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State/Territory Name: Ohio

State Plan Amendment (SPA) #: 17-016

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
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519

January 24, 2018

Barbara R. Sears, Director
Ohio Department of Medicaid
P.O. Box 182709
50 West Town Street, Suite 400
Columbus, Ohio 43218

RE: State Plan Amendment Transmittal Number 17-016

Dear Ms. Sears:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #17-016
- Payment for Services: Physicians & Other Licensed Practitioners Fee Schedule Updates
- Effective Date: January 1, 2018
- Approval Date: January 24, 2018

If you have any questions regarding this State Plan Amendment, please have a member of your staff contact Christine Davidson at (312) 886-3642 or by email at christine.davidson@cms.hhs.gov.

Sincerely,

/s/
Ruth A. Hughes
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosure

cc: Sarah Curtin, ODM
Carolyn Humphrey, ODM
Becky Jackson, ODM
Greg Niehoff, ODM

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	1. TRANSMITTAL NUMBER: **17-016 Revised**	2. STATE **OHIO**
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE **January 1, 2018**	

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: 42 CFR 440.60	7. FEDERAL BUDGET IMPACT: a. FFY 2018 $3,552 thousands b. FFY 2019 $4,897 thousands
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Item 5-a, pages 2 and 3 of 3 Attachment 4.19-B, Item 6-d-(5), page 1 Attachment 4.19-B, Item 6-d-(6), page 1 of 2	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*: Attachment 4.19-B, Item 5-a, pages 2 and 3 of 3 (TN 17-005) Attachment 4.19-B, Item 6-d-(5), page 1 (TN 16-032) Attachment 4.19-B, Item 6-d-(6), page 1 of 2 (TN 17-002)

10. SUBJECT OF AMENDMENT: Payment for Services: Physicians' Services, Other Licensed Practitioners' Services (Physician Assistants, Advanced Practice Registered Nurses): Payment Schedule Updates

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 State Medicaid Director is the Governor's designee

12. SIGNATURE OF STATE AGENCY OFFICIAL: [redacted]	16. RETURN TO:
13. TYPED NAME: **BARBARA R. SEARS**	**Carolyn Humphrey** **Ohio Department of Medicaid** **P.O. BOX 182709** **Columbus, Ohio 43218**
14. TITLE: **STATE MEDICAID DIRECTOR**	
15. DATE SUBMITTED: April 19, 2017	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: April 19, 2017	18. DATE APPROVED: January 24, 2018
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2018	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME: Ruth A. Hughes	22. TITLE: Associate Regional Administrator

23. REMARKS:

Instructions on Back

FORM CMS-179 (07-92)

5. a. Physicians' services whether furnished in the office, the patient's home, a hospital, a skilled nursing facility or elsewhere.

Optometrists' services

Optometrists' services are subject to a co-payment, explained in Attachment 4.18-A of the plan.

The agency's rates for dispensing of ophthalmic materials such as contact lenses, low vision aids, etc. are on the vision care fee schedule published on the agency's website at http://medicaid.ohio.gov/Providers/FeeScheduleandRates.aspx. These rates were set as of May 1, 2016, and are effective for services provided on or after that date.

Specific physician groups

The maximum payment amount for a service is the lesser of the submitted charge or 140% of the Medicaid maximum for physicians' services as listed on the agency's MSRIAP fee schedule if the provider is a physician group that (1) contracts with a hospital to provide physician hospital clinic services in the physician group practice setting and (2) provides 40% of the Medicaid physician visits in the county of location and 10% of the visits in contiguous counties.

The agency's physicians' rates found on the MSRIAP fee schedule were set as of January 1, 2018, and are effective for services provided on or after that date.

Except as otherwise noted in the plan, State-developed fee schedules and rates are the same for both governmental and private providers.

Services Provided in a Community Behavioral Health Agency

Payment rates for evaluation and management services rendered by physicians operating in a community behavioral health agency certified or licensed by the single state agency or its designee will be a flat fee for each covered service as specified on the established Medicaid fee schedule. These rates are based on a percentage of the Ohio Medicare Region 00 rates allowable for a specified year. Effective for dates of service on or after January 1, 2018, the payment for behavioral health evaluation and management services rendered by physicians operating in a community behavioral health agency will be 117.65% of the 2016 Ohio Medicare Region 00 rates.

Rates for physicians' services are listed on the agency's MSRIAP fee schedule published on the agency's website at http://medicaid.ohio.gov/Providers/FeeScheduleandRates.aspx.

5. a. Physicians' services whether furnished in the office, the patient's home, a hospital, a skilled nursing facility or elsewhere.

Supplemental Upper Payment Limits for Physicians Employed by The Ohio State University's Academic Medical Centers

Supplemental payments to employees of The Ohio State University's academic medical centers are made for physician services, as defined in 42 C.F.R. 440.50, in the form of payments up to a defined cap. For dates of service 4/1/2014 to 12/31/2014, primary care services as defined in section 1202 of the Patient Protection and Affordable Care Act, 124 Stat. 119 (2010), 42 USC 1396a, are not eligible for the supplemental payments. The supplemental payments are made only to physicians employed by The Ohio State University's academic medical centers. These payments will be made no earlier than the end of the quarter following the quarter of service. Payments may be adjusted up to 12 months after the end of the quarter of service in order to account for claims submission lag. The supplemental payments exclude payments from vaccine administration codes. Anesthesiology codes payments are sometimes split between a physician and a Certified Registered Nurse Anesthesiologist (CRNA), therefore all anesthesiology codes will be combined and payments are estimated by using the reduced rate to be conservative.

