



**STATE OF OKLAHOMA
OKLAHOMA HEALTH CARE AUTHORITY**

**Agenda
SPARC
July 30, 2014
1:00 pm
Conference Board Room**

Rate issues to be addressed:

- Select Proton Beam and Molecular Pathology Codes
- Inclusion of Pharmacy Services in the Per Diem for Long Term Care Hospitals Serving Children (LTCHs-C)
- Independent Psychologists and Licensed Behavioral Health Practitioners
- Crisis Intervention Services
- Health Home (HH) Services
- Programs of Assertive Community Treatment (PACT)
- Certified Nurse Aide Training Reimbursement

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Select Proton Beam and Molecular Pathology Codes

1. Is this a “Rate Change” or a “Method Change”?
This is a method change.

- 1b. Is this change an increase, decrease, or no impact?
No impact

2. Presentation of issue – Why is change being made?
OHCA has been manually pricing these codes at a flat rate and it is an administratively burdensome process.

3. Current methodology and/or rate structure.
OHCA established a “manual fee” based on similar codes and/or what Medicare would pay for the same service in a different setting.

4. New methodology or rate.
OHCA seeks to take the established “manual fee” and add it to our reference file as a flat fee. This rate would be published on our fee schedules and would be able to be viewed through our secure site. We had delayed taking these rates through the rate setting process in hopes that CMS would establish a fee however since they have not we would like to set a rate based on the “manual fee” we have been paying.

The rate for codes 77520 – 77525 is based on pricing for these codes in an ambulatory surgery center.

The rate for the remaining codes on Attachment A is based on mapping the old “stacking” codes to the new codes in 2013. Prior to 2013, each of these codes was billed different depending on the lab. Different labs used different combinations of “stacking” codes (which are now discontinued) to bill for these codes. The point of the new codes was to better identify the test performed and set standard rates for each code. We looked at how a range of different labs billed us before (using the old codes) to come up with an average rate per new code based on what we would have paid using the old codes.

For example, for 81401, we had 58 reference points that ranged from \$43 to \$278 and came up with the \$106.40 average. As other payers published their rates, we also added in some of the payer rates as data points.

5. Budget estimate.
No budget change.

6. Agency estimated impact on access to care.
We do not believe this will have an impact on access to care since these codes are already covered. Providers might be more willing to provide the service knowing the rate however these codes will still require a PA and/or medical review.

7. Rate or Method change in the form of a motion.
The agency requests the State Plan Amendment Rate Committee to approve a method change for the codes listed in attachment A.

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Select Proton Beam and Molecular Pathology Codes

8. Effective date of change.
September 1, 2014

State Plan Amendment Rate Committee (SPARC)
 July 30, 2014
 Select Proton Beam and Molecular Pathology Codes

ATTACHMENT A

Code	Description	CY 13 utilization	Current Amount	After 7.75% Reduction
77520	PROTON TRMT SIMPLE W/O COMP	-	\$590.98	\$545.18
77522	PROTON TRMT SIMPLE W/COMP	-	\$590.98	\$545.18
77523	PROTON TRMT INTERMEDIATE	153	\$706.24	\$651.51
77525	PROTON TREATMENT COMPLEX	21	\$706.24	\$651.51
81161	DMD DUP/DELET ANALYSIS	-	\$1,768.97	\$1,631.87
81220	CFTR GENE COM VARIANTS	2,888	\$287.97	\$265.65
81280	LONG QT SYND GENE FULL SEQ	-	\$2,167.08	\$1,999.13
81281	LONG QT SYND KNOWN FAM VAR	-	\$91.60	\$84.50
81282	LONG QT SYN GENE DUP/DLT VAR	-	\$1,334.61	\$1,231.18
81287	MGMT GENE METHYLATION ANAL	-	\$106.40	\$98.15
81400	MOPATH PROCEDURE LEVEL 1	3	\$62.81	\$57.94
81401	MOPATH PROCEDURE LEVEL 2	3	\$106.40	\$98.15
81402	MOPATH PROCEDURE LEVEL 3	1	\$132.42	\$122.16
81403	MOPATH PROCEDURE LEVEL 4	2	\$192.45	\$177.54
81404	MOPATH PROCEDURE LEVEL 5	11	\$266.59	\$245.93
81405	MOPATH PROCEDURE LEVEL 6	11	\$515.85	\$475.87
81406	MOPATH PROCEDURE LEVEL 7	18	\$935.24	\$862.76
81407	MOPATH PROCEDURE LEVEL 8	2	\$1,768.97	\$1,631.87
81408	MOPATH PROCEDURE LEVEL 9	5	\$4,099.81	\$3,782.07

