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State/Territory Name: KY

State Plan Amendment (SPA) #: 22-0007

This file contains the following documents in the order listed:

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

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

September 28, 2022

Lisa D. Lee
275 East Main Street
Frankfort, Kentucky 40621

RE: TN 22-0007

Dear Commissioner Lee,

We have reviewed the proposed Kentucky State Plan Amendment (SPA) 22-0007, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 8, 2022. This SPA provides an update to the Ambulatory Surgical Centers (ASC) fee schedule utilized for payment purposes to reflect the latest January 1 Medicare ASC fee schedule published by CMS, inclusive of any applicable adjustments or correction notices.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or matthew.klein@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

2 2 — 0 0 0 7

2. STATE

KY

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT



XIX



XXI

4. PROPOSED EFFECTIVE DATE

January 1, 2023

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID & CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. FEDERAL STATUTE/REGULATION CITATION

42 C.F.R. 416.164 and 416.166, 447.271

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023 \$ 20,439

b. FFY 2024 \$ 20,439

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

4.19B page 20.17

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

4.19B page 20.17

9. SUBJECT OF AMENDMENT

Effective January 1, 2023 the ASC fee schedule utilized for payment purposes shall be updated to reflect the latest January 1 Medicare ASC fee schedule.

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

Lisa Lee

275 E. Main St.

Frankfort, KY 40601

12. TYPED NAME

Lisa Lee

13. TITLE

Commissioner

14. DATE SUBMITTED

9/8/2022

FOR CMS USE ONLY

16. DATE RECEIVED

9/8/2022

17. DATE APPROVED

September 28, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Todd, McMillion

21. TITLE OF APPROVING OFFICIAL

Director, Division of Reimbursement Review

22. REMARKS

XVIII. Outpatient Surgical Centers

Effective January 1, 2023, and each January 1 thereafter, the department shall utilize the most recently released January 1 ASC fee schedule published by the Centers for Medicare and Medicaid Services (CMS), inclusive of any applicable correction notices, subject to the following adjustments and updating procedures:

- Reimbursement for a procedure shall be the rate specific to that procedure as assigned by CMS, adjusted by the wage index utilized by CMS for the Cincinnati, OH, Core-Based Statistical Area, or its equivalent.
- Procedure codes that are considered a packaged service by CMS with a Medicare rate of \$0 shall be reimbursed at a rate of \$0.
- Medicaid covered procedures not included on the Medicare fee schedule shall be reimbursed at forty-five (45) percent of billed charges.
- Bilateral procedures shall be reimbursed at one hundred and fifty (150) percent of billed charges.
- Reimbursement shall follow applicable Medicare rules for multiple endoscopy discounting and multiple procedure discounting. In the event that both discounts apply to a single claim, the multiple endoscopy discount shall be applied first.

Hospital based outpatient surgical centers shall be reimbursed in the same manner as hospital outpatient services.