



Region 10
2201 Sixth Avenue, MS/RX 43
Seattle, Washington 98121

JUN 29 2011

Bruce Goldberg, MD, Director
Oregon Health Authority
500 Summer Street Northeast, E-15
Salem, Oregon 97301

RE: Oregon State Plan Amendment (SPA) Transmittal Number 11-003

Dear Dr. Goldberg:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Oregon State Plan Amendment (SPA) Transmittal Number 11-003. This SPA was submitted as a technical correction to clarify reimbursement methods based upon a CMS companion letter. The State has clarified that the developed fee schedule rates are determined by using the CMS Relative Value Unit weights published in the Federal Register annually, times an Oregon specific conversion factor. The fee schedule is the same for both governmental and private providers.

This SPA is approved effective January 1, 2011, as requested by the State.

If you have any questions concerning this SPA or require further assistance, please contact me, or Bill Vehrs of my staff at (503) 399-5682 or bill.vehrs@cms.hhs.gov.

Sincerely,

Carol J.C. Peverly
Acting Associate Regional Administrator
Division of Medicaid and Children's Health
Operations

cc: Judy Mohr-Peterson, Administrator

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
11-03

2. STATE
Oregon

FOR: HEALTH CARE FINANCING ADMINISTRATION

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

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2011

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 part 441

7. FEDERAL BUDGET IMPACT:
a. 2011 \$ -0-
b. 2012 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-B, page 1a-1a.1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):
Attachment 4.19-B, page 1a

10. SUBJECT OF AMENDMENT: This transmittal is being revised to clarify reimbursement method based upon a CMS companion issue letter.

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:

12. SIGNATURE OF STATE AGENCY OFFICIAL: *[Signature]*

16. RETURN TO:
Division of Medical Assistance Programs
Department of Human Services
500 Summer Street NE E-35
Salem, OR 97301

13. TYPED NAME **Judy Mohr Peterson** *for* **Bruce Goldberg, MD**

ATTN: Jesse Anderson, State Plan Manager

14. TITLE: **Administrator, DMAP** **Director, DHS**

15. DATE SUBMITTED: **1-21-11**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **JAN 21 2011**

18. DATE APPROVED: **JUN 29 2011**

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: **JAN 1 2011**

20. SIGNATURE OF REGIONAL OFFICIAL: *[Signature]*

21. TYPED NAME: **Carol J.C. Peverly**

22. TITLE: **Associate Regional Administrator
Division of Medicaid &
Children's Health**

23. REMARKS:

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

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Except as otherwise noted in the plan, the state developed fee schedule rates are determined by using the CMS RVU weights published in the Federal Register annually, times a Oregon specific conversion factor. The conversion factor was last set as of 1/1/09 and effective for services on or after that date. The division pays the lesser of the usual and customary charge or a fee based on the methods outlines for the program below. The fee schedule is the same for both governmental and private providers. The rate methods are published in the State register by the Secretary of State, The Oregon Administrative Rules can be accessed at <http://www.dhs.state.or.us/policy/healthplan/guides/main.html>.

Ophthalmic Materials: Payment for services are as listed in visual care, Attachment 4.19-B, page 1.

Medical Transportation: Payment for services is a state-wide fee schedule. The fee schedule was last set and effective for services on or after 1/1/09.

Medical Supplies and Equipment: Payment for services is a state-wide fee schedule. The fee schedule was last set and effective for services on or after 1/1/09.

Prosthetic Devices: Payment for services is a state-wide fee schedule. The fee schedule was last set and effective for services on or after 1/1/09.

Personal Care Services for Clients Served through Seniors and People with Disabilities: Payments are made to individual providers based on state-wide uniform hourly rate. The fee schedule is the same for both governmental and private providers. The rate for Personal Care Services for Clients Served through Seniors and People with Disabilities was last updated on 1/1/11 and is applicable to services rendered on or after that date. The rate is posted on the agency web at: <http://www.oregon.gov/DHS/spd/provtools/rateschedule.pdf>.

Personal Care Services for Clients Served through the Addictions and Mental Health Divisions (AMH): For services provided in licensed community-based residential settings, Payments are made to individual providers (in accordance with Chapter 309 of the Oregon Administrative Rules for personal care services) based on the special needs of an individual, identified through an assessment performed by an approved practitioner recognized by AMH as a Qualified Mental Health Professional and incorporated into an individual plan of care. The rate for Personal Care Services for Clients Served through Addictions and Mental Health Division was last updated on 1/1/11 and is applicable to services rendered on or after that date. The rate is posted on the agency web at: <http://www.oregon.gov/DHS/mentalhealth/tools-providers.shtml>

TN No. 11-03
Supersedes TN No. 10-22

Approval Date:

Effective Date: 1/1/11

JUN 29 2011

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

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Except as otherwise noted in the plan, the state developed fee schedule rates are determined by using the CMS RVU weights published in the Federal Register annually, times a Oregon specific conversion factor. The conversion factor was last set as of 1/1/09 and effective for services on or after that date. The division pays the lesser of the usual and customary charge or a fee based on the methods outlines for the program below. The fee schedule is the same for both governmental and private providers. The rate methods are published in the State register by the Secretary of State, The Oregon Administrative Rules can be accessed at <http://www.dhs.state.or.us/policy/healthplan/guides/main.html>.

Personal Care Services for Children in a Foster Care Setting: Payments are made to individual providers (in accordance with a fee schedule for personal care services maintained in Chapter 413 of the Oregon Administrative Rules) based on the special needs of an individual child, identified through an assessment performed by an Registered Nurse and incorporated into an individual plan of care. Payment is only made for the days the child is eligible for and receives personal care services. The fees were last updated September 1, 2009.

There are four levels of care:

- Level 1 - \$47.77 per week;
- Level 2 - \$95.30 per week;
- Level 3 - \$143.07 per week; and
- Level 4 - In extraordinary situations where continuous observation and/or interventions may be required, individualized rates are developed based on the child's needs.

Occupational Therapy: Payment for services is a state-wide fee schedule which utilizes Medicare's Resource Based Relative Value Scale with Oregon specific conversion factors as outlined above.

Audiologist Services: Payment for services is a state-wide fee schedule which utilizes Medicare's Resource Based Relative Value Scale with Oregon specific conversion factors as outlined above.

Clinical Laboratory and Pathology Procedures: Payment will be based 74% of Medicare allowed amount published in the Federal Register annually.