Department of Health & Human Services Centers for Medicare & Medicaid Services 233 North Michigan Avenue, Suite 600 Chicago, Illinois 60601-5519



March 6, 2018

Marie Zimmerman State Medicaid Director Minnesota Department of Human Services P.O. Box 64983 St. Paul, MN 55164-0983

Dear Ms. Zimmerman:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #17-0011 -- Revises payment rates for vaccines.

-- Effective Date: January 1, 2018

-- Approval Date: March 5, 2018

If you have any additional questions, please have a member of your staff contact Sandra Porter at (312) 353-8310 or via e-mail at <a href="mailto:Sandra.Porter@cms.hhs.gov">Sandra.Porter@cms.hhs.gov</a>.

Sincerely,

/s/

Ruth A. Hughes Associate Regional Administrator Division of Medicaid and Children's Health Operations

#### **Enclosures**

cc: Ann Berg, MDHS Sean Barrett, MDHS

Effective: January 1, 2018 Page 3a

TN: 17-11

Approved: 3/5/18

Supersedes: 13-09 (12-07, 11-02, 09-19, 05-04, 03-10, 01-07)

2.a. Outpatient hospital services.

Effective July 1, 2013, vaccines are paid the lower of:

(1) the submitted charge;

(2) Medicare allowable; or

(3) if Medicare has not established a payment amount:

a. the wholesale acquisition cost; or

b. the average wholesale price minus 5%.

Plus the vaccine administration fee paid at the lesser of the submitted charge or the RBRVS rate.

Payment for vaccines available through the Minnesota Vaccines for Children Program pursuant to §1928 of the Act is described on page 66(b)of the pre-print.

Effective July 1, 2013, vaccines provided through Minnesota's adult vaccine program are paid only an administration fee equal to the lesser of the submitted charge or Minnesota's regional maximum administration fee for vaccines under the VFC program as published by the Secretary.

Outpatient hospitals that administer pediatric vaccines as described in item 5.a., physicians' services, available through the Minnesota Vaccines for Children Program pursuant to §1928 of the Act, are paid for administering the vaccine using the same methodology described in item 5.a.

Additional payment adjustment for Hennepin County Medical Center and Regions Hospital Effective for services delivered on or after July 1, 2009, in recognition of the services provided by the two largest safety net hospitals, an additional adjustment will be made annually, within two years of the close of the federal fiscal year, that is the difference between the Medicaid costs for outpatient

ATTACHMENT 4.19-B STATE: MINNESOTA Page 10

Effective: January 1, 2018

TN: 17-11

Approved: 3/5/18

Supersedes: 14-01 (11-02,10-21,09-25,09-20,08-17,07-12,07-08,07-09,07-

06,06-19,05-21)

5.a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a nursing facility or elsewhere.

Effective for services provided on or after January 14, 2014, payment for physician services is the lowest of:

- 1) submitted charges; or
- 2) a) The Resource Based Relative Value Scale calculated values(as published by the Centers for Medicare & Medicaid Services in November of the previous calendar year); or
  - b) State agency established rate; or
  - C) For delivery services, including cesarean delivery services that are not complicated:

59400, 59510, 59610: \$1387.89 59409, 59514, 59612: \$540.00 59410, 59515, 59614: \$696.73

### Effective July 1, 2013, vaccines are paid the lower of:

- (1) the submitted charge;
- (2) Medicare allowable; or
- (3) if Medicare has not established a payment amount:
  - a. the wholesale acquisition cost; or
  - b. the average wholesale price minus 5%.

An additional payment for administration of the vaccine will be made at a rate equal to the lesser of the submitted charge, or the RBRVS rate.

Payment for vaccines available through the Minnesota Vaccines for Children Program pursuant to §1928 of the Act is limited to vaccine administration. Effective January 1, 2018, the state pays for administration of the vaccine at a rate equal to the lower of the submitted charge, or the RBRVS rate. Payment shall not exceed the regional maximum established by the DHHS Secretary.

Effective: January 1, 2018 Page 101

TN: 17-11

Approved: 3/5/18

Supersedes: 17-13 (14-11a,13-04,12-25,11-02,10-06,09-25,09-20,08-

17,07-12,07-08,07-09,07-06,06-19,05-21)

5.a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a nursing facility or elsewhere. (continued)

**Laboratory services** are paid using the same methodology as item 3, Other lab and x-ray services.

With the exception of pediatric vaccines in item 2.a., Outpatient hospital services, covering the Minnesota Vaccines for Children program, vaccines are paid using the same methodology as item 2.a., Outpatient hospital services.

All other injectables are paid using the same methodology as item 2.a.

# The base rates as described in this item are adjusted by the following clauses of Supplement 2 of this Attachment:

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax Rate Adjustment
- E. Modifiers
- F. Family Planning
- G. Community and Public Health Clinics
- H. Medicare Cap
- I. Exceptions to payment methodology and reconstructing a rate
- J. Copay converted to \$3.00 provider rate reduction
- P. Rate increase effective 07/01/07
- R. Professional services decrease effective July 1, 2009.
- S. Professional services decrease effective July 1, 2010
- T. Rate increase July 1, 2010
- V. Facility and professional services rate increase 2010
- W. Physician and physician assistant rates are adjusted by the professional services rate decrease 2011
- aa. Anesthesia service rates are adjusted by the miscellaneous services and material rate decrease 2011.
- bb. Reimbursement for costs of services provided by a non-state, government-operated community mental health center
- cc. Supplemental payment for medical education.
- ff. Professional services rate increase effective September 1, 2014.

Other provider-preventable conditions are not eligible for payment as described in Attachment 4.19-A.

