate increase paid as a supplemental payment for Evaluation and Management codes 99201 through 99499 and Vaccination Administration codes 90460, 90461, 90471, 90472, 90473 and 90474 to certain providers that meet the specified qualifications. The extension will run through June 30, 2015, and was previously approved in the 2013 legislative session.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
The Governor's Office does not wish to review the State Plan Amendment.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

[Redacted Signature]

13. TYPED NAME:

Romaine Gilliland

14. TITLE:

Director, Department of Health and Human Services

15. DATE SUBMITTED: **December 30, 2014**

16. RETURN TO:

**Tammy Moffitt, Chief of Program Integrity
DHCFP/Medicaid
1100 East William Street, Suite 101
Carson City, NV 89701**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **December 30, 2014**

18. DATE APPROVED:
March 4, 2015

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
January 1, 2015

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPED NAME: **Hye Sun Lee, MPH**

22. TITLE:
Associate Regional Administrator

23. REMARKS:

Pen and ink changes to Boxes 7, 8, and 9

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nevada

Attachment 4.19-B

Page 1c

5. Payments for services billed by Physicians using Current Procedural Terminology (CPT) codes will be calculated using the April 1, 2002 unit values for the Nevada-specific resource based relative value scale (RBRVS) and the 2002 Medicare Physician Fee Schedule conversion factor. Payment will be the lower of billed charges, or the amounts specified below:
- a. Surgical codes 10000 – 58999 and 60000 - 69999 will be reimbursed at 100% of the Medicare facility rate.
 - 1. Pediatric enhancement for recipients under the age of 21 will be the lesser of billed charges or 130% of the 2002 Medicare Facility-based rate for surgical codes 10000 – 58999 and 60000 – 69999.
 - b. Radiology codes 70000 – 79999 will be reimbursed at 100% of the Medicare facility rate. Effective February 15, 2012, Radiopharmaceutical and Contrast codes will be reimbursed at the 2012 Medicare Mean Unit Cost plus 5%.
 - c. Medicine codes 90000 – 99199 and Evaluation and Management codes 99201 - 99499 will be reimbursed at 85% of the Medicare non-facility rate. Vaccine Products 90476 – 90749 will be reimbursed at 85% of the Medicare non-facility rate.
 - d. Obstetrical service codes 59000 – 59999 will be reimbursed at 128% of the Medicare non-facility rate.
 - e. Anesthesia codes 00100 – 01999 will be reimbursed based on the Centers for Medicare and Medicaid Services (CMS) 2009 base units for anesthesia. Payment is determined by adding the base units plus time units and multiplying the result by the CMS 2013 anesthesia conversion factor of \$22.57. Anesthesia codes 01967 – 01969 are occurrence based codes that are paid a flat rate. Anesthesia codes 99100 – 99140 are not covered.
 - f. Medicine codes 90281-90399, and all other pharmaceuticals that are not identified above, will be reimbursed according to the drug reimbursement algorithm set forth on page 3 of Attachment 4.19-B.

Physician Services 42 CFR 447.405 Amount of Minimum Payment

The State will continue to reimburse for services provided by physicians with a primary specialty designation of family medicine, pediatric medicine or internal medicine as if the requirements of 42 CFR 447.400, 447.405 and 447.410 remain in effect. The rates will be those in effect for these payments as of January 1, 2014.

- The rates reflect all Medicare site of service and locality adjustments.
- The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.
- The rates reflect all Medicare geographic/locality adjustments.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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Attachment 4.19-B
Page 1c-1

The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code:

Method of Payment

- The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- The State reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on the date of service as published in the agency's fee schedule described in Attachment 4.19-B, Page 1c Physician Services of the State Plan and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: monthly quarterly

Primary Care Services Affected by this Payment Methodology

- This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.
- The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes).

99288, 99339, 99340, 99358, 99359, 99363, 99364, 99386, 99387, 99396, 99397, 99402, 99403, 99404, 99408, 99409, 99411, 99412, 99420, 99429, 99441, 99442, 99443, 99444, 99450, 99455, 99456

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Page 1c-2

- The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

99224 and 99225 were added on January 1, 2011.

99406 and 99407 were added on October 13, 2011.

Physician Services – Vaccine Administration

For the period January 1 through June 30, 2015, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400 at the state regional maximum administration fee set by the Vaccines for Children (VFC) program.

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State Nevada

Attachment 4.19-B
Page 1c-3

Effective Date of Payment

E & M Services

This reimbursement methodology applies to services delivered on and after January 1, 2015 ending on June 30, 2015. All rates are published at: <https://dhcftp.nv.gov/ratesUnit.htm>

Vaccine Administration

This reimbursement methodology applies to services delivered on and after January 1, 2015 ending on June 30, 2015. All rates are published at: <https://dhcftp.nv.gov/ratesUnit.htm>

Assurance: State developed fee schedule rates are the same for both public and private providers of the service and the fee schedule and any annual/periodic adjustments to the fee schedule(s) are published on our website at: <http://dhcftp.nv.gov/>.