Reimbursement Template - Physician Services

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

Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment

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 as provided by Deloitte that is identified as being 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 supplemental payments will be calculated on a claim-by-claim basis. Quarterly supplemental payments will be the sum of the claim-by-claim calculated payments. For each claim, the total amount paid to the provider by all sources (Medicaid, Medicare, copay, and third party payors) will be used when calculating the supplemental payment. A supplemental payment of zero would be assigned for the claim if the provider has already received a total payment equal to or greater than the target rate. The target rate would be calculated as outlined in the 1202 final, corrected rule and will be determined to be the lesser of the two values described below:

- 1. the greater of the 2009 Medicaid rate and the applicable 2013 or 2014 Medicare rate (depending on date of service); or
- 2. the provider billed charges.

By comparing total payments made to the provider for the individual claim, the supplemental payment should not exceed the target rate. This protocol will, however, result in Part B payments that are higher than the lesser of payments stipulated in other parts of the State Plan. The intent of the 1202 supplemental payment is to provide higher payments to providers, so Part B claims for the designated CPT and HCPCs codes will be paid according to the 1202-related State Plan Amendment rather than the standard lesser of State Plan protocol.

The state does not plan to adjust the Medicare fee schedule during the calendar year.

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.

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.

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The following formula was used to determine the mean rate over all counties for each code:

Method of Payment

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 the date of service as published in the agency's fee schedule described in Attachment 4.19B Physician Services of the State plan and the minimum payment required at 42 CFR 447.205.

Supplemental payment is made: monthly quarterly

Primary Care Services Affected by this Payment 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).

99206-99210	99216	99227-99230	99237	99240	99246-99250	99256-99280	99286-99290
99293-99303	99311-99314	99317	99319-99323	99329-99333	99338-99340	99346	99351-99353
99358-99359	99361-99362	99365-99380	99388-99390	99398-99400	99405	99410	99413-99419
99421-99459	99470	99473-99474	99481-99484	99487-99499	1.55		

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).

99224-99226 (added 1/1/2011), 99406-99407 (1/1/2012), 99408-99409 (added 8/11/2010), 99420 (added 8/01/2011), 99485-99486 (added 1/1/2013)

Physician 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.

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- 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:
- A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is: <u>\$6.50</u>.
- 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.

Effective Date of Payment

E & M Services

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on 12/31/2014 but not prior to December 31, 2014. All rates are published at http://www.colorado.gov/hcpf

Vaccine Administration

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

http://www.colorado.gov/hcpf

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STATE OF COLORADO

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