

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 08-031	2. STATE Montana
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE 07/01/2008	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: N/A		7. FEDERAL BUDGET IMPACT: a. SFY 09 \$74,512 FFY 2010 \$33,977 / FFY 2011 \$33,977	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Page 1 and 2 Attachment 4.19B Methods & Standards for Establishing Payment Rates Service 6.d Other Practitioners' Services, Psychologists		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Page 1 and 2 Attachment 4.19B Methods & Standards for Establishing Payment Rates Service 6.d Other Practitioners' Services, Psychologists	
10. SUBJECT OF AMENDMENT: Update reimbursement rates based on a legislatively approved provider rate increase.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO: Montana Dept of Public Health and Human Services John Chappuis Attn: Jo Thompson PO Box 4210 Helena MT 59604	
13. TYPED NAME: John Chappuis			
14. TITLE: Deputy Director			
15. DATE SUBMITTED: 9/30/08			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 9/30/08		18. DATE APPROVED: 6/8/09	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/08		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Richard C. Allen		22. TITLE: Associate Regional Administrator	
23. REMARKS: Pen + ink changes made at the request of the State.			

MONTANA

- I. Reimbursement for Psychologists' Services shall be:
- A. The lower of:
1. The provider's usual and customary charge for the service; or
 2. The reimbursement provided in accordance with the methodology described in Section II.
- II. The Department's fee schedule for Psychologists' Services is determined:
- A. In accordance with the Resource Base Relative Value Scale (RBRVS) methodology, by multiplying Medicare's Relative Value Units (RVU), which is numeric, by the Montana Medicaid specific conversion factor, which is a dollar amount, to equal a fee which is required to achieve the overall budget appropriation for provider services made by the Montana Legislature in the most recent legislative session. Specific to Montana Medicaid, there is an ability to multiply the fee times a policy adjuster (either plus or minus) to affect the fee.
- B. "Resource based relative value scale (RBRVS)" means the most current version of the Medicare resource based relative value scale contained in the physicians' Medicare Physician Fee Schedule adopted by the Centers for Medicare and Medicaid Services (CMS) of the U.S. Department of Health and Human Services.
- C. "Relative value unit (RVU)" means a numerical value assigned in the resource based relative value scale to each procedure code used to bill for services provided by a health care provider. The relative value unit assigned to a particular code expresses the relative effort and expense expended by a provider in providing one service as compared with another service.
- D. The RVUs are adopted from the RBRVS. For services for which the RBRVS does not specify RVUs, the Department sets those RVUs as follows:
- (1) The RVUs for a Medicaid covered service are calculated as follows:
 - (i) if Medicare sets RVUs, the Medicare RVUs are applicable;
 - (ii) if Medicare does not set RVUs but Medicaid sets RVUs, the Medicaid RVUs are set in the following manner:
 - (A) convert the existing dollar value of a fee to an RVU value;
 - (B) evaluate the RVU of similar services and assign an RVU value; or
 - (C) convert the average by report dollar value of a fee to an RVU value.

- E. If there is not a Medicare RVU or Medicaid history data, reimbursement will be 'by report', 'By report' means paying a percentage of billed charges. The percentage is derived by dividing the previous state fiscal year's total Medicaid reimbursement for services included in the RBRVS by the previous state fiscal year's total Medicaid billings.
- F. The current fee schedule, conversion factor and "by report" percentage are posted on the Department's website <http://medicaidprovider.hhs.mt.gov/>

A provider is a psychologist licensed in the State of Montana who is enrolled in the Montana Medicaid program.

MONTANA

The following limitations apply to Psychologists' services:

- I. Services considered experimental are not a benefit of the Montana Medicaid Program. Experimental services include all procedures, items and prescribed drugs:
 - A. Considered experimental by the U.S. Department of Health and Human Services (HHS) or any other appropriate federal agency;
 - B. Provided as part of a control study, approved by HHS or any other appropriate federal agency to demonstrate whether the item, prescribed drug or procedure is safe and effective in curing, preventing, correcting or alleviating the effects of certain medical conditions;
 - C. Which may be subject to question but not covered in A. and B. above. These services will be evaluated by the Department or its designated medical review organization; and
 - D. Unlicensed individuals such as technicians or psychometrists work under the supervision of a licensed psychologist. The psychologist assumes professional responsibility for the patient, is responsible for interpretation of the test results and practices within the scope of practice as defined by the State's licensure board.

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