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Inclusion of Pharmacy Services in the Per Diem for
Long Term Care Hospitals Serving Children (LTCHs-C)

1. Is this a “Rate Change” or a “Method Change”?
This is a rate and a method change.

- 1b. Is this change an increase, decrease, or no impact?
No impact

2. Presentation of issue – Why is change being made?
OHCA wishes to incorporate payment for pharmacy services into the per diem payment. This is more efficient and more in line with industry standards for hospital facilities.

3. Current methodology and/or rate structure.
OHCA has been paying pharmacy claims outside of the per diem for this facility due to their previous inability to have an on-site pharmacy. They have recently been able to incorporate a pharmacy into their facility.

4. New methodology or rate.
OHCA has averaged the annual cost for pharmacy services for this facility, taking into account what is received from drug rebates, and developed a daily rate for pharmacy services. This rate has been added to their current daily rate. Because we settle up annually to total allowable costs based on the current year’s cost report any differences between the estimated cost and the actual cost will be reconciled in the settlement process.

5. Budget estimate.
No budget change.

6. Agency estimated impact on access to care.
We do not believe this will have an impact on access to care since pharmacy services are already covered.

7. Rate or Method change in the form of a motion.
The agency requests the State Plan Amendment Rate Committee to approve a rate and method change for LTCHs-C to a daily per diem of \$716.92 which includes \$26.92 per day for pharmacy services.

8. Effective date of change.
September 1, 2014

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Independent Psychologists and
Licensed Behavioral Health Practitioners

1. Is this a “Rate Change” or a “Method Change”?
Method Change

1b. Is this change an increase, decrease, or no impact?
No Impact

2. Presentation of issue – Why is change being made?

The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to freeze the payment rates to independent Psychologists and Licensed Behavioral Health Practitioners (LBHPs) due to the agency budget shortfall for SFY15. This change does not affect the methodology for Physicians or Psychiatrists.

3. Current methodology and/or rate structure.

The current reimbursement methodology for independent psychologists is 100% of the SoonerCare physician fee schedule (96.75% of CY 2013 Medicare Physician Fee Schedule (MPFS) as of June 30, 2014). The current reimbursement methodology for independent licensed behavioral health professionals (LBHPs) is 75% of the SoonerCare physician fee schedule (72.56% of the CY 2013 MPFS as of June 30, 2014).

4. New methodology or rate.

The Centers for Medicare and Medicaid Services (CMS) has updated the work Relative Value Units (RVUs) for the Psychiatric family of codes for CY2014¹. The SoonerCare physician fee schedule is updated annually to correspond with changes to the MPFS. ODMHSAS has estimated that updating psychiatry code set for independent psychologists and LBHPs will have an estimated budget impact, on average, of 12.5 percent to the ODMHSAS Medicaid budget for Psychologists and LBHP services. The ODMHSAS proposes to freeze reimbursement rates for independent psychologists at 96.75% of the CY2013 Medicare Physician Fee Schedule and independent Licensed Behavioral Health Practitioners at 72.56% of the CY2013 Medicare Physician Fee Schedule.

5. Budget estimate.

The budget impact of the methodology change is neutral to ODMHSAS and OHCA.

6. Agency estimated impact on access to care.

No impact.

7. Rate or Method change in the form of a motion.

The agency requests the SPARC to approve the proposed reimbursement methodology to freeze reimbursement rates for independent psychologists at 96.75% of the CY2013 Medicare Physician Fee Schedule and independent Licensed Behavioral Health Practitioners at 72.56% of the CY2013 Medicare Physician Fee Schedule.

8. Effective date of change.

August 13, 2014.

¹ Relative Value Units (RVUs) published in the Federal Register on December 10, 2013.

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Crisis Intervention Services

1. Is this a “Rate Change” or a “Method Change”?

Method change

1b. Is this change an increase, decrease, or no impact?

