

## Table of Contents

State/Territory Name: Oklahoma

State Plan Amendment (SPA) #: 14-17

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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December 22, 2014

Dr. Garth Splinter  
State Medicaid Director  
2401 NW 23rd Street, Suite 1A  
Oklahoma City, OK 73107

Our Reference: SPA OK 14-17

Dear Dr. Splinter:

We have reviewed the State's proposed amendment to the Oklahoma State Plan submitted under Transmittal Number 14-17, dated September 29, 2014. This state plan amendment allows for the reduction of rates for payments for services provided by anesthesiologists.

Based on the information submitted, we have approved the amendment for incorporation into the official Oklahoma State Plan with an effective date change of July 1, 2014. A copy of the CMS-179 and approved plan page are enclosed with this letter.

If you have questions, please contact Tamara Sampson at (214) 767-6431.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

for  
Bill Brooks  
Associate Regional Administrator

Cc: Tywanda Cox  
Melinda Thomason

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>1 4 - 1 7</b>	2. STATE <b>Oklahoma</b>
	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 <b>July 1, 2014</b>
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5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS A NEW PLAN       AMENDMENT

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

6. FEDERAL STATUTE/REGULATION CITATION <b>42 CFR 440.50 &amp; 42 CFR 440.60</b>	7. FEDERAL BUDGET IMPACT a. FFY 2014 <b>(275,602)</b> b. FFY 2015 <b>(1,102,409)</b>
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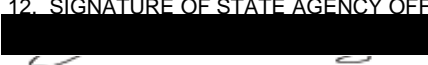
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-B Page 20 Attachment 4.19-B Page 20a</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> )  <b>Same Page, revised 01-01-14, TN#14-01 Same Page, revised 01-01-14, TN#14-01</b>
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10. SUBJECT OF AMENDMENT

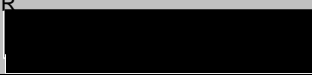
**Rate change for services provided by anesthesiologists**

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

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      **The Governor does not review State Plan material.**  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO  <b>Oklahoma Health Care Authority Attn: Cindy Roberts 4345 N. Lincoln Oklahoma City, OK 73105</b>
13. TYPED NAME <b>Nico Gomez</b>	
14. TITLE <b>Chief Executive Officer</b>	
15. DATE SUBMITTED <b>September 29, 2014</b>	

<b>FOR REGIONAL OFFICE USE ONLY</b>	
17. DATE RECEIVED <b>29 September, 2014</b>	18. DATE APPROVED <b>22 December, 2014</b>

<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
19. EFFECTIVE DATE OF APPROVED MATERIAL <b>1 July, 2014</b>	20. SIGNATURE  for <b>Bill Brooks</b>
21. TYPED NAME <b>Bill Brooks</b>	22. TITLE <b>Associate Regional Administrator (ARA) Division of Medicaid and Children's Health (DMCH)</b>

23. REMARKS

c: Nico Gomez  
Cindy Roberts  
Tywanda Cox  
Garth Splinter

FORM CMS-179 (07/92)

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Other Types of Care

State: Oklahoma  
Date Received: 9/29/14  
Date Approved: 12/22/14  
Effective Date: 7/1/14  
Transmittal Number: 14-17

Anesthesiologists

The agency's rates were set as of January 1, 2014 and are effective for services on or after that date. All rates are published on the agency's website. Effective January 1, 2014, the anesthesia procedure codes listed in the 2014 CPT Code Book (CPT Codes 00100 through 01966 and 01968 through 01999) are eligible for reimbursement based on a formula involving base units and time units multiplied by a conversion factor approved by the agency's internal rate setting committee. The CPT Codes are subject to published clinical edits and will be updated concurrently with the annual publication of the American Medical Association's CPT Code Book (CPT ® is a registered trademark of the American Medical Association).

Anesthesia CPT Code 01967 will be reimbursed at a maximum reimbursement amount set by agency's internal rate setting committee for one unit of service regardless of the base and time units involved in the procedure. All rates are published on the agency's website located at [www.okhca.org](http://www.okhca.org).

Anesthesia CPT Code 01996 will be reimbursed at a maximum reimbursement amount based on a formula involving base units and multiplied by the current conversion factor regardless of the time units involved in the procedure.

