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State/Territory Name: RI

State Plan Amendment (SPA) #: 21-0021

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601

Financial Management Group

May 23, 2022

Womazetta Jones, Secretary
Executive Office of Health and Human Services
State of Rhode Island
3 West Road, Virks Building
Cranston, RI 02920

RE: TN 21-0021

Dear Ms. Jones,

We have reviewed the proposed Rhode Island State Plan Amendment (SPA) to Attachment 4.19-B, RI-21-0021, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 27, 2021 for alternative payment methodologies for mobile dental services and bundled payment requirements.

Based upon the information provided by the State, we have approved the amendment with an effective date of December 1, 2021. 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 Lindsay Michael at 410-786-7197 or Lindsay.Michael@cms.hhs.gov.

Sincerely,

[redacted]

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 21-0021

2. STATE: RI

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

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
12/1/2021

5. FEDERAL STATUTE/REGULATION CITATION
1902(a)(30)(A)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2022 $ 0
b. FFY _____ $ _____

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19B Page 2c

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19B Page 2c

9. SUBJECT OF AMENDMENT

Alternative payment methodologies for mobile dental services and bundled payment requirements

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
[redacted]

12. TYPED NAME
Womazetta Jones

13. TITLE
Secretary

14. DATE SUBMITTED
12/23/21

15. RETURN TO
EOHHS
3 West Rd. Virks Building
Cranston, RI 02920

FOR CMS USE ONLY

16. DATE RECEIVED
12/23/2021

17. DATE APPROVED
5/23/2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
12/1/2021

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

Instructions on Back

with a modifier. Note: Some claims may have two modifiers if the client meets the high acuity determination and the service is provided evenings, nights, weekends or holidays.

h. Dental services: on the basis of a negotiated fee schedule. Effective December 1, 2021 dental services will be paid either:

On the basis of a negotiated fee schedule that can be found here: https://eohhs ri.gov/providers-partners/fee-schedules or;

As a bundled encounter payment or negotiated reimbursement rate. A bundled payment or negotiated reimbursement rate is paid when the following requirements are met:

A dental service provider must meet the certification standards established by EOHHS for Medicaid Dental Services in order to provide mobile dental services and receive a bundled payment or negotiated reimbursement rate for services rendered.

The following services and facility fee are part of a bundled payment or negotiated rate per specific billing codes listed here https://eohhs ri.gov/sites/g/files/xkgbur226/files/Portals/0/Uploads/Documents/dental.pdf.

Diagnostic services

Radiographs/Diagnostic Imaging includes transmission of diagnostic information and review by a dentist at a separate site if applicable.

Preventive procedures including dental prophylaxis of natural teeth and/or dentures, application of fluoride varnish, caries-arresting medicament application, oral hygiene instruction, nutrition counseling.

Palliative (emergency) treatment of dental pain-minor procedure Procedures which fall outside of bundled encounter payment or negotiated reimbursement rate should be billed using the negotiated fee schedule codes and rates found here: https://eohhs ri.gov/providers-partners/fee-schedules.

i. Prescribed drugs, dentures, prosthetic devices, and eyeglasses prescribed by a physician skilled in diseases of the eye or by the optometrist, whichever the individual may select.

(l) Outpatient and Specialty Drugs Dispensing Fee and Ingredient Cost a, Payment for covered outpatient and specialty drugs dispensed to beneficiaries residing in the community includes the drug's ingredient cost plus an $8.96 professional dispensing feet For drugs reimbursed at the providers' usual and customary charge to the public, there will be no professional dispensing fee added.

b. Payment for outpatient and specialty drugs dispensed to beneficiaries residing in an institutional long-term care facility will include the drug ingredient cost plus a $7.90 professional dispensing fee. For drugs reimbursed at the providers' usual and customary charge to the public, there will be no professional dispensing fee added.

c. The drug ingredient cost reimbursement shall be the lowest of:
   i. The National Average Drug Acquisition Cost (NADAC); or
   ii. Wholesale Acquisition Cost (WAC) + 0%; or
   iii. The Federal Upper Limit (FUL)•, or
   iv. The State Maximum Allowed Cost (SMAC); or
   v. First Data Bank Consolidated Price 2 (SWD) — 19%; or
   vi. Submitted price; or
   vii, The providers' usual and customa1'Y (U & C) charge to the public, as identified by the claim charge.

(2) Clotting factor from specialty pharmacies, hemophilia treatment centers (HTC) and Centers of Excellence,

a. Payment for clotting factor from specialty pharmacies, hemophilia treatment centers (HTC) and

Centers of Excellence will include the drug ingredient cost plus $8.96 professional dispensing fee. For drugs reimbursed at the providers' usual and customary charge to the public, there will be no professional dispensing fee included.

b. The drug ingredient cost reimbursement shall be the lowest of:
   i. The National Average Drug Acquisition Cost (NADAC); or
   ii. Wholesale Acquisition Cost (WAC) + 0%; or'
   iii. The State Maximum Allowed Cost (SMAC); or
   iv. First Data Bank Consolidated Price 2 (SWD) - 19%; or
   v. Submitted price; or
   vi. The providers' usual and customary (U & C) charge to the public, as identified by the claim charge.

(3)340B Covered Entities

340B covered entities that fill Medicaid beneficiaries' prescriptions with drugs purchased at the prices authorized under Section 340B of the Public Health Services Act will be reimbursed at the actual acquisition cost for the drug plus a $8.96 professional dispensing fee. Drugs acquired by a covered entity under the 340B program and dispensed by the covered entity's contract pharmacy are not reimbursed.

Facilities purchasing drugs through the Federal Supply Schedule (FSS) or drug pricing program under 38 U.S.C. 1826, 42 U.S.C. 256b, or 42 U.S.C. 1396-8, other than the 340B drug pricing program will be reimbursed no more than the actual acquisition cost for the drug plus $8.96 professional dispensing fee.

(4) Facilities purchasing drugs at Nominal Price (outside of 340B or FSS) will be reimbursed no more than the actual acquisition cost (as defined in defined in "47.502) for the drug plus a $8.96 professional dispensing fee. Nominal Price as defined in {447.502 of the Code of Federal Regulations, Part 42 means a price that is less than 10 percent of the average manufacturer price (AMP) in the same quarter for which the AMP is computed.

(5) Physician administered drugs (PADs) submitted under the medical benefit will be reimbursed at 106 percent of the Average Sales Price (ASP). PADs without an ASP on the CMS reference file will be reimbursed at the provider's acquisition cost. Covered entities using drugs purchased at the prices authorized under Section 340B of the Public Health Services Act for Medicaid members must bill Medicaid their actual acquisition cost (as defined in defined in "47.502).

(6) All Indian Health Service, tribal, and urban Indian pharmacies are paid at the encounter rate (also known as the "OMB Rate" or "IHS All-inclusive Rate").

(7) Investigational drugs are not a covered service.

(8) Dentures: on the basis of a negotiated fee schedule.

(9) Surgical and prosthetic devices: all payments are made for covered

*The output for First Data Bank's Consolidated Price 2 (SWD) is based on the application of the following criteria:
l. If Suggested Wholesale Price (SWP) is available, SWP will be output.
2. If S WP is not available, WAC will be output.
3. If neither SWP nor WAC are available, Direct Price will be output.