Increase

2. Presentation of issue – Why is change being made?

The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to submit a State Plan Amendment (SPA) for approval of a rate/method change for crisis intervention (CI) services. The State’s current CI description specifies that it is for the purpose of responding to acute behavioral or emotional dysfunction as evidenced by psychotic, suicidal, homicidal or severe psychiatric distress. CI or response services may be delivered via a crisis hotline, mobile crisis teams, crisis assessment, in a residential setting, and as crisis respite. Based on technical assistance from CMS, we must provide a more complete description of the CI components covered under the Oklahoma Medicaid State Plan. These services are:

- Crisis Assessment and Management;
- Crisis Psychotherapy by Mobile Crisis Team;
- Crisis Behavior Management and Redirection; and
- Facility-Based Crisis Stabilization

Service descriptions of each component are indicated below.

Crisis Assessment and Management

The crisis assessment is a face-to-face preliminary assessment of risk, mental status and the need for further evaluation or treatment completed by a Licensed Behavioral Health Professional (LBHP). Individuals who require this service may be using substances during the crisis. This service may be provided in 24-hour settings, where individuals experiencing a behavioral health crisis can receive immediate attention, which may include observation. These facilities include:

- 1) Urgent Recovery Centers (URCs), which are freestanding, walk-in psychiatric clinics certified by the ODMHSAS for up to 23 hours and 59 minutes; or
- 2) Emergency Departments (EDs) of a general hospital. Services are not covered in an Institution for Mental Diseases.

Crisis Assessment and Management by Mobile Crisis Team

This service is a crisis assessment and treatment delivered in community settings where the individual lives, works and/or socializes and provided by established mobile crisis teams. Mobile crisis teams are certified by ODMHSAS as part of a Community-Based Structured Crisis Centers (CBSCC) and require a two-person team (LBHP and paraprofessional), for safety.

Crisis Behavior Management and Redirection (Children only)

Crisis Management/behavior redirection intervention services provide a focused intervention and rapid stabilization of acute symptoms of mental illness or emotional distress. The intervention shall be designed to de-escalate situations in which a risk to self, others, or property exists. Services shall assist a member to regain self-control and reestablish effective management of behavioral symptoms associated with a psychological disorder in an age-appropriate manner. (Refer also to definition in OAC 317:30-5-741 (iii)).

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Crisis Intervention Services

Facility-Based Crisis Stabilization

Outpatient psychiatric services provided in a residential setting to a member requiring a period of extended stabilization after the crisis assessment. CBSCCs with 16 beds or fewer provide facility-based crisis stabilization. *No change is proposed to the payment method for this service.*

3. Current methodology and/or rate structure.

Currently, the Medicaid payment rate for crisis intervention (other than facility-based) is \$22 per 15-minute unit, using HCPC H2011. Providers are limited to 8 units (2 hours) and 16 units (4 hours) for mobile crisis teams per month. (The limit is 40 units annually for mobile crisis). Facility-based Crisis Stabilization is billed hourly using the HCPC S9484. These services may be provided to children, adolescents and adults.

4. New methodology or rate.

(a) Assessment and Management – Urgent Recovery Clinic (URC)

The ODMHSAS proposes an encounter fee using a HCPC assessment code for services provided in this setting. Since clinic services paid under the State Plan will be subject to the Medicaid Upper Payment Limit (UPL) requirements based on a comparison of an equivalent CPT code, the proposed rate is based on 100% of 99236 (*Observation or inpatient hospital care for problems of high severity*) for CY2014. No change is proposed at this time to the payment methodology for emergency service provided in outpatient emergency room settings.

(b) Crisis Assessment and Management by Mobile Crisis Team

In CY2013, Medicare created CPT codes for Psychotherapy for Crisis. These codes are 90839 (first 60 minutes) and 90840 (add-on for each additional 30 minutes). The 2013 CPT code manual defines the services that constitute “Psychotherapy for Crisis” as:

An urgent assessment and history of the crisis state

And

A mental status exam

And

Treatment (to include):

o Psychotherapy

o Mobilization of resources to defuse the crisis and restore safety

Implementation of psychotherapeutic interventions to minimize the potential for psychological trauma

And

A disposition

The ODMHSAS proposes to open the new CPT codes for reimbursement of crisis intervention by a mobile crisis team. Payment is proposed at 100% of the CY2014 Medicare Physician fee schedule (MPFS).