For services rendered effective January 1, 2008, the base unit values for the anesthesia codes (CPT Codes 00100 through 01966 and 01968 through 01999) were taken from the 2008 American Association of Anesthesiologist (ASA) Relative Value Guide. Additional units are not eligible to be added to the ASA base value for additional difficulty. All rates are published on the agency's website located at [www.okhca.org](http://www.okhca.org). A uniform rate is paid to governmental and non-governmental providers.

Effective for services provided between 04-01-10 and 12-31-13, the rates in effect on 03-31-10 were decreased by 3.25%.

Effective for services provided 07-01-14 and after, the rates in effect on 06-30-14 are decreased by 7.75%.

Anesthesia time means the time during which the anesthesia provider (physician or CRNA) providing anesthesia is present (face to face) with the patient. It starts when the anesthesia provider begins to prepare the patient for induction of anesthesia in the operating room or equivalent area and ends when the anesthesia provider is no longer furnishing anesthesia services to the patient. The anesthesia time must be documented in the medical record with begin and end times noted.

Physicians and CRNAs should report a quantity of one (1) for each minute of anesthesia time. For example, if anesthesia time is thirty-seven (37) minutes, the quantity would be reported as 37. The program will convert the actual minutes reported to anesthesia time units. One anesthesia time unit is equivalent to 15 minutes of anesthesia time.

The following formula provides an example of how an anesthesiologist will be reimbursed:

If the ASA RVU (base) for an anesthesia procedure is 4.00 and the surgery lasts 90 minutes (time = 6 units) with a maximum allowable CF of \$39.00 the reimbursement is calculated as follows:

$$(4b+6u) \times \$39.00 = \$390.00$$

Time is reported in "units" where each unit is expressed in 15 minute increments and will be

Revised 07-01-14

TN# 14-17 Approval Date 22 December, 2014 Effective Date 1 July, 2014

Supersedes

TN # 14-01

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

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Anesthesiologists (continued)

Time (in Minutes)	Unit(s) Billed
1-15	1.0
16-30	2.0
31-45	3.0
46-60	4.0
61-75	5.0
76-90	6.0
91-105	7.0
106-120	8.0
Etc.	

State: Oklahoma  
Date Received: 9/29/14  
Date Approved: 12/22/14  
Effective Date: 7/1/14  
Transmittal Number: 14-17

Effective January 1, 2008, Anesthesia Healthcare Common Procedure Coding System (HCPC) modifiers must be reported for each anesthesia service billed and will determine the rate of reimbursement to each provider for anesthesia services. The modifiers are as follows:

2014 Published HCPC Modifier	Description	Payment Rate
AA	Anesthesia services performed personally by Anesthesiologist.	100%
AD	Medical supervision by a physician: more than four concurrent anesthesia procedures	Current Flat Rate; no time units
QK	Medical direction of two, three, or four concurrent anesthesia procedures involving qualified individuals	50%
QX	CRNA or AA service: with medical direction by a physician	50%
QY	Anesthesiologist medically directs one CRNA or AA	50%
QZ	CRNA or AA services	80%

Certified Registered Nurse Anesthetists

Modifiers must be reported for each anesthesia service billed and will determine the rate of reimbursement to each provider for anesthesia services. Payment is made to Certified Registered Nurse Anesthetists at a rate of 80 percent of the allowable for physicians for anesthesia services without medical direction and at a rate of 50 percent of the allowable when medically directed.

Effective for services provided 07-01-14 and after, the rates in effect on 06-30-14 are decreased by 7.75%.

Anesthesiologist Assistants

Modifiers must be reported for each anesthesia service billed and will determine the rate of reimbursement to each provider for anesthesia services. Payment is made to Anesthesiologist Assistants at a rate of 80 percent of the allowable for physicians for anesthesia services without medical direction and at a rate of 50 percent of the allowable when medically directed.

Effective February 1, 2010, payment will not be made to anesthesiologists, CRNAs or AAs for three national coverage determinations which relate to serious, preventable errors in medical care. These errors include surgery performed on wrong body part, surgery performed on wrong patient, and wrong surgery performed on patient.

Effective for services provided between 04-01-10 and 12-31-13, the rates in effect on 03-31-10 were decreased by 3.25%.

Effective for services provided 07-01-14 and after, the rates in effect on 06-30-14 are decreased by 7.75%.

Revised 07-01-14

TN# 14-17  
Supersedes  
TN # 14-01

Approval Date 22 December, 2014Effective Date 1 July, 2014