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State/Territory Name: NV

State Plan Amendment (SPA) #:17-0001

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

May 26, 2017

Richard Whitley, Director
Department of Health and Human Services
4126 Technology Way, Suite 100
Carson City, NV 89706

Dear Mr. Whitley:

Enclosed is an approved copy of Nevada State Plan Amendment (SPA) 17-001. The SPA updates Attachment 4.19-B to add a new payment methodology for services provided in an ambulatory surgery setting. The SPA was submitted to my office on March 27, 2017.

The approval is effective January 1, 2017. Attached is a copy of the following page to be incorporated into your State Plan:

- Attachment 4.19-B, Pg. 5

If you have any questions, please contact Peter Banks by phone at (415) 744-3782 or by email at Peter.Banks@cms.hhs.gov.

Sincerely,

/s/

Henrietta Sam Louie
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

cc: Marta Jensen: Acting Administrator, DHCFP

**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:

17-001

2. STATE:

NEVADA

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

4. PROPOSED EFFECTIVE DATE

January 1, 2017

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:

State Plan Under Title XIX of the Social Security Act: 42 CFR 447

7. FEDERAL BUDGET IMPACT: **28**

a. FFY 2017 (3mos.) ~~\$(552,824)~~ (\$397,151)

b. FFY 2018 ~~\$(2,240,851)~~ (\$542,872)

c. FFY 2019 ~~\$(2,270,798)~~ (\$550,127)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Page 5

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19-B, Page 5

10. SUBJECT OF AMENDMENT:

Additional language will be added to the Nevada Medicaid State Plan to document the new payment methodology used for services provided in an Ambulatory Surgery setting (Hospital-based and free-standing).

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:

The Governor's Office does not wish to review the State Plan Amendment.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Richard Whitley

14. TITLE:

Director, Department of Health and Human Services

15. DATE SUBMITTED: **3/25/17** **P3**

16. RETURN TO:

**Lynne Foster, Chief of Division Compliance
DHCFP/Medicaid
1100 East William Street, Suite 101
Carson City, NV 89701**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **3/25/17**

18. DATE APPROVED:
May 26, 2017

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: **1/1/17**

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPED NAME: **Henrietta Sam Louie**

22. TITLE: **Assistant Regional Administrator**

23. REMARKS:

Pen and Ink Requests: Box 7: Updated to reflect - FY17 (\$397,151), FY18 (\$542,872), and (FY19 (\$550,127).
Box 15: Updated to insert "3/25/17".

STATE PLAN UNDER TILE XIX OF THE SOCIAL SECURITY ACT

State: NEVADA

Attachment 4.19-B

Page 5

26. Surgical services provided in both hospital-based and freestanding Ambulatory Surgical Centers (ASC)
- a. Payments for services billed by hospital-based and freestanding Ambulatory Surgical Centers (ASC) will be calculated using the Centers for Medicare & Medicaid Services (CMS) Ambulatory Payment Classification (APC) grouping as published in 42 CFR parts 405, 410, 412, 413, 416 and 419. A Nevada ASC Base Rate will be established for each service by multiplying the associated 2016 ASC payment weight from the APC group (found in CMS-1633-FC-Addenda file) by the 2016 ASC conversion factor of 44.177 (found in CMS-1633-FC; CMS-1607-F2), then multiplying the result by the 2016 NV Wage Index of 0.9299 (Found in CMS-1633-FC Wage Index file).
 1. Surgical codes 10000 – 58999 and 60000 – 69999 will be reimbursed at 85% of the NV ASC Base Rate.
 - b. Services that CMS identifies as excluded from payment in an ASC setting, but are deemed appropriate to be performed in that setting by NV Medicaid Policy, will be paid using the CMS Outpatient Prospective Payment System (OPPS) relative weight from the associated APC group for that service in place of the ASC payment weight to establish the NV ASC Base Rate.
 - c. In the case of multiple procedures, the following adjustments to the fee schedule are made:
 - 1) First procedure 100% of fee schedule
 - 2) Second procedure 50% of fee schedule
 - 3) Third procedure 25% of fee schedule
 - 4) Fourth procedure 10% of fee schedule
 - 5) Fifth and thereafter procedures 5% of fee schedule
 - d. Professional services are reimbursed as indicated in page 1c of Section 4.19-B.

Assurance: Except as otherwise noted in the plan, state developed fee schedule rates are the same for both public and private providers of the service. The agency's outpatient surgery (ASC) fee schedule rates were set as of January 1, 2017 and are effective for services provided on or after that date. All rates are published on our website: <http://dhcfp.nv.gov/Resources/Rates/FeeSchedules/>.