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**State/Territory Name: MO**

**State Plan Amendment (SPA) #: 18-0003**

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 East 12<sup>th</sup> Street, Suite 355  
Kansas City, Missouri 64106-2898



**Kansas City Regional Operations Group**

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April 22, 2019

Steve Corsi, Psy.D., Director  
Missouri Department of Social Services  
Broadway State Office Building  
P.O. Box 1527  
Jefferson City, MO 65102-1527

Dear Dr. Corsi:

On February 28, 2018, the Centers for Medicare & Medicaid Services (CMS) received Missouri's State Plan Amendment (SPA) Transmittal #18-0003. The purpose of the SPA is to enable the MO HealthNet Division to claim enhanced rates up to the commercial rates for physicians and other professionals employed by, or affiliated with, Truman Medical Centers.

SPA #18-0003 was approved on April 18, 2019, with an effective date of March 22, 2018, as requested by the state. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Missouri State Plan.

If you have any questions regarding this amendment, please contact Laura D'Angelo at (816) 426-5925.

Sincerely,

4/22/2019

Megan K. Buck, Acting Director  
Division of Medicaid Field Operations - North

Signed by: Megan K. Buck Bhakta -A

cc:

Todd Richardson, Medicaid Director  
Glenda Kremer  
Marissa Crump  
Nanci Nikodym

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: <u>1 8 --- 003</u>	2. STATE Missouri
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
		4. PROPOSED EFFECTIVE DATE <del>January 1, 2018</del> <b>March 22, 2018*</b>	
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: 42 CFR Part 440		7. FEDERAL BUDGET IMPACT: a. FFY <u>2018</u> \$ <u>1,100,000</u> b. FFY <u>2019</u> \$ <u>1,100,000</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B Page 1aaa, 1aaaa, 1aaaaa, 1aaaaaa		9. PAGE NUMBER OF THE SUPERSEDES PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B 1aaa	
10. SUBJECT OF AMENDMENT: Add language to enable the MO HealthNet Division (MHD) to claim enhanced rates up to commercial rates for physicians and other professionals employed or affiliated with Truman Medical Centers (TMC).			
11. GOVERNOR'S REVIEW (Check One) <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input 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:  MO HealthNet Division P.O. Box 6500 Jefferson City, MO 65102	
13. TYPE NAME: Steve Corsi, Psy.D.			
14. TITLE: Director			
15. DATE SUBMITTED: February 28, 2018			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: February 28, 2018		18. DATE APPROVED: April 18, 2019	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: March 22, 2018		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Megan K. Buck		22. TITLE: Acting Director Division of Medicaid Field Operations - North	
23. REMARKS: <b>*Pen-and-ink change authorized via email from Nanci Nikodym dated April 3, 2019.</b>			

State Missouri

PHYSICIAN SERVICES Provided by physicians not employed by the State of Missouri who are employed or under contract with a safety net hospital as defined by the state for providing services to Medicaid enrollees as authorized in this state plan are provided in accordance with services specified at section 1905(a) of the Social Security Act and implemented in accordance with 42 CFR 440.50. Safety net hospital is defined in Section 4.19-A of the Missouri Medicaid State Plan at VI.B. The Department of Social Services recognizes that safety net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to maintain and enhance the quality of care provided.

The term physician includes doctors of medicine and osteopathy. The payment shall be in addition to the amount established under the fee schedule for physicians not employed by the State of Missouri. The additional payment of Medicaid enrolled physicians not employed by the state, who are employed or under contract with a safety net hospital shall be equal to the difference between the Medicaid allowable reimbursement for the service and the Medicare equivalent of the average commercial rate of the top three commercial payers for the service. The additional payment will be effective for dates of service on and after March 22, 2018. MHD will make the retro-active payment within 90 days of the SPA approval. MHD will start making monthly payments within 60 days of the SPA approval.

The only physicians eligible for reimbursement are those physicians that practice at the safety net hospitals Truman Medical Center - Hospital Hill or Truman Medical Center - Lakewood.

Vaccine administration services provided in conjunction with a vaccine supplied through Vaccine for Children program are excluded from the enhanced payment.

A. Payment for services provided by physicians will be at the Medicare equivalent of the average commercial rate of the three top commercial payers as determined on an annual basis as follows:

(i) Recognize the most current facility Medicare physician fee schedule for Missouri Locality 02 as of December 31 of the most recent full calendar year.