(c) Crisis/Behavior Management and Redirection

No change is proposed to the current rates provided in other settings.

State Plan Amendment Rate Committee (SPARC)
 July 30, 2014
 Crisis Intervention Services

The proposed rates for crisis intervention services under the Medicaid State plan are shown in the Table below:

Table 1 Crisis Intervention Services

Description	Location	Proc Code	Mod	Rate	Unit Basis	Coverage
(a) Assessment and Management	URC	H0031	HT	\$209.14	Encounter	Up to 23 hours 59 min
(b) Crisis Psychotherapy	Home or Community, Mobile Crisis Team	90839 90840	HT	\$131.02 \$ 62.86	First 60 minutes; Add-on for ea. add'l 30 min	3 hours per episode
(c) Crisis Behavior Management and Redirection	Behavioral Health Agency, School, TFC Setting	H2011		\$22.00	15 min	1 hour per episode

The difference in the coverage per episode is based on the assumption that individual crisis services in a behavioral health clinic (not a CBSCC) or school are generally less intensive and less complex.

5. Budget estimate.

The Oklahoma Legislature appropriated \$2.5 million in state funds to ODMHSAS in SFY2013 for expanded crisis services. Using these funds, ODMHSAS has awarded contracts to providers throughout the state to implement these services. Based on CY2013 utilization for the existing URC in Oklahoma City and assuming expansion of another URC facility in the Tulsa Metro, the estimated Medicaid budget impact for SFY 2015 will be: \$93,710 total dollars (\$35,328.67 ODMHSAS State Share). The ODMHSAS attests that it has adequate funds to cover the state share of the projected cost of services. The budget impact is neutral to the Oklahoma Health Care Authority.

6. Agency estimated impact on access to care.

This change will increase access to care.

7. Rate or Method change in the form of a motion.

The agency requests the SPARC to approve the new methodology for assessment and management services provided in an Urgent Recovery Clinic, a new methodology for crisis psychotherapy provided by mobile crisis teams as well as the corresponding rates in Table 1 (a) and (b) for crisis intervention.

8. Effective date of change.

January 1, 2015

State Plan Amendment Rate Committee (SPARC)

July 30, 2014

Health Home (HH) Services

1. Is this a “Rate Change” or a “Method Change”?

New rate methodology and corresponding rates

1b. Is this change an increase, decrease, or no impact?

Increase

2. Presentation of issue – Why is change being made?

The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to submit a State Plan Amendment (SPA) for approval of Health Home services. Health Homes is a Medicaid State Plan option for states to coordinate care for people with Medicaid who have chronic conditions. Health home providers will integrate and coordinate all primary, acute and behavioral health and long- term care services and supports to treat the whole person. The target population for Oklahoma is adults with Serious Mental Illness (SMI) and children with Serious Emotional Disturbance (SED).

3. Current methodology and/or rate structure.

There are no current rates for these services.

4. New methodology or rate.

States have flexibility in designing their payment methodologies and may offer alternatives. The State has proposed to CMS Per Member Per Month (PMPM) HH care coordination rates that are all-inclusive of primary care and behavioral health services for each HH enrollee. States cannot duplicate services covered under the Health Home rate. For example, Targeted case management, Medication Training and Peer to Peer Support will no longer be billable if an individual is enrolled in a HH. Outreach and engagement is billable for up to 3 months; and can only be billed once per month.

Table 1 – Proposed Health Home Rates

Population and Level of Service	Urban (PMPM)	Rural (PMPM)
SMI	\$127.35	\$ 146.76
SMI - PACT	\$453.96	\$ 453.96
SED, Wraparound	\$864.82	\$1009.60
SED, Transition or Service Coordination	\$297.08	\$ 345.34
Outreach & Engagement (SMI and SED)	\$53.98	\$53.98

5. Budget estimate.

States receive 90% enhanced Federal Medicaid Assistance Percentage (FMAP) for the specific health home services they provide. The 90% enhanced FMAP is good for the first eight quarters the program is effective. Due to the enhanced FMAP and conversion of currently reimbursable services (i.e. case management, medication training and support, etc.) ODMHSAS estimates the state budget impact for the first 8 quarters to be a savings to ODMHSAS of (\$1.9) million for Year 1 and (\$1.5) million for year 2. The budget impact is neutral to Oklahoma Health Care Authority.

