

## **Table of Contents**

**State/Territory Name: NE**

**State Plan Amendment (SPA) #: 18-0005**

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



**Division of Medicaid and Children's Health Operations**

---

September 14, 2018

Matthew A. Van Patton, DHA Medicaid Director  
Division of Medicaid & Long-Term Care  
Nebraska Department of Health & Human Services  
301 Centennial Mall South, 5<sup>th</sup> Floor  
P.O. Box 95026  
Lincoln, NE 68509-5026

Dear Dr. Van Patton:

On June 19, 2018, Nebraska submitted SPA 18-0005 to bring the state into compliance with Section 5002 of the 21<sup>st</sup> Century Cures Act of 2016.

SPA #18-0005 was approved September 14, 2018, with an effective date of July 1, 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 Nebraska State Plan.

If you have any questions regarding this amendment, please contact Karen Hatcher or Barbara Cotterman at (816) 426-5925.

Sincerely,

9/14/2018

James G. Scott  
Associate Regional Administrator  
for Medicaid and Children's Health Operations

Sign

Enclosure

cc:  
Rocky Thompson  
Nancy Keller

## 2. STATE

### Nebraska

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

**4. PROPOSED EFFECTIVE DATE**  
July 1, 2018

☐ 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)*

## 7. FEDERAL BUDGET IMPACT:

a. FFY 2018	\$(47,893.48)
b. FFY 2019	\$0.00

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Attachment 4.19-B, Item 7c, page 1  
Attachment 4.19-B, Item 12c

### Rate reduction for Fee-For Service Durable Medical Equipment

\* Compliance with Section 5002 of the 21st Century Cures Act of 2016

**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:  
Governor has waived review

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME:

**Matthew A. Van Patton, DHA**

14. TITLE:

**Director, Division of Medicaid and Long-Term Care**

15. DATE SUBMITTED:

**June 19, 2018**

**Nancy Keller**

Division of Medicaid & Long-Term Care  
Nebraska Department of Health & Human Services  
301 Centennial Mall South  
Lincoln, NE 68509

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

June 19, 2018

18. DATE APPROVED:

September 14, 2018

PLAN APPROVED – ONE COPY ATTACHED

**19. EFFECTIVE DATE OF APPROVED MATERIAL:**

July 1, 2018

**20. SIGNATURE OF REGIONAL OFFICIAL:**

21. TYPED NAME:

James G. Scott

**22. TITLE:** Associate Regional Administrator  
for Medicaid and Children's Health Operations

23. REMARKS:

\* Pen and Ink changes per state request dated 7.24.18.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State Nebraska  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

---

MEDICAL SUPPLIES, EQUIPMENT, AND APPLIANCES FOR SUITABLE USE IN THE HOME

Nebraska Medicaid pays for covered durable medical equipment, medical supplies, orthotics and prosthetics, at the lower of:

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as:
  - a. The unit value multiplied by the conversion factor;
  - b. The invoice cost (indicated as "IC" in the fee schedule);
  - c. The maximum allowable dollar amount; or
  - d. The reasonable charge for the procedure as determined by the Medicaid Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).
3. For DMEPOS items associated with Section 1903(i)(27) of the Social Security Act, amended by Section 5002 of the 21 Century Cures Act, and identified by the Centers of Medicare and Medicaid Services (CMS) as covered by Medicare, Medicaid will pay the lower of the following: (1) The Medicare DMEPOS fee schedule rate for Nebraska geographic, non-rural areas, set as of January 1 of each year, which will be reviewed on a quarterly basis and updated as Medicare updates the fee schedule; (2) the Medicare competitive bidding program rate for the specific item of DME, or (3) the provider's billed charges.

Revisions of the Fee Schedule: The Department may adjust the fee schedule to:

1. Comply with changes in state or federal requirements;
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CPT;
3. Establish an initial allowable amount for a new procedure or a procedure that was previously identified as "RNE" or "BR" based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medicaid Division determines that the current allowable amount is:
  - a. Not appropriate for the service provided; or
  - b. Based on errors in data or calculation.

When services which are reimbursed per a fee schedule, except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. Medical Supplies, Equipment, and Applications, the agency's rates were set as of July 1, 2018, and are effective for services on or after that date. All rates are published at: [http://dhhs.ne.gov/medicaid/Pages/med\\_practitioner\\_fee\\_schedule.aspx](http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx).

---

TN #. NE 18-0005

Supersedes

Approval Date September 14, 2018

Effective Date July 1, 2018

TN #. NE 16-0011

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State Nebraska  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

---

PROSTHETIC DEVICES

Nebraska Medicaid pays for covered durable medical equipment, medical supplies, orthotics and prosthetics, at the lower of:

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Nebraska Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is indicated in the fee schedule as:
  - a. The unit value multiplied by the conversion factor;
  - b. The invoice cost (indicated as "IC" in the fee schedule);
  - c. The maximum allowable dollar amount; or
  - d. The reasonable charge for the procedure as determined by the Medicaid Division (indicated as "BR" - by report or "RNE" - rate not established - in the fee schedule).
3. For DMEPOS items associated with Section 1903(i)(27) of the Social Security Act, amended by Section 5002 of the 21 Century Cures Act, and identified by the Centers of Medicare and Medicaid Services (CMS) as covered by Medicare, Medicaid will pay the lower of the following: (1) The Medicare DMEPOS fee schedule rate for Nebraska geographic, non-rural areas, set as of January 1 of each year, which will be reviewed on a quarterly basis and updated as Medicare updates the fee schedule; (2) the Medicare competitive bidding program rate for the specific item of DME, or (3) the provider's billed charges.

Revisions of the Fee Schedule: The Department may adjust the fee schedule to:

1. Comply with changes in state or federal requirements;
2. Comply with changes in nationally-recognized coding systems, such as HCPCS and CRT;
3. Establish an initial allowable amount for a new procedure or a procedure that was previously identified as "RNE" or "BR" based on information that was not available when the fee schedule was established for the current year; and
4. Adjust the allowable amount when the Medicaid Division determines that the current allowable amount is:
  - a. Not appropriate for the service provided; or
  - b. Based on errors in data or calculation.

When services which are reimbursed per a fee schedule, except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. Prosthetic Devices, the agency's rates were set as of July 1, 2018 and are effective for services on or after that date. All rates are published at: [http://dhhs.ne.gov/medicaid/Pages/med\\_practitioner\\_fee\\_schedule.aspx](http://dhhs.ne.gov/medicaid/Pages/med_practitioner_fee_schedule.aspx)

---

TN #. NE 18-0005

Supersedes

Approval Date September 14, 2018

Effective Date July 1, 2018

TN #. NE 16-0011