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State/Territory Name: FLORIDA

State Plan Amendment (SPA) #: FL-24-0006

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

October 31, 2024

Brian Meyer
Deputy Secretary for Medicaid
Agency for Health Care Administration
2727 Mahan Drive, Mail Stop #8
Tallahassee, FL 32308

RE: TN 24-0006

Dear Deputy Secretary Meyer,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Florida State Plan Amendment (SPA) to Attachment 4.19-B 24-0006, which was submitted to CMS on September 3, 2024. This plan amendment updates the Physician Supplemental Payment methodology.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Ysabel Gavino via email @ maria.gavino@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 4 — 0 0 0 6</u>	2. STATE <u>FL</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <u>July 1, 2024</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>42 CFR 430.25 42.CFR 440.50</u>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY <u>23-24</u> \$ <u>1,934,620</u> b FFY <u>24-25</u> \$ <u>5,803,861</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-B pg 28a, 28a.1</u>	8. PAGENUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-B pg 28a</u>	

9. SUBJECT OF AMENDMENT
Faculty Physician Supplemental Payment Methodology

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Mr. Tom Wallace Deputy Secretary for Health Care Finance and Data Agency for Health Care Administration 2727 Mahan Drive, Mail Stop #2 Tallahassee, Florida 32308 Attention: Shanise Jackson
12. TYPED NAME <u>Tom Wallace</u>	
13. TITLE <u>Deputy Secretary for Health Care Finance and Data</u>	
14. DATE SUBMITTED <u>9-3-2024</u>	

FOR CMS USE ONLY

16. DATE RECEIVED <u>September 3, 2024</u>	17. DATE APPROVED <u>October 31, 2024</u>
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL <u>July 1, 2024</u>	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL <u>Todd McMillon</u>	21. TITLE OF APPROVING OFFICIAL <u>Director, Division of Reimbursement Review</u>

22. REMARKS

The State authorizes CMS the following pen and ink change:
Block # 5 Federal Statute/Regulation Citation: to delete 42 CFR 430.25 and add 42 CFR 440.50 - MYLG

PHYSICIAN SUPPLEMENTAL PAYMENT METHODOLOGY

REIMBURSEMENT - Eligible providers specified below will be reimbursed for services rendered to Florida Medicaid recipients who are not enrolled in a managed care plan. This excludes dually eligible Medicare and Medicaid recipients. The supplemental payments, which reflect the alternative fee schedule, will be made monthly based on the calculation of the differential amount between the base Medicaid payment and supplemental payment for allowable Current Procedural Terminology codes. Each Florida Medicaid covered medical (excluding vaccines for children, and the technical component (TC) for radiology services), dental, and behavioral health billable code listed on the applicable Florida Medicaid fee schedule, will be reimbursed in accordance with the following payment methodology:

- (a) An average of the payments from the top five (5) commercial payers for each CPT code was provided to generate the Average Commercial Rate (ACR).
- (b) Both the Medicare rate and the ACR were multiplied by the Florida Medicaid fee-for-service (FFS) volume of services reimbursed for eligible CPT codes.
- (c) The statewide Medicare equivalent of the ACR was calculated by dividing the product of ACR and FFS volume by the product of the Medicare and FFS volume.
- (d) The calculated ACR for physicians employed by or contracted with a Florida public hospital was established based on the 2022-2023 ACR.
- (e) The calculated ACR for physicians employed by or contracted by a Florida private, non-profit, accredited medical, dental, or optometry school was established based on the 2019-2020 ACR.
- (f) The calculated ACR for physicians employed by or contracted with a Florida public hospital pays at one-hundred thirty-four point one percent of the Medicare rate for eligible Florida Medicaid Services, with Clinical Diagnostic Laboratory (CDL) CPT codes limited to the Medicare Rate. If the service does not have a Medicare rate, the calculated ACR for physicians employed by or contracted with a Florida public hospital pays at one-hundred thirty-four point one percent of the Florida Medicaid rate.
- (g) The calculated ACR for physicians employed or contracted by a Florida private, non-profit, accredited medical, dental, or optometry school pays at one hundred ninety-four point five percent of the Medicare rate for eligible Florida Medicaid Services, with Clinical Diagnostic Laboratory (CDL) CPT codes limited to the Medicare Rate. If the service is not covered by Medicare, the calculated ACR for physicians employed by or contracted by a Florida private, non-profit, accredited medical, dental, or optometry school pays at two-hundred three percent of the Florida Medicaid rate.
- (h) For physicians employed by a public hospital who are contracted by a Florida private, non-profit, accredited medical, dental, or optometry school will be paid at the calculated ACR for physicians employed by or contracted by a Florida private, non-profit, accredited medical, dental, or optometry school.
- (i) The ACR and Medicare percentages will be recalculated every three years.

ELIGIBLE PROVIDERS – Practitioners as defined under the Merit-based Incentive Payment System (MIPS), who are enrolled in Florida Medicaid, and are either:

- employed by or contracted with a Florida public or private, non-profit, accredited medical, dental, or optometry school, including: University of Florida, University of Florida – Jacksonville, University of Miami, University of South Florida, Florida Atlantic University, Florida International University, Florida State University, and University of Central Florida, and Mount Sinai Teaching Faculty Practice, to provide supervision and teaching of medical, dental, or optometric students, residents, or fellows through application of the parameters of 42 CFR 447.304. or,
- employed by or contracted with a Florida public hospital.

Eligible practitioners include qualifying faculty physicians and all allied health personnel under their supervision pursuant to the Physician Quality Reporting System (PQRS), who are eligible Florida Medicaid providers, and furnish Florida Medicaid reimbursable services.