

Table of Contents

State/Territory Name: Hawaii

State Plan Amendment (SPA) #: 08-014

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Region IX

Division of Medicaid & Children's Health Operations

90 Seventh Street, Suite 5-300 (5W)

San Francisco, CA 94103-6706

FEB 10 2010

Lillian B. Koller, Esq.
Director, Department of Human Services
P.O. Box 339
Honolulu, HI 96809-0339

Dear Ms. Koller:

Enclosed is an approved copy of Hawaii State Plan Amendment (SPA) No. 08-014, which will add marriage and family therapists and licensed mental health counselors as Medicaid providers. This SPA is effective July 1, 2008.

If you have any questions, please have your staff contact Cheryl Young at (415) 744-3598.

Sincerely,

A black rectangular box redacting the signature of Gloria Nagle.

Gloria Nagle
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Kenneth Fink, Med-QUEST Administrator
Michele Bowser, CMS Center for Medicaid and State Operations (two copies)
Mary Rydell, Pacific Area Representative

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

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

1. TRANSMITTAL NUMBER:
08-014

2. STATE
HAWAII

**3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)
MEDICAL ASSISTANCE**

4. PROPOSED EFFECTIVE DATE
July 1, 2008

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 C.F.R. 440.60

42 CFR 447 Subpart F

7. FEDERAL BUDGET IMPACT:

a. FFY 2008 \$ Neutral

b. FFY 2009 \$ Neutral

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

SUPPLEMENT TO ATTACHMENT 3.1-A and 3.1-B, page 2
ATTACHMENT 4.19-B, page 1.1

**9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):**

SUPPLEMENT TO ATTACHMENT 3.1-A and 3.1-B, page 2
ATTACHMENT 4.19-B, page 1.1

10. SUBJECT OF AMENDMENT:

MENTAL HEALTH PROVIDERS: MARRIAGE AND FAMILY THERAPIST AND MENTAL HEALTH COUNSELOR

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:
AS APPROVED BY GOVERNOR

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

LILLIAN B. KOLLER

14. TITLE:

DIRECTOR

15. DATE SUBMITTED:

SEP 29 2008

16. RETURN TO:

DEPARTMENT OF HUMAN SERVICES
MED-QUEST DIVISION
POLICY AND PROGRAM DEVELOPMENT OFFICE
P.O. BOX 700190
KAPOLEI, HI 96709-0190

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

SEPTEMBER 29, 2008

18. DATE APPROVED:

FEB 10 2010

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JULY 1, 2008

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

GLORIA NAGLE

22. TITLE:

ASSOCIATE REGIONAL ADMINISTRATOR
DIVISION OF MEDICAID & CHILDREN'S
HEALTH OPERATIONS

23. REMARKS:

PEN & INK CHANGES TO BOXES 6, 8 & 9 REQUESTED BY STATE VIA EMAIL DATED 12/17/09.

- 6a. Exclusions to Podiatry services are:
- 1) Routine foot care, including debridement not related to infection or injury;
 - 2) Treatment of flat feet; and
 - 3) Hospital inpatient services and appliances costing more than \$100.00 require prior approval by the department.
- 6b. Approval required for contact lenses, subnormal visual aids costing more than \$50.00 and to replace glasses or contacts within 2 years. Medical justification required for bifocal lenses prescribed for persons under 40 years of age.
- Orthoptic training is excluded.
- 6d. Services of a Psychologist are provided with the following limitations:
- 1) Testing is limited to a maximum of 4 hours once every 12 months or to 6 hours, if a comprehensive test is justified.
 - 2) Prior authorization is required for all psychological testing except for tests that are requested by the department's professional staff.

The providers for SAT services are psychologists, licensed clinical social workers in behavioral health, advance practice registered nurses (APRN), marriage and family therapist (MFT), and licensed mental health counselors (MHC), in behavioral health. Settings where services will be delivered are in outpatient hospitals/clinics including methadone clinics, and physician/provider offices. Only professional fees are paid when services are provided in an outpatient or clinic setting and are paid at or below the Medicare fee schedule rate. SAT services that are medically necessary shall be reimbursed with the existing approved Medicaid Fee Schedule located in Attachment 4.19-B, Section 1. Hawaii Medicaid Fee Schedule, items (a) and (d) and Section 2. Medicaid Payments for Other Non-Institutional Items and Services are Determined as Follows, item (i). Limits may be exceeded based on medical necessity.

Substance abuse services that are medically necessary shall be provided with no limits on the number of visits in accordance with the Hawaii substance abuse parity law. Substance abuse services that are medically necessary shall be reimbursed with the existing approved Medicaid fee schedule or PPS methodology.

- 7a Home health services means the following items and services, provided to a recipient at his/her place of residence on physician's order as part of a written plan of care:

TN No. 08-014
 Supersedes
 TN No. 05-002

Approval Date: FEB 10 2010 Effective Date: 07/01/08

- (1) Nursing services (as defined in the State Nurse Practice Act and subject to the limitations set forth in 42 CFR 440.70(b)(1));
- (2) Home health aide service provided by a home health agency;
- (3) Medical supplies, equipment, and appliances suitable for use in the home (subject to an annual review by a physician of need for the service); and
- (4) Physical therapy, occupational therapy, or speech pathology and audiology services, provided by a home health agency or by a facility licensed by the State to provide medical rehabilitation services.

Home health services shall be reimbursed on the basis of "per visit"; Daily home visits permitted for home health aide and nursing services in the first two weeks of patient care if part of the written plan of care; No more than three visits per week for each service for the third week to the seventh week of care; No more than one visit a week for each service from the eighth week to the fifteenth week of care; No more than one visit every other month for each service from the sixteenth week of care. Services exceeding these parameters shall be prior authorized by the medical consultant or it's authorized representative. Medical social services are not covered.