State Plan Amendment Rate Committee (SPARC)

July 30, 2014

Health Home (HH) Services

6. Agency estimated impact on access to care.
These services will increase access to care for adults with SMI and children with SED, ODMHSAS expects 14 – 16 Health Home Providers throughout the State. Budget assumptions were based on 5,909 adults and 473 children (6,382 total individuals) enrolled per month in year 1 and 7,830 adults and 789 children (8,619 total individuals) enrolled per month in year 2.
7. Rate or Method change in the form of a motion.
The agency requests the SPARC to approve the new reimbursement methodology and the corresponding rates in Table 1 for Health Home services.
8. Effective date of change.
January 1, 2015

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Programs of Assertive Community Treatment (PACT)

1. Is this a “Rate Change” or a “Method Change”?

Rate Change

1b. Is this change an increase, decrease, or no impact?

Decrease

2. Presentation of issue – Why is change being made?

PACT teams may also be designated Health Home Providers with the implementation of this program. The current all-inclusive rate for service contacts includes components that could be considered as Health Home services. The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) proposes to reduce the PACT rate for members who are in a Health Home to account for services that could be considered HH services, in order to avoid duplication.

3. Current methodology and/or rate structure.

The current reimbursement methodology for PACT is an all-inclusive rate that covers the following components:

- Assessments;
- Service Planning and Review;
- Medication Training and Administration
- Health Promotion and Wellness;
- Individual and Family Support;
- Referral and Related Activities;
- Psychotherapy;
- Crisis Assessment and intervention;
- Psychiatric Rehabilitation and Assistance with activities of daily living

The current rate, inclusive of all of the services listed above, is \$32.11 per 15-minute unit.

4. New methodology or rate.

The current rate of \$32.11 will be reduced by 25% for any recipient that does not opt-out of Health Homes. In addition, targeted case management will no longer be reimbursable.

5. Budget estimate.

The proposed rate change is budget neutral to both ODMHSAS and the Oklahoma Health Care Authority.

6. Agency estimated impact on access to care.

No impact.

7. Rate or Method change in the form of a motion.

The agency requests the SPARC to approve the proposed recommendation to reduce the PACT rate for recipients enrolled in Health Homes by 25%, resulting in a new rate of \$24.08 for recipients enrolled in Health Homes.

8. Effective date of change.

January 1, 2015

State Plan Amendment Rate Committee (SPARC)
July 30, 2014
Certified Nurse Aide Training Reimbursement

1. Is this a “Rate Change” or a “Method Change”?
This is both a rate change and a method change – This request is to move the payment for Certified Nurse Aide Training from professional services contracts to the agency paying the student trained directly and to change the amount we reimburse for training.
- 1b. Is this change an increase, decrease, or no impact?
Increase – this payment is currently \$721.00. We are proposing to pay no more than \$800.00; payment would be based on what the student paid.
2. Presentation of issue – Why is change being made?
Over the last 6 years of the program we have not shown an increase in certified nursing assistants working in nursing facilities.
3. Current methodology and/or rate structure.
Currently professional services contracts pays for each student trained regardless of their employment in a nursing facility; we pay \$721.00 per student but not all of that is passed on to the student.
4. New methodology or rate.
The change would only reimburse students who complete training and work in a nursing facility for the initial 12 months following the completion of the training. These payments would be on a quarterly basis.
5. Budget estimate.
We hope to reimburse 20 students per year. At the maximum rate of \$800.00 the impact would be \$16,000 total dollars; \$8,000 state dollars at the 50% administrative match.
Previous School Contracts totaled \$1,075,000. Less the proposed \$16,000 total dollars would mean a total net dollar savings of \$1,059,000 or a total net state dollar savings of \$529,500.
6. Agency estimated impact on access to care.
No impact on access but we hope to increase trained nurses aides working in nursing facilities which will increase quality of care.
7. Rate or Method change in the form of a motion.
The agency requests the State Plan Amendment Rate Committee to approve a rate and method change for the reimbursement for Certified Nurse Aide training from a pre-paid reimbursement to a student reimbursement which would follow current federal guidelines.
8. Effective date of change.
August 13, 2014