

Proposed rules Summary and Rational:

The Health Resources Division is proposing amendments to ARM 37.81.304 pertaining to the Big Sky Rx premium assistance benefit, 37.83.812, 37.86.1005, 37.86.1006, 37.86.1101, 37.86.1105, 37.86.1802, 37.86.1807, and 37.86.2207 pertaining to Medicaid definitions, reimbursement and coverage limits. The proposed rule change is necessary to update the Big Sky Rx benefit to match the regional benchmark, to eliminate chiropractic care benefit for Qualified Medicare Beneficiaries, establish a Medicaid resource based fee schedule for orthodontics, define and reinstate the FMAC into the pharmacy pricing algorithm, to properly cite Medicare policy for durable medical equipment and associated fee schedule and to properly cite the fee schedule for school based services.

In addition, the department expects to implement rules as necessary to implement the Affordable Care Act requirements related to Healthcare Acquired Conditions. The act includes a provision that brings Medicaid policy fully in line with Medicare and other payers in this regard. Effective July 2011, States will no longer receive medical assistance payments for HCACs. In addition, Serious reportable events (commonly referred to as Never Events) such as surgery on the wrong body part, surgery on the wrong patient or the wrong surgery on a patient will also no longer be eligible for medical assistance payments.

Specifically:

The amendment to ARM 37.81.304 "AMOUNT OF THE BIG SKY RX BENEFIT" (1) changes the maximum premium assistance amount from \$37.55 to \$37.47 to reflect the regional low income subsidy benchmark effective January 1, 2011 and;

Rescinds ARM 37.83.812 "QUALIFIED MEDICARE BENEFICIARIES, PAYMENT FOR CHIROPRACTIC SERVICES AS MEDICARE SERVICES NOT COVERED BY FULL MEDICAID" to consistently reflect the Medicaid policy of not paying healthcare services for Qualified Medicare Beneficiaries and;

The amendment to ARM 37.86.1005 "DENTAL SERVICES, REIMBURSEMENT" (4) clarifies denture reimbursement criteria and (7) removes the percent of billed charges reimbursement methodology for orthodontics and the percent of up-front payment for the application of appliances and;

The amendment to ARM 37.86.1006 "DENTAL SERVICES, COVERED PROCEDURES" (4) establishes limits for porcelain fused crowns, (9) clarifies coverage for all dentures and clarifies dental prescription requirements and;

The amendment to ARM 37.86.1101 "OUTPATIENT DRUGS, DEFINITIONS" (5) defines federal maximum allowable cost and rennumbers the section (6) through (10) and;

The amendment to ARM 37.86.1105 "OUTPATIENT DRUGS, REIMBURSEMENT" (1) returns the federal maximum allowable cost into the Department's pricing algorithm which was inadvertently removed when the Department established the ARM for a state maximum allowable cost and;

The amendment to ARM 37.86.1802 "PROSTHETIC DEVICES, DURABLE MEDICAL EQUIPMENT, AND MEDICAL SUPPLIES, GENERAL REQUIREMENTS" (2), 2(a) and 2(b) updates the reference to the current Medicare Supplier Manual, Medicare's local and national coverage determinations and policy articles to January 2011 and;

The amendment to ARM 37.86.1807 "PROSTHETIC DEVICES, DURABLE MEDICAL EQUIPMENT,

AND MEDICAL SUPPLIES, FEE SCHEDULE” changes the fee schedule date in (2) from January 2010 to January 2011;

The amendment to ARM 37.86.2207 “EARLY AND PERIODIC SCREENING, DIAGNOSTIC AND TREATMENT (EPSDT) SERVICES, REIMBURSEMENT” changes the school-based health services fee schedule date in (9) from October 2010 to January 2011 and;

The creation of Administrative Rules for Never Events and Healthcare Acquired Conditions will be effective July 1, 2011.

These changes are necessary to update the fee schedule dates and update reimbursement rules to reflect current policy are to clarify the Department’s policies for better understanding by providers and the public.

