ATTACHMENT 4.19-B
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

5a. Physician Services

a. Services other than clinical diagnostic laboratory tests.

1. Payment will be the lower of billed charges or based upon a fee schedule established by the State agency for procedures provided ten or more times in the base year without a procedure modifier indicated on the claim. The fee schedule will be published on the agency's website http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx along with any subsequent adjustments. The state agency's rates were set as of January 1, 2013 and are effective for services rendered on or after that date. The fee schedule is subject to annual/periodic adjustment. Payment amounts will be the same for all public and private providers.

2. Payment for procedures provided less than ten times in the base year will be the amount allowed under the Medicare program effective January 1, 1993. If there is no Medicare fee established the payment will be 40% of billed charges.

3. Supplies will be paid at 90% of the provider's usual and customary charge.

b. Anesthesia services. Payment will be allowed using a $16 unit value multiplied by a total of the base units set for the procedure plus time units using a 15-minute value.

c. Clinical diagnostic laboratory tests.

1. Payment will be the lower of billed charges or the fee set by Medicare.

2. Payments will be the same for all public and private providers.

3. Tests for which Medicare has not established a fee will be paid at 60% of billed charges.

4. Fees will be published on the State agency's website http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx, as well as any subsequent adjustments and updates. The state agency's rates were set as of July 1, 2012 and are effective for services rendered on or after that date. The fee schedule is subject to annual/periodic adjustment.

d. Deductible and co-insurance charges under the Medicare program will be paid at the amount indicated by the Medicare carrier.

e. Payment levels for procedures reported with a procedure modifier may be paid at a lower or higher amount than the fee established in "a" or "c" above, depending on the modifier used by the provider when submitting the claim.

f. Payment for physician services provided via telemedicine will be allowed at both the "hub" site and "spoke" sites. Each provider must bill the appropriate CPT procedure code with the modifier code "GT" indicating the services were provided via telemedicine. Only providers eligible to enroll in the Medical Assistance program are eligible for payment of telemedicine services. Reimbursement amounts for telemedicine services are based on the lesser of the fee schedule established by the State agency or the provider's usual and customary charge. Payment amounts will be the same for all public and private providers of telemedicine. The State agency will publish the fee schedule and all subsequent updates on its website http://dss.sd.gov/sdmedx/includes/providers/feeschedules/dss/index.aspx. The state agency's rates were set as of January 1, 2013 and are effective for services rendered on or after that date. The fee schedule is subject to annual/periodic adjustment.

South Dakota used a Deloitte fee schedule (which was based on the November 2012 Medicare release and the 2009 conversion factor) for this SPA.

Reimbursement Template -Physician Services

Increased Primary Care Service Payment 42 CFR 447.405, 447.410, 447.415

Attachment 4.19-B: Phvsician Services 42 CFR 447.405 Amount of Minimum Pavment

The state reimburses for services provided by physicians meeting the requirements of 42 CFR 447.400(a) at the Medicare Part B fee schedule rate using the Medicare physician fee schedule rate in effect in calendar years 2013 and 2014 or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor. If there is no applicable rate established by Medicare, the state uses the rate specified in a fee schedule established and announced by CMS.

☐ 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. South Dakota has only one Medicare GPCI and will annually adjust the fee schedule associated with this SPA to account for changes in Medicare rates.

☐ The rates reflect all Medicare geographic/locality adjustments.

☐ 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 Pavment

☑ 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 July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: ☐ monthly ☐ quarterly

Primarv Care Services Affected bv this Pavment 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).

99206; 99207; 99208; 99209; 99210; 99216; 99224; 99225; 99226; 99227; 99228; 99229; 99230; 99237; 99240; 99246; 99247; 99248; 99249; 99250; 99256; 99257; 99258; 99259; 99260; 99261; 99262; 99263; 99264; 99265; 99266; 99267; 99268; 99269: 99270: 99271: 99272: 99273: 99274: 99275: 99276: 99277: 99278: 99279:

(Primary Care Services Affected by this Payment Methodology – continued)

☑ 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).

South Dakota will reimburse eligible providers according to the CMS approved enhanced primacy care service fee schedule effective January 1, 2013.
99344 - 10/18/2010
99345 - 10/18/2010
99350 - 10/18/2010

Phvsician Services – Vaccine Administration

For calendar years (CYs) 2013 and 2014, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the Medicare rate in effect in CYs 2013 and 2014 or, if higher, the rate using the CY 2009 conversion factor.

☐ Medicare Physician Fee Schedule rate

☑ State regional maximum administration fee set by the Vaccines for Children program

☐ Rate using the CY 2009 conversion factor

Documentation of Vaccine Administration Rates in Effect 7/1/09

The state uses one of the following methodologies to impute the payment rate in effect at 7/1/09 for code 90460, which was introduced in 2011 as a successor billing code for billing codes 90465 and 90471.

☑ The imputed rate in effect at 7/1/09 for code 90460 equals the rate in effect at 7/1/09 for billing codes 90465 and 90471 times their respective claims volume for a 12 month period which encompasses July 1, 2009. Using this methodology, the imputed rate in effect for code 90460 at 7/1/09 is: $9.09

☐ A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is:

☐ Alternative methodology to calculate the vaccine administration rate in effect 7/1/09:

Note: This section contains a description of the state's methodology and specifies the affected billing codes.

12/31/14

Effective Date of Pavment

E & M Services
This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on 12/31/14 but not prior to December 31, 2014. All rates are published at

https://dss.sd.gov/sdmedx/enhancedpcppayment.aspx

Vaccine Administration
This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on 12/31/14 but not prior to December 31, 2014. All rates are published at

https://dss.sd.gov/sdmedx/enhancedpcppayment.aspx

Supercedes Page: None

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 48 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.