



Division of Medical Services
Program Development & Quality Assurance

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TO: Arkansas Medicaid Health Care Providers – Physician/Independent
Lab/CRNA/Radiation Therapy Center

DATE: January 1, 2013

SUBJECT: Provider Manual Update Transmittal PHYSICN-3-13

Table with columns: REMOVE Section, Date, INSERT Section, Date. Row 1: Section, Date, 272.011, 1-1-13

Explanation of Updates

Section 272.011 is added to describe eligibility and reimbursement requirements for Arkansas Medicaid providers who qualify for supplemental payments for primary care services.

The paper version of this update transmittal includes revised pages that may be filed in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

If you have questions regarding this transmittal, please contact the HP Enterprise Services Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

If you need this material in an alternative format, such as large print, please contact the Program Development and Quality Assurance Unit at 501-320-6429.

Arkansas Medicaid provider manuals (including update transmittals), official notices, notices of rule making and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: www.medicaid.state.ar.us.

Thank you for your participation in the Arkansas Medicaid Program.

Handwritten signature of Andrew Allison, PhD
Director

272.011 Primary Care Reimbursement**1-1-13**

Federal Law 42 CFR 447.405, 447.410 and 447.415 requires state Medicaid agencies to provide supplemental payments to certain physician specialties for primary care services. These services are identified as Evaluation and Management (CPT[®]) codes and administration for vaccines and toxoids in the Vaccines for Children Program, which are currently covered under Arkansas Medicaid. These supplemental payments are only for dates of service on or after January 1, 2013 through December 31, 2014.

A. Reimbursement

Arkansas Medicaid reimbursement amounts will be determined based upon the **difference** between Medicare Part B rates Medicare Physician Fee Schedule (MPFS) for January 2009 OR 2013 and 2014 respectively (whichever is larger), and the Arkansas Medicaid rates, on a code by code basis. The provider will be reimbursed a lump sum on a quarterly basis. The supplemental payments will begin for dates of service on and after January 1, 2013 through December 31, 2014. Payments may be excluded under Section 5501 of the Affordable Care Act if providers are currently receiving payment at or above the applicable 2013 and 2014 Medicare fee schedule amounts.

B. Eligible Providers

1. These supplemental payments apply to primary care services provided by physicians with a specialty designation of family medicine, general internal medicine or pediatric medicine. Sub-specialists within the specialty designations of family medicine, general internal medicine and pediatric medicine as recognized by the American Board of Medical Specialties, American Osteopathic Association and the American Board of Physician Specialists will be eligible for supplemental reimbursement. Primary care services delivered at Federally Qualified Health Centers (FQHCs) and Rural Health Clinics **are not** eligible for the supplemental payments.
2. To be eligible, providers must self-attest that they are board certified in the above listed specialties, or if not board certified, at least sixty percent (60%) of the services billed by the physician for calendar year 2012 must be for primary care Evaluation and Management (CPT[®]) codes and vaccine administration codes under the Vaccines for Children program currently covered by Arkansas Medicaid. Arkansas Medicaid claims data will be reviewed to ensure the sixty percent (60%) threshold is met.
3. For newly enrolled non-board certified physicians, claims data from calendar year 2013 will be reviewed retrospectively to ensure eligibility criteria are met before continuing the supplemental payments for 2014. If the retrospective review indicates that eligibility criteria have not been met, the supplemental payments made during 2013 will be recouped.
4. Providers who are currently enrolled in Arkansas Medicaid and have a provider participation agreement on file with the Arkansas Medicaid Provider Enrollment Unit can attest they meet the eligibility requirements for the primary care supplemental payments by completing the **Primary Care Physicians' Certification & Attestation application through the web portal at <https://www.medicaid.state.ar.us/InternetSolution/Provider/Provider.aspx>** or by contacting the Provider Enrollment Unit to obtain a paper copy of the **Primary Care Physicians' Certification & Attestation application**.
5. Redetermination of provider eligibility will be reviewed on an annual basis, so providers will be asked to attest annually.
6. If the condition of eligibility to receive the supplemental payment is not met, the payment will not be made.

7. Arkansas Medicaid under the authority of sections 1902(a) (4) and 1903 (i) (2) and 1909 of the Social Security Act Subpart A can implement investigation and, depending on the findings, recoup Arkansas Medicaid provider payments.

5. Physicians' Services

Increased Primary Care Service Payment 42 CFR 447.405, 447.410, 447.415

Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment

The state reimburses for services provided by physicians meeting the requirements of 42 CFR 447.400(a) at the Medicare Part B fee schedule rate using the Medicare physician fee schedule rate in effect in calendar years 2013 and 2014 or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor. If there is no applicable rate established by Medicare, the state uses the rate specified in a fee schedule established and announced by CMS.

- The rates reflect all Medicare site of service and locality adjustments.
- The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.
- The rates reflect all Medicare geographic/locality adjustments.
- The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code: _____

Method of Payment

- The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: monthly quarterly

Primary Care Services Affected by this Payment Methodology

- This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.

5. Physicians' Services (continued)

Primary Care Services Affected by this Payment Methodology (Continued)

The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes).

<u>99224</u>	<u>99225</u>	<u>99226</u>	<u>99315</u>	<u>99316</u>	<u>99344</u>	<u>99345</u>	<u>99350</u>
<u>99358</u>	<u>99359</u>	<u>99374</u>	<u>99375</u>	<u>99378</u>	<u>99379</u>	<u>99380</u>	<u>99382</u>
<u>99383</u>	<u>99384</u>	<u>99385</u>	<u>99386</u>	<u>99387</u>	<u>99391</u>	<u>99392</u>	<u>99393</u>
<u>99394</u>	<u>99395</u>	<u>99396</u>	<u>99397</u>	<u>99401</u>	<u>99403</u>	<u>99404</u>	<u>99406</u>
<u>99407</u>	<u>99411</u>	<u>99412</u>	<u>99420</u>	<u>99429</u>	<u>99450</u>	<u>99455</u>	<u>99456</u>
<u>99499</u>							

The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

Physician Services – Vaccine Administration

For calendar years (CYs) 2013 and 2014, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the Medicare rate in effect in CYs 2013 and 2014 or, if higher, the rate using the CY 2009 conversion factor.

- Medicare Physician Fee Schedule rate
- State regional maximum administration fee set by the Vaccines for Children program
- Rate using the CY 2009 conversion factor

Documentation of Vaccine Administration Rates in Effect 7/1/09

The state uses one of the following methodologies to impute the payment rate in effect at 7/1/09 for code 90460, which was introduced in 2011 as a successor billing code for billing codes 90465 and 90471.

- The imputed rate in effect at 7/1/09 for code 90460 equals the rate in effect at 7/1/09 for billing codes 90465 and 90471 times their respective claims volume for a 12 month period which encompasses July 1, 2009. Using this methodology, the imputed rate in effect for code 90460 at 7/1/09 is: _____.
- A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is: \$9.56.

5. Physicians' Services (continued)

Documentation of Vaccine Administration Rates in Effect 7/1/09 (continued)

Alternative methodology to calculate the vaccine administration rate in effect 7/1/09: _____

Note: This section contains a description of the state's methodology and specifies the affected billing codes.

Effective Date of Payment

E & M Services

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014. All rates, excluding the Medicare rates on which these supplemental quarterly payments are based, are published at the agency's website, (<https://www.medicaid.state.ar.us/>).

Vaccine Administration

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014. All rates, excluding the Medicare rates on which these supplemental quarterly payments are based, are published at the agency's website, (<https://www.medicaid.state.ar.us/>).

PRA Disclosure Statement

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