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State/Territory Name: Oregon

State Plan Amendment (SPA) #: 17-0002

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
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, WA 98104



Division of Medicaid & Children's Health Operations

May 8, 2017

Lynne Saxton, Director
Oregon Health Authority
500 Summer Street Northeast, E-15
Salem, OR 97301-1079

RE: Oregon State Plan Amendment (SPA) Transmittal Number 17-0002

Dear Ms. Saxton:

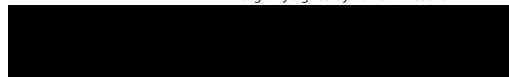
The Centers for Medicare & Medicaid Services (CMS) has completed its review of the enclosed State Plan Amendment (SPA), Transmittal Number 17-0002. This SPA updates physical therapy, occupational therapy, and speech benefits to separate coverage limits for rehabilitative and habilitative services.

This SPA is approved effective January 1, 2017. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Oregon Medicaid State Plan.

If there are any questions concerning this approval, please contact me or your staff may contact Betsy Conklin at Elizabeth.Conklin@cms.hhs.gov or at (206) 615-2357.

Sincerely,

Digitally signed by David L. Meacham



Date: 2017.05.10 07:50:06 -07'00'

David L. Meacham
Associate Regional Administrator

Enclosure

cc:
Lori Coyner, OHA
Jesse Anderson, OHA

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 17-0002	2. STATE Oregon
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Medical Assistance	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE 1/1/17	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

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)

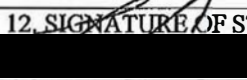
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.110	7. FEDERAL BUDGET IMPACT: a. FFY 2017 \$ 20,351 b. FFY 2018 \$ 26,776
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: 4-d (P&I) Attachment 3.1-A, Pages 4-c, 4-b, 4-e Attachment 4.19-B, page 1, 1a (P&I)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 3.1-A, Pages 4-c, 4-c.1 Attachment 4.19-B, page 1, 1a (P&I)
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10. SUBJECT OF AMENDMENT: This transmittal is being submitted to update PT/OT/ Speech benefits to reflect the (CIB) published January 28, 2016 which requires separate coverage limits for rehabilitative and habilitative services. A corresponding ABP will be filed in MMDL to address the requirements to select a new base benchmark plan or update the old one. Oregon will continue with the old base benchmark plan for the new EHB standards.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: The Governor does not wish to review any plan materials.
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:
 2-24-17


13. TYPED NAME: Lori Coyner, MA

14. TITLE: Medicaid Director, OHA

16. RETURN TO:
Oregon Health Authority
Medical Assistance Programs
500 Summer Street NE E-35
Salem, OR 97301

ATTN: Jesse Anderson, State Plan Manager

15. DATE SUBMITTED: 2/27/17

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: 2/27/17	18. DATE APPROVED: 5/8/17
PLAN APPROVED ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/17	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: David L. Meacham	22. TITLE: Associate Regional Administrator
23. REMARKS: 4/4/17: State authorized P&I change to box 8 4/24/17: State authorized P&I change to boxes 8 and 9	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

LIMITATIONS ON SERVICES (Cont.)

11a. Physical Therapy

Coverage and provider qualifications are provided in accordance with 42 CFR 440.110(a). Physical therapy services require a plan of care for prior authorization of services. Initial evaluations and re-evaluations do not require PA, but are limited to: two initial evaluations in any 12-month period; and up to four re-evaluation services in any 12-month period. Coverage includes both rehabilitation and habilitation therapy, each with their own separate but equal visit limits. Additional visits or modalities can be authorized due to medical necessity. Children under age 21 shall have additional visits authorized beyond these limits when medically appropriate. Physical therapy services may be provided by a licensed physical therapist or a physical therapist assistant supervised by a licensed physical therapist and must be in attendance while therapy treatments are performed. Services that are not covered: back school and back education classes, hippo-therapy, maintenance therapy, work hardening, or services that are not medically appropriate.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

LIMITATIONS ON SERVICES (Cont.)

11b. Occupational Therapy

Coverage and provider qualifications are in accordance with 42 CFR 440.110(b). Occupational therapy services require a plan of care for prior authorization of services. Initial evaluations and re-evaluations do not require PA, but are limited to two initial evaluations in any 12-month period; and up to four re-evaluation services in any 12-month period. Coverage includes both rehabilitation and habilitation therapy, each with their own separate but equal visit limits. Additional visits or modalities can be authorized due to medical necessity. Children under age 21 shall have additional visits authorized beyond these limits when medically appropriate. Occupational therapy services may be provided by a licensed occupational therapist, a licensed occupational therapy assistant supervised by a licensed occupational therapist, or an occupational therapy aide, in schools, trained and supervised by a licensed occupational therapist and must be in attendance while therapy treatments are performed. Services that are not covered: back school and back education classes, hippo-therapy, maintenance therapy, work hardening, work hardening, or services that are not medically appropriate.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL
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LIMITATIONS ON SERVICES (Cont.)

