

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 10-022	2. STATE Montana
		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 07/01/2010	
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. FFY 2010 \$ 0 b. FFY 2011 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Page(s) 1 of 1 and 2 of 2 Attachment 4.19B Methods & Standards for Establishing Payment Rates Service 6.b Optometrists' Services		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Page(s) 1 of 1 and 2 of 2 Attachment 4.19B Methods & Standards for Establishing Payment Rates Service 6.b Optometrists' Services	
10. SUBJECT OF AMENDMENT: Optometric Payment Methodology Change			
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 Mary E. Dalton State Medicaid Director Attn: Jo Thompson PO Box 4210 Helena, MT 59604	
13. TYPED NAME: <i>Mary E. Dalton</i>		FOR REGIONAL OFFICE USE ONLY 17. DATE RECEIVED: <i>6/28/10</i> 18. DATE APPROVED: <i>7/29/10</i> PLAN APPROVED - ONE COPY ATTACHED	
14. TITLE: State Medicaid Director			
15. DATE SUBMITTED: <i>6/28/2010</i>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <i>7/1/10</i>		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: <i>Richard C. Allen</i>		22. TITLE: <i>ARA</i>	
23. REMARKS:			

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I. Reimbursement for Optometric Services shall be:

A. The lower of:

1. The provider's usual and customary charge for the service; or
2. Reimbursement provided in accordance with the methodology described in Number II.

II. The Department's fee schedule for Optometric 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. Specific to Montana Medicaid, there is an ability to multiply the fee times a policy adviser (either plus or minus) to affect the fee.
- B. "Resource based relative value scale (RBRVS)" means the 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 published November 25, 2009.
- 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 RVU's are adopted from the RBRVS. For the services for which the RBRVS does not specify RVU's, the department sets those RVU's as follows:
 - (1) The RVUs for a Medicaid covered service are calculated as follows:
 - i. If Medicare sets RVU's, the Medicare RVU's are applicable;
 - ii. If Medicare does not set RVU's but Medicaid sets RVUs, the Medicaid RVUs are set in the following manner:

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- (A) convert the existing dollar value of a fee to an RVU value;
- (B) evaluate the RVU of similar services and adding 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 agency's rates were set as of July 1, 2010 are effective for services on or after that date. All rates are published on the agency's website www.mtmedicaid.org. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

* A provider is an optometrist licensed in the State of Montana who is individually enrolled in the Montana Medicaid program.

TN 10-022

Approved 7/29/10

Effective 07/01/2010

Supersedes: 09-024