(ii) Obtain the rates paid to TMC by the top three commercial insurance companies based on volume

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PHYSICIAN SERVICES

(iii) Obtain the Medicaid adjudicated units of service by procedure code for the most recent full calendar year as presented on TMCs annual ACR demonstration. Approved places of service include a hospital sponsored location such as an inpatient hospital, outpatient hospital, hospital-based, provider-based clinic or a hospital-affiliated clinic.

(iv) Anesthesia payment is based on a fifteen minute unit of service as well as a base payment.

- a. Calculate the aggregate commercial payment equivalent for the most recent full calendar year by multiplying the Medicaid units identified in (iii) above by the commercial rates identified in (ii), then total the net payments for all services. This produces the Total Commercial Equivalent Payment Amount.
- b. Calculate the equivalent Medicare payments for the most recent full calendar year by multiplying the Medicaid units from (ii) above by the Medicare rates identified in (i), then total the payments for all services. This produces the Total Medicare Equivalent Payment Amount.
- c. Divide the Total Commercial Payment Amount by the Total Medicare Equivalent Payment Amount to determine the aggregate Average Commercial Rate Percentage of Medicare.
- d. Based on the average commercial rate demonstration results, the rates for the physicians calculated percentage is noted as a percentage of the Medicare rate and paid from the alternative fee schedule.
- e. Reimbursement rates for numeric procedure codes not recognized by Medicare, but recognized by the Missouri Medicaid Agency will be the average rate paid by TMCs top three commercial insurance companies for that numeric procedure code for the most recent full calendar year.

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OTHER LICENSED PRACTITIONERS

Truman Medical Centers is an academic safety net hospital as defined in Section 4.19A of the Missouri Medicaid State Plan at VI.B. In addition to physician enhanced rates approved and reflected in Section 4.19B, effective for dates of service on and after March 22, 2018, enhanced rates will be paid for services provided by other licensed practitioners performed by other qualified licensed professionals at Truman Medical Centers – Hospital Hill and Truman Medical Centers – Lakewood. These services include those authorized in this state plan and provided in accordance with 1905(a)(6) of the Social Security Act and implemented in 42 CFR 440.60.

Other qualified licensed professionals include podiatrists, physician assistants, advanced nurse practitioners, certified registered nurse anesthetists, nurse midwives, licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, optometrists, audiologists, and registered dietitians who are eligible to receive payment for professional services under the state's approved Medicaid program, who are:

- Licensed by the State of Missouri, where applicable;
- Enrolled as a State of Missouri Medicaid provider; and
- Employed by TMC and/or a member of physician practices affiliated with TMC and providing services to TMC patients.

Anesthesia payment is based on a fifteen minute unit of service as well as a base payment.

Vaccine administration services provided in conjunction with a vaccine supplied through the Vaccine for Children program are excluded from the additional payment.

A. Payment for services provided by other qualified professionals will be at the Medicare equivalent of the average commercial rate of the three top commercial payers. The ACR is annually calculated as follows:

- (i) Recognize the facility Medicare physician and other professional fee schedule for Missouri Locality 02 as of December 31 of the most recent full calendar year.
- (ii) Obtain the rates paid to TMC by the top three commercial insurance companies based on volume for the most recent full calendar year.



State Missouri

OTHER LICENSED PRACTITIONERS

- (iii) Obtain the adjudicated units of service by procedure code for the most recent full calendar year as presented on TMCs annual ACR demonstration.  
Approved places of service include a hospital sponsored location such as an inpatient hospital, outpatient hospital, hospital-based, provider-based clinic or a hospital-affiliated clinic.
  - a. Calculate the aggregate commercial payment equivalent for the most recent full calendar year by multiplying the Medicaid units identified in (iii) above by the commercial rates identified in then total the net payments for all services. This produces the Total Commercial Equivalent Payment Amount.
  - b. Calculate the equivalent Medicare payments for the most recent full calendar year by multiplying the Medicaid units from (ii) above by the Medicare rates identified in (i), then total the payments for all services. This produces the Total Medicare Equivalent Payment Amount.
  - c. Divide the Total Commercial Payment Amount by the Total Medicare Equivalent Payment Amount to determine the aggregate Average Commercial Rate Percentage of Medicare.
  - d. Based on the aggregate average commercial rate demonstration results, the rates for the qualified licensed other practitioners are based on the Medicare equivalent of the average commercial rate and paid from the alternative fee schedule.
  - e. Reimbursement rates for numeric procedure codes not recognized by Medicare, but recognized by the Missouri Medicaid Agency will be the average rate paid by TMCs top three commercial insurance companies for that numeric procedure code for the most recent full calendar year.

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