The supplemental payments and their payment cap are determined with the following methodology:

1. The supplemental payment cap is the average commercial rate for the top five third-party commercial payers within the accounts receivable system(s) of the Ohio State University's academic medical center. The average commercial rate will be updated on an annual basis;

2. The base fee-for-service rate is compared to the supplemental payment cap;

3. The difference between the base fee-for-service rate and the supplemental payment cap is the available supplemental upper payment limit gap.

4. Supplemental payments are made to physicians up to the payment cap for a given year.

6. Medical care and any other type of remedial care recognized under state law, furnished by licensed practitioners within the scope of their practice as defined by State law. (Continued)

d. Other practitioners' services

(5) Physician assistants' services

Payment for physician assistants' services is the lesser of the billed charge or 85% of the Medicaid maximum for the physicians' service specified in the agency's Medicine, Surgery, Radiology and Imaging, and Additional Procedures (MSRIAP) fee schedule published on the agency's website at http://medicaid.ohio.gov/Providers/FeeScheduleandRates.aspx. The MSRIAP fee schedule was set as of January 1, 2018 and is effective for services provided on or after that date.

For a covered procedure, service, or supply represented by a new HCPCS procedure code that takes effect at the beginning of a calendar year, the initial Medicaid maximum payment amount is set at 80% of the Medicare allowed amount.

Except as otherwise noted in the plan, state-developed fee schedules and rates are the same for both governmental and private providers.

The following payment scenarios apply:

When a physician assistant acts as an assistant-at-surgery for a covered primary surgical procedure, the maximum payment amount for the physician assistant is the lesser of billed charges or 25% of the Medicaid maximum specified for physicians' services in the MSRIAP fee schedule.

Payment rates for evaluation and management services rendered by physician assistants operating in a community behavioral health agency certified or licensed by the single state agency or its designee will be a flat fee for each covered service as specified on the established Medicaid fee schedule. These rates are based on a percentage of the Ohio Medicare Region 00 rates allowable for a specified year. Effective for dates of service on or after January 1, 2018, the payment for behavioral health evaluation and management services rendered by physician assistants practicing in a community behavioral health agency will be 85% of the rates Ohio pays to physicians practicing in a community behavioral health agency, as described in Item 5-a of this Attachment.

The maximum reimbursement for physician groups that contract with a hospital to provide physician hospital clinic services in the physician group practice setting and who provide 40% of the Medicaid physician visits in the county of location and 10% of the visits in contiguous counties, is the lesser of billed charges or 85% of the Medicaid maximum for a particular service according to the agency's physicians' fee schedule, plus 40% of that fee.

By-report services require manual review by the appropriate single state agency staff. The reimbursement rate for these services is determined using one of a variety of different payment methodologies. Examples of the possible methodologies are pricing using a similar service, product, or procedure that has an established reimbursement rate, or a percentage of charges. The specific methodology utilized depends on the service, product, or procedure performed. Physician assistants are reimbursed the lesser of billed charges or 85% of the established price established through this manual review pricing process.

6. Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law.

d. Other practitioners' services.

(6) Advanced practice nurses' (APNs') services, other than described elsewhere in this plan.

For dates of service on or after January 1, 2018, payment for anesthesia services furnished by a certified registered nurse anesthetist (CRNA) is the lesser of the provider's submitted charge or the Medicaid maximum, which is determined by the following formula:

Maximum payment amount =
(Base unit value + Time unit value) x Conversion factor x Multiplier

The base unit value is assigned by the American Society of Anesthesiologists in its "Relative Value Guide"; the time unit value is the number of fifteen-minute increments, rounded to the nearest tenth. Effective for dates of service on or after January 1, 2018, the conversion factor and multiplier are listed on the agency's Anesthesia fee schedule at http://medicaid.ohio.gov/ProvidersFee ScheduleandRates.aspx.

Unless otherwise specified, the maximum payment amount for a service furnished by a clinical nurse specialist (CNS) or certified nurse practitioner (CNP) in a non-hospital setting is the lesser of the submitted charge or the Medicaid maximum for physicians' services as listed on the agency's Medicine, Surgery, Radiology and Imaging, and Additional Procedures (MSRIAP) fee schedule; for a service furnished in a hospital setting, the maximum payment amount is 85% of the Medicaid maximum listed on the agency's MSRIAP fee schedule.

Payment for services rendered by a hospital-employed CNS or CNP will be made to the hospital.

Payment rates for evaluation and management services rendered by nurse practitioners and clinical nurse specialists operating in a community behavioral health agency certified or licensed by the single state agency or its designee will be a flat fee for each covered service as specified on the established Medicaid fee schedule. These rates are based on a percentage of the Ohio Medicare Region 00 rates allowable for a specified year. Effective for dates of service on or after January 1, 2018, the payment for behavioral health evaluation and management services rendered by nurse practitioners and clinical nurse specialists practicing in a community behavioral health agency will be 85% of the rates Ohio pays to physicians practicing in a community behavioral health agency, as described in Item 5-a of this Attachment.

The maximum payment amount for a procedure performed bilaterally on the same patient by the same provider is the lesser of the submitted charge or 150% of the Medicaid maximum allowed for the same procedure performed unilaterally.

The maximum payment amount for designated surgical procedures performed on the same patient by the same provider is the lesser of (1) the submitted charges or (2) for the primary procedure (the procedure having the highest Medicaid maximum payment), 100% of the Medicaid maximum for surgical procedures as listed on the agency's MSRIAP fee schedule; for the secondary procedure, 50%; and for each additional procedure, 25%.