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State Name: Virginia

State Plan Amendment (SPA) #: 19-012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Approved CMS-179
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
801 Market Street, Suite 9400
Philadelphia, Pennsylvania 19107



Regional Operations Group

SWIFT #102820194002

November 5, 2019

Karen Kimsey, Director
Virginia Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, VA 23219

Dear Ms. Kimsey:

The Centers for Medicare & Medicaid Services (CMS) has reviewed Virginia's State Plan Amendment (SPA) 19-012, Incontinence Supplies. The purpose of this SPA is to remove a sentence that indicates that the Department of Medical Assistance Services (DMAS) reimburses incontinence supplies based on a selective contract with one vendor. When the contract ends on December 31, 2019, DMAS will allow multiple vendors to provide incontinence supplies to Medicaid members.

This SPA is acceptable. Therefore, we are approving SPA 19-012 with an effective date of January 1, 2020. Enclosed are the approved SPA page and signed CMS-179 form.

If you have further questions about this SPA, please contact Margaret Kosherzenko of my staff at 215-861-4288.

Sincerely,

/S/

Francis T. McCullough
Director
Division of Medicaid Field Operations Group East (Philadelphia)

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER - 2. STATE

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

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

7. FEDERAL BUDGET IMPACT
a. FFY \$
b. FFY \$

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

10. SUBJECT OF AMENDMENT

GOVERNOR'S REVIEW (Check One)
 GOVERNOR'S OFFICE REPORTED NO COMMENT²⁰²⁰
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
 OTHER, AS SPECIFIED

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME
14. TITLE
15. DATE SUBMITTED

16. RETURN TO

FOR REGIONAL OFFICE USE ONLY
17. DATE RECEIVED 18. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED
19. EFFECTIVE DATE OF APPROVED MATERIAL 20. SIGNATURE OF REGIONAL OFFICIAL
21. TYPED NAME 22. TITLE

23. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE-
OTHER TYPES OF CARE

§6 A Fee for service providers.

4. Podiatry
5. Nurse-midwife services
6. Durable medical equipment (DME).

Definitions. The following words and terms, when used in this part, shall have the following meanings unless the context clearly indicates otherwise:

“DMERC” means the Durable Medical Equipment Regional Carrier rate as published by Medicare at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSFeeSched/>.

“HCPCS” means the Healthcare Common Procedure Coding System as published by Ingenix (copyright 2006), as may be periodically updated.

a. Reimbursement method.

- (1) Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental and private providers of durable medical equipment. The agency’s fee schedule rate was set as of July 1, 2010, and is effective for services provided on or after that date.
- (2) If the DME item has a DMERC rate, the reimbursement rate shall be the DMERC rate minus 10% or the average of the Medicare competitive bid rates for all providers in Virginia markets. For dates of service on or after July 1, 2014, DME items subject to the Medicare competitive bidding program shall be reimbursed the lower of the current DMERC rate minus 10% or the average of the Medicare competitive bid rates in Virginia markets.
- (3) For DME items with no DMERC rate, the agency shall use the fee schedule amount. The reimbursement rates for durable medical equipment and supplies shall be listed in the appropriate agency guidance document. The fee schedule is available on the agency website at www.dmas.virginia.gov.
- (4) If a DME item has no DMERC rate or agency fee schedule rate, the reimbursement rate shall be the net manufacturer’s charge to the provider, less shipping and handling, plus 30%.

b. Subject to CMS’ approval, DMAS shall have the authority to amend the DME fee schedule as it deems appropriate and with notice to providers. DMAS shall determine alternate pricing, based on agency research, for any code which does not have a DMERC rate.

c. Certain durable medical equipment used for intravenous therapy and oxygen therapy shall be under specified procedure codes and reimbursed as determined by the agency. Certain services/durable medical equipment such as service maintenance agreements shall be under specified procedure codes and reimbursed as determined by the agency.

TN No. 19-012

Approval Date November 5, 2019

Effective Date 01-01-20

Supersedes

TN No. 14-016