11c. Services for Individuals with Speech, Hearing and Language Disorders

Coverage and provider qualifications are in accordance with 42 CFR 440.110 (c). Speech pathology or audiology services are provided according to a treatment plan of care. Initial evaluations and re-evaluations do not require PA, but are limited to: two initial evaluations in any 12-month period; and up to four re-evaluation services in any 12-month period. Coverage includes both rehabilitation and habilitation therapy, each with their own separate but equal visit limits. Additional modalities can be authorized due to medical necessity. Children under age 21 shall have additional visits authorized beyond these limits when medically appropriate. Speech-language pathology may be performed by an individual licensed by the relevant state licensing authority to practice speech-language pathology. Audiology and hearing aid services may be performed by an individual licensed by the relevant state licensing authority to practice audiology and dealing in hearing aids. Services that are not covered: FM systems -- vibro-tactile aids; Earplugs; Tinnitus masker(s) or services that are not medically appropriate.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

General:

The division pays the lesser of the usual and customary charge or a fee based on the methods outlined for the program according to Attachment 4.19-B. The provider's usual and customary fee is the fee charged by the provider to the general public for the particular service rendered.

Where applicable, the maximum allowable fees are established using the CMS Resource Based Relative Value (RBRVS) Scale methodology as published in the Federal Register annually, times an Oregon specific conversion factor. Except as otherwise noted in the plan, the agency's rates were set as of 1/1/13 and are effective for dates of services on or after that date. The reimbursement methods listed in this section of the plan are available on the agency's website <http://www.oregon.gov/oha/healthplan/pages/feeschedule.aspx>

State developed fee schedule rates are the same for both governmental and private providers.

Provider type/ Service type	Payment method
3. Laboratory and Radiology services	Clinical Laboratory and Pathology Procedures are paid at 70% of current Medicare fee updated annually as published by Medicare. Other lab and X-ray services are paid on a state-wide fee schedule which utilizes the RBRVS Scale, times the Oregon specific conversion factor.
5. a. Physician services, Physician Assistant 5. b. Medical and surgical services furnished by a dentist 6. a. Podiatrists' services 6. c. Chiropractors' services	Payment for services is a state-wide fee schedule which utilizes the RBRVS Scale, times the Oregon specific conversion factor. Fees for drugs administered in the provider's office is based on Medicare's Average Sale Price (ASP). When no ASP rate is listed the rate shall be based upon <i>the Wholesale Acquisition Price (WAC) plus 6.25%. If no WAC is available, then the rate shall be reimbursed at Acquisition Cost.</i> Anesthetists payment for services is a state-wide fee schedule which utilizes the current American Society of Anesthesiology Relative Value base units plus time.
6. b. Optometrist services Ophthalmologist, optometrists.	Exam and dispensing: Payment for services is a state-wide fee schedule which utilizes the RBRVS Scale, times the Oregon specific conversion factor.
6. d. Other Practitioner Services; Naturopath, Acupuncturist, Certified Nurse Practitioner and Licensed Direct Entry Midwives	Payment for services is a state-wide fee schedule which utilizes the RBRVS Scale, times the Oregon specific conversion factor.

TN No. 17-0002
Supersedes TN No. 13-03

Approval Date: 5/8/17

Effective Date: 1/1/17

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Provider type/ Service type	Payment method
6.d. Nurse Anesthetists	Payment for services is a state-wide fee schedule which utilizes the current American Society of Anesthesiology Relative Value base units plus time.
6.d. . Board Certified Behavior Analyst	Payment for services is based on a state-wide fee schedule. The fees were developed from a survey of other State Medicaid Programs. This rate is effective for dates of service on or after 1/1/15.
7. Home Health	Payment for services is a state-wide fee schedule based upon 74% of the most recently accepted Medicare Cost reports.
7. c. Medical Supplies and Equipment.	<p>Payment for services is a state-wide fee schedule. Rates are based on the following percentages of the 2012 Medicare fee schedule:</p> <ul style="list-style-type: none"> • Ostomy supplies are at 93.3% • Rental rates on group 1 and 2 power wheelchairs with no added power options (K0820-K0829) are at 55% • Complex Rehab items, other than power wheelchairs, are at 88% • All other Medicare covered items/services are at 82.6% • Unlisted procedures are based upon 75% of Manufacturer's Suggested Retail Price (MSRP). If MSRP is not available payment is acquisition cost plus 20%. <p>For new codes added by CMS, payment will be based on the most current Medicare fee schedule and will follow the same payment methodology as stated above. This rate is effective for dates of service on or after 2/1/14.</p>
8. Private Duty Nursing Services:	Payment for services is a state-wide fee schedule based on community wages set in 1993 with periodic CPI increases.
10. Dental services Dentist, Dental hygienist with an Expanded Practice Permit	Payment for services is based on a state-wide fee schedule. The fees were developed from a survey of other State Medicaid Programs and the largest commercial dental insurance carrier in Oregon.
11. Physical Therapy, Occupational Therapy, Speech, Hearing, Audiology services.	Payment for services is a state-wide fee schedule which Utilizes the RBRVS Scale, times the Oregon specific conversion factor.
12.b. Dentures, Denturist	Payment for services is based on a state-wide fee schedule. The fees were developed from a survey of other State Medicaid Programs and the largest commercial dental insurance carrier in Oregon.
12.c. Prosthetic Devices	Payment for services is a state-wide fee schedule based on 84.5% of 2010 Medicare fee schedule. Unlisted procedures are based upon 75% of Manufacturer's Suggested Retail Price (MSRP). For new codes added by CMS, payment will be based on the most current Medicare fee schedule and will follow the same payment methodology as stated above. This rate is effective for dates of service on or after 7/1/12.

TN No. 17-0002
Supersedes TN No. 15-01

Approval Date: 5/8/17

Effective Date: 1/1/17