Rules that needed an effective date of January 1 2011 were identified either because of fee schedule expiration or because of updated references were identified. Additional rules for clarification or housekeeping have been included based on feedback from various sources such as CMS, new relative values or through routine course of business where weaknesses have been identified.

The financial impact of HCAC’s was estimated with the implementation of the APR-DRG system and is not expected to be material.

Implemented Rule Changes Summary and Rationale:

The Health Resources Division amended to ARM 37.86.805, 37.86.1506, 37.86.2105, 37.86.2207, 37.86.2224, 37.86.2405, 37.86.2505 and 37.86.2605 pertaining to Medicaid reimbursement. The proposed rule change is necessary to update the effective date of the Department’s Medicaid fee schedules, RBRVS rates, update the appropriate dispensing fees for pharmacy providers and to appropriately associate the ARM definition of a serious emotional disturbance.

Specifically:

The amendment to ARM 37.86.805 “HEARING AID SERVICES, REIMBURSEMENT” changes the fee schedule date in (1) from July 2009 to July 2010 and;

The amendment to ARM 37.86.1506 “HOME INFUSION THERAPY SERVICES, REIMBURSEMENT” changes the fee schedule date in (1) from July 2009 to July 2010 and;

The amendment to ARM 37.86.2105 “EYEGLASSES, REIMBURSEMENT” changes the fee schedule date in (3) from July 2009 to July 2010 and;

The amendment to ARM 37.86.2207 “EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT SERVICES (EPSDT), REIMBURSEMENT” changes the fee schedule date in (2) from July 2009 to July 2010 for private duty nursing services and nutrition and;

The amendment to ARM 37.86.2207 "EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT SERVICES (EPSDT), REIMBURSEMENT" changes the fee schedule date in (9) October 2009 to October 2010 for school based services, and;

The amendment to ARM 37.86.2224 "EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT SERVICES (EPSDT), COMPREHENSIVE SCHOOL AND COMMUNITY TREATMENT (CSCT)" changes the reference SED definition reference from 37.86.3702(2) to 37.87.303(1).

The amendment to ARM 37.86.2405 "TRANSPORTATION AND PER DIEM, REIMBURSEMENT" changes the fee schedule date in (2) from July 2009 to July 2010 and;

The amendment to ARM 37.86.2505 "SPECIALIZED NONEMERGENCY MEDICAL TRANSPORTATION AND PER DIEM, REIMBURSEMENT" changes the fee schedule date in (2) from July 2009 to July 2010 and;

The amendment to ARM 37.86.2605 "AMBULANCE SERVICES, REIMBURSEMENT" changes the fee schedule date in (2) from July 2009 to July 2010 and;

The amendment of ARM 37.86.212 "RESOURCE BASED RELATIVE VALUE SCALE (RBRVS) REIMBURSEMENT FOR SPECIFIED PROVIDER TYPES "and changes the fee schedule date from July 2009 to July 2010 and;

The changes to the following rules are expected to have no fiscal impact to the department and no material effects on Medicaid recipients or Medicaid providers. Fee schedule dates are being changed in rule to properly refer to the most recent fee schedule available.

SFY 2011 PROGRAM

37.86.805 Hearing Aid Services;
37.86.1506 Home Infusion Therapy Services;
37.86.2207 EPSDT: Private Duty Nursing;
37.86.2207 EPSDT: Nutrition;
37.86.2405 Transportation and Per Diem;
37.86.2605 Ambulance Services;
37.86.2105(3) Eyeglass program
37.86.2207(9) EPSDT School-based services
37.86.2505 Specialized Non-Emergency Medical Transportation and Per Diem

The proposed rule changes could affect an estimated 81,920 Medicaid recipients and the following number of providers listed by program: 48 hearing aid providers; 265 pharmacy providers; 11 home infusion therapy providers; 169 optometric providers; 12 private duty nursing providers; 7 nutrition providers; 19 EPSDT mental health providers; 229 school-based services providers; 17 transportation providers; 107 ambulance providers; 8000 physicians, 1800 midlevel practitioners: and 262 inpatient hospital providers.