Effective: January 1, 2018 Page 17

TN: 17-11

Approved: 3/5/18

Supersedes: 14-11a (11-19,11-02,09-25,08-13,08-03,07-08,06-19,05-

21,02-20, 01-13)

### 6.d. Other practitioners' services. (continued)

- B. Effective for services provided on or after July 1, 1991, **public** health nursing services are paid the lower of:
  - 1) submitted charge; or
  - 2) State agency established rates based on comparable rates for services provided by a nurse practitioner in an office setting, or by a home health nurse in a home setting or by a nurse providing perinatal high risk services under item 20, Extended services to pregnant women.

Effective 7/1/08, services provided by a community health worker, are paid using the same methodology that applies to community health workers in item 5.a., Physicians' services.

Public health nurses who administer pediatric vaccines <u>as described</u> in item <u>5.a.</u>, <u>physicians' services2.a.</u>, <u>Outpatient hospital services</u>, available through the Minnesota Vaccines for Children Program pursuant to §1928 of the Act, are paid <u>for administering the vaccine</u> using the same methodology <u>described</u> in item <u>25</u>.a. <del>for these vaccines.</del>

The base rate as described in this item is adjusted by the following clauses of Supplement 2 of this Attachment:

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPI
- D. MinnesotaCare Tax Rate Adjustment
- E. Modifiers
- F. Family Planning
- G. Community and Public Health Clinic
- H. Medicare Cap
- I. Exceptions to payment methodology and reconstructing a rate
- J. Copay converted to \$3.00 provider rate reduction
- U. Facility services rate decrease 2009
- aa. Miscellaneous services and materials rate decrease 2011
- gg. Miscellaneous services and materials rate increase effective September 1, 2014

Effective: January 1, 2018 Page 20b

TN: 17-11

Approved: 3/5/18

Supersedes: 11-19 (11-02,09-25,07-09,07-06,00-11,99-11)

#### 6.d. Other practitioners' services. (continued)

If the services are paid through the payment for inpatient services, the nurse practitioner cannot separately bill for payment.

Laboratory, radiology, immunization, injection and allergy services are paid using the same methodology set forth elsewhere in this Attachment. EPSDT invoices are paid using the same methodology as item 4.b., Early and periodic screening, diagnosis, and treatment services.

With the exception noted below, mental health services are paid using the same methodology as item, 6.d.A, Mental Health services.

Nurse practitioners who administer pediatric vaccines <u>as</u> <u>described</u> in item <u>5.a.</u>, <u>physicians' services</u> <u>2.a.</u>, <u>Outpatient hospital services</u>, available through the Minnesota Vaccines for Children Program pursuant to §1928 of the Act, are paid <u>for administering the vaccine</u> using the same methodology <u>described</u> in item <u>25.a.</u> <u>for these vaccines</u>.

## The base rate as described in this item is adjusted by the following clauses of Supplement 2 of this Attachment:

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax Rate Adjustment
- E. Modifiers
- F. Family Planning
- G. Community and Public Health Clinics
- H. Medicare cap
- I. Exceptions to payment methodology and reconstructing a rate
- J. Copay converted to \$3.00 provider rate reduction
- P. Rate increase effective July 1, 2007
- R. Professional services rate decrease 2009
- S. Professional services rate decrease 2010
- T. Rate increase effective July 1, 2010
- W. Professional services rate decrease 2011

Effective: January 1, 2018 Page 23b

TN: 17-11

Approved: 3/5/18

Supersedes: 11-19, 11-02

6.d. Other practitioners' services. (continued)

services are paid using the same methodology set forth elsewhere in this Attachment. EPSDT invoices are paid using the same

Clinical nurse specialists who administer pediatric vaccines as described in item 5.a., physicians' services, 2.a., Outpatient hospital services, available through the Minnesota Vaccines for

administering the vaccine using the same methodology described in item 25.a. for these vaccines.

# The base rate as described in this item is adjusted by the following clauses of Supplement 2 of this Attachment:

- A. IHS/638 Facilities
- B. Critical Access Hospitals
- C. TPL
- D. MinnesotaCare Tax
- E. Modifiers
- F. Family Planning
- G. Community and Public Health Centers
- H. Medicare cap
- I. Exceptions to payment methodology and reconstructing a rate
- J. Copay converted to \$3.00 provider rate reduction
- P. Rate increase effective July 1, 2007
- R. Professional services rate decrease 2009
- S. Professional services rate decrease 2010
- T. Rate increase effective July 1, 2010
- W. Professional services rate decrease 2011

Effective: January 1, 2018 Page 25

TN: 17-11

Approved: 3/5/18

Supersedes: 15-11 (13-23,11-18,09-28,08-17,07-08,06-19,05-21,04-

22,02-20)

7.a. Intermittent or part-time nursing service provided by a home health agency or by a registered nurse when no home health agency exists in the area.

Payment for skilled nurse visits is the lower of the submitted charge or the rate from the chart below.

Service	9/1/2011	7/1/2013	4/1/2014	7/1/2014	7/1/2015*
provided					
on or					
after					
Skilled	\$69.69	\$70.04	\$70.74	\$74.28	\$75.02
nurse					
visit					

\* The Department will reduce payment by .5% for providers that fail to submit a quality improvement plan.

Immunizations and other injectables are paid using the same methodology as Item 2.a., Outpatient hospital services.

Home health agencies that administer pediatric vaccines <u>as described</u> in item <u>5.a.</u>, <u>physicians' services</u>, <u>2.a.</u>, <u>Outpatient hospital</u> <u>services</u>, available through the Minnesota Vaccines for Children Program pursuant to §1928 of the Act, are paid <u>for administering the vaccine</u> using the same methodology <u>described</u> in item 25.a. <u>for these vaccines</u>.