Physical and occupational therapy and services for speech, hearing and language disorders are subject to the limitations set forth in #11.

Medical supplies, equipment and appliances require prior authorization by the department when the cost exceeds \$50.00 per item.

Initial physical therapy and occupational therapy evaluations do not require prior approval. However, physical and occupational therapy and reevaluations require approval of the medical consultant providing diagnosis, recommended therapy including frequency and duration, and for chronic cases, long term goals and a plan of care.

All speech, hearing, and language evaluations and therapy require authorization by the medical consultant including rental or purchase of hearing aids.

9. Clinical services, same limitations as #2 above.

TN No. 08-014
Supersedes
TN No. 93-010

Approval Date: FEB 10 2010 Effective Date: 07/01/08

State:	HAWAII
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NONINSTITUTIONAL ITEMS AND SERVICES:

The State assures that the reimbursement to public and private providers of Medicaid services, products or items are the same and does not subdivide or subclassify its payment rates.

All payment rates and their effective dates shall be reflected in the Division's website at www.med-quest.us.

1. **HAWAII MEDICAID FEE SCHEDULE:**

The Hawaii Medicaid Fee Schedule was updated on July 1, 2006 and made effective for services rendered on or after that date. The current Hawaii Medicaid Fee Schedule is based on sixty percent of the 2006 Medicare Fee Schedule and it is located at <http://www.med-quest.us>.

Reimbursement rates, except as specified below and other parts of this Attachment, for providers of medical care who are individual practitioners and other providing non-institutional items and services shall not exceed the maximum permitted under federal laws and regulations and shall be the lower of the Medicare Fee Schedule, the State limits as provided by the Appropriation Act, the Hawaii Medicaid Fee Schedule or the provider's billed amount.

These services include:

- (a) Physician services;
Payments shall be 79.5% of the 2006 Medicare Fee Schedule for physician services. The rate was set and effective: July 1, 2008 to June 30, 2009.
- (b) Podiatric services;
- (c) Optometric services;
- (d) Other practitioner services including nurse midwife, and pediatric nurse practitioner, advanced practice registered nurse in behavioral health are reimbursed at seventy-five per cent of the Medicaid reimbursement rate for a psychiatrist. Services provided by a licensed clinical social worker, marriage and family therapist, and licensed mental health counselor are reimbursed at seventy-five per cent of the Medicaid reimbursement rate for a psychologist;
- (e) Physical therapy;
- (f) Occupational therapy;
- (g) Services for persons with speech, language, and hearing disorders and;
- (h) Telehealth services:

TN No. 08-014

Supersedes

TN No. 05-003

Approval Date:

FEB 10 2010

Effective Date:

07/01/08

- Spoke site or Originating site / Providers:

The spoke site (originating site) is only eligible to receive a facility fee not to exceed the published Medicare payment for telemedicine services for spoke sites. If the spoke or originating site is an FQHC/RHC, then the FQHC/RHC is eligible to receive prospective payment system (PPS) visit rate.

No payments will be made to Medicaid providers to facilitate telehealth.

Providers are required to identify asynchronous, store and forward technology, with HIPAA compliance coding.

- Hub site or Distant site / Providers:

Providers, physicians, psychologists, nurse midwives, pediatric or family nurse practitioners, advanced practice registered nurses in behavioral health and licensed clinical social workers in behavioral health, at the hub site or distant site will be reimbursed according to the payment methodology of the appropriate service provided as described in other parts of this Attachment.

If the hub or distant site is an FQHC/RHC, then the FQHC/RHC is eligible to receive PPS visit rate.

- Transmission fees and items such as technical support, line charges, depreciation on equipment, etc. are not reimbursable services under telehealth.

TN No. 08-014

Supersedes

TN No. 05-003

Approval Date:

FEB 10 2010

Effective Date:

07/01/08

2. MEDICAID PAYMENTS FOR OTHER NONINSTITUTIONAL ITEMS
AND SERVICES ARE DETERMINED AS FOLLOWS:

(a) The reimbursement rates for the following services are based on a rate that is published on the agency's website at www.med-quest.us:

- Durable Medical Equipment (including eyeglass frames and hearing aids), prosthetic devices and appliances except, that Intraocular lens, cochlear implants, and neurostimulators are provided as part of an outpatient surgical procedure and are limited to invoice cost, not to exceed the Medicare fee schedule for the surgical service.

The rates for durable medical equipment, prosthetic devices and appliances were set and are effective on or after July 1, 2006.

- Dental services (including dentures);

The dental rates for the neighbor islands (Kauai, Maui, Hawaii, Molokai and Lanai) were set as of 08/07/08 and are effective for services on or after that date. All rates are published on the agency's website at www.medquest.us.

The dental rates for the island of Oahu were set as of 07/01/08 and are effective for services on or after that date. All rates are published on the agency's website at www.med-quest.us.

- EPSDT (comprehensive periodic examination, case management, skilled nursing and personal care services.)

The rates for EPSDT were set and are effective on or after July 1, 2006.

- Home pharmacy services;

The rates for home pharmacy services were set and are effective on or after July 1, 2006.

- Medical supplies;

The rates for medical supplies were set and are effective on or after July 1, 2006.

- Home Health Agency Services

The rates for home health agency services were set and are effective on or after July 1, 2006.

(b) Payment for laboratory services and X-ray services shall be at the current Medicare fee schedule for participating providers.

TN No. 09-004
Supersedes
TN No. 08-012

Approval Date: FEB 10 2010

Effective Date: 07/01/09