



Health Resources Division

# Montana Medicaid Update

Healthcare Financial Management Association

April 18, 2018

1:45-2:30 PM

# Agenda

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- Introductions
- General Updates
- Budget Reductions
  - SB261 – Effective January 1, 2018
  - 2017 Special Session – Effective March 1 or April 1, 2018
- Prior Authorizations or Code Criteria
- Incarcerated Medicaid Members
- Housekeeping – Reminders about Medicaid
- Contact Information

# Introductions

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- Lee Rhodes – Bureau Chief
- Katie Hawkins – Hospital Section Supervisor
- Valerie St. Clair – Hospital Program Officer

# General Updates

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- Hospital Tax
  - 1<sup>st</sup> payment: March 2018
    - No greater than 75% of the UPL
  - 2<sup>nd</sup> payment anticipated: late spring to early summer
    - Negotiations necessary with CMS
- Graduate Medical Education
  - Negotiating state plan with CMS

# Budget Reductions – SB261 Inpatient Hospitals

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## Effective January 1, 2018 (Date of Service)

- Base rate reduced to \$5,263
- Implementation of 0.9 Adult APR-DRG Policy Adjustor
  - Posted APR-DRG Calculator lists the Adult APR-DRGs
- Cost Outlier Threshold Increased to \$75,000
- Implemented APR-DRG Grouper Version 34
- **NO** changes to pediatric mental health, normal newborns, and neonates

# Budget Reductions – SB261 Outpatient Hospitals

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## Effective January 1, 2018 (Date of Service)

- Conversion Factor for Outpatient Service reduced to \$54.95
- Reductions applied to clinical diagnostic laboratory services.
  - 58.206% for a birthing center or where a hospital laboratory acts as an independent laboratory (performs tests for persons who are nonhospital patients);
  - 60.1462% for a hospital designated as a sole community hospital (defined in ARM 37.86.2901)
  - 58.206% for a hospital not designated as a sole community hospital (defined in ARM 37.86.2901)

# Budget Reductions – SB261 Critical Access Hospital

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## Effective January 1, 2018 (Date of Service)

- Critical Access Hospitals cost settled at 97.98% of allowable costs.
- Interim reimbursement is the hospital specific cost-to-charge ratio, less 2.99%, not to exceed 100%
  - Example:
    - Hospital Specific Cost to Charge: 97%
    - Interim reimbursement:  $0.97 \times (1 - 0.0299) = 0.941$  (94.1%)
- When Critical Access Hospitals have cost reporting periods overlapping the change in final cost settlement percentages (97.98% vs 101%), the department will apply the cost settlement percentage based on when services were provided.
  - Example:
    - Cost reporting period: 07/01/2017 – 06/30/2018
      - Cost settlement: 07/01/2017 – 12/31/2017 Dates of Service = 101% cost settlement
      - 01/01/2018 – 06/30/2018 Dates of Service = 97.98% cost settlement

# Budget Reductions – 2017 Special Session

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## Effective March 1, 2018 (Date of Service)

- Inpatient base rate reduced to \$5,000.
- Outpatient services conversion factor reduced to \$49.46
- Elimination of Provider Based Entity status
  - A detailed provider notice was posted in February.
- Dental package eliminates high cost and extensive dental procedures for adults.



# Budget Reductions – 2017 Special Session

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## Effective April 1, 2018 – Passport and Health Improvement Program Changes

- Passport Eligibility requirements modified
  - Members eligible through Pregnancy Medicaid or the Breast and Cervical Cancer program are excluded from Passport
- Passport Reimbursement changes
  - \$3.00 per enrollee per month for individuals categorically eligible for Aged, Blind, Disabled and Medically Frail Medicaid; or
  - \$1.00 per enrollee per month for all others who are members of Passport eligible populations
- Health Improvement Program repealed

# Prior Authorization – Physician Admin Drugs

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## Physician Administered Drugs

- Criteria published to the Medicaid provider prior authorization page
  - [Medicaidprovider.mt.gov/priorauthorization](https://medicaidprovider.mt.gov/priorauthorization)
  - Drugs are added to the list as necessary. Check your fee schedule **and** provider notices.
- Key Tips
  - Know the NPI of the provider submitting the claim
    - If the claim is to be submitted on a UB-04, know the facility's NPI
    - If the claim is to be submitted on a CMS-1500, know the group clinic or provider's NPI
  - Prior Authorization is drug specific. If the drug is billed on an unlisted code, prior authorization is still required
  - Understand the criteria prior to submission
  - Use the correct form – pharmacy prior authorization form will not work
- Timeline is generally within two to three business days
  - May take longer depending on case (have seen requests take up to 10 days)

# Criteria - Radiology

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## Radiology

- InterQual criteria applies to CT of the Head and MRI of the Brain
- Claims system set up to authorize based on a list of approved diagnosis codes
  - CMS 1500 – Diagnosis pointer is essential for proper processing
  - UB-04 – System being updated to handle appropriately
    - Claims will be mass adjusted to follow criteria
- Headache as a primary diagnosis **requires** prior authorization
- Denied claims may be clinically reviewed by Mountain Pacific Quality Health
  - Send only if you believe InterQual criteria has been satisfied
- Department will monitor and phase in additional codes

# Incarcerated Members

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- Members incarcerated in a local, city, or county jail or federal prison not eligible for Medicaid services
  - Exception: Inpatient stay greater than 24 hours
- Members taken to jail first, then to the hospital are considered incarcerated and are not eligible for Medicaid benefits
  - If members are taken to the hospital first and then to jail Medicaid is still active
- Eligibility not ideal but we are working through it with providers
- For questions related to Department of Correction billing (non-inpatient claims) contact:
  - Sherri Monson 444-7843 (Offenders with last names beginning with A-L)
  - Jaymie Larsen 444-9647 (Offenders with last names beginning with M-Z)
  - Emails can be sent to [corbilling@mt.gov](mailto:corbilling@mt.gov)
  - Faxes can be sent to 406-444-9550

# Housekeeping

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## Legal Name Change

- Ensure Conduent has official W9 for legal name change to display in system

## Rebate Considerations

- Rebateable NDCs must be utilized for Medicaid reimbursement
- NDC billed to Medicaid must be the NDC given to member

## Interested Party List

- To ensure you/your facility are notified of rule changes affecting Medicaid, contact [dphhslegal@mt.gov](mailto:dphhslegal@mt.gov)

## Check the website for notices

- Provider notices are posted frequently with important information for providers

## Provider Fair no longer in person

- Webex information posted to provider webpage

## Present on Admission Indicators

- Not required for Critical Access Hospitals or designated Long Term Acute Care facilities.

# Questions

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# Contact Information

Name	Title	Email	Phone
Lee Rhodes	Bureau Chief	lrhodes@mt.gov	444-3634
Katie Hawkins	Hospital Section Supervisor	khawkins@mt.gov	444-0965
Valerie St Clair	Hospital Program Officer	vstclair@mt.gov	444-4834
Kriston Lowe	Drug Rebate Specialist	klowe@mt.gov	444-3457

Contact Name	Purpose	Phone	Fax
Provider Relations - Conduent	General claim, enrollment, and eligibility questions	1 (800) 624-3958	1 (406) 442-4402
Mountain Pacific Quality Health	Prior Authorizations	1 (811) 443-4021 (Toll-free)	1 (877) 443-2580
Sheri Munson (A-L) Jaymie Larson (M-Z)	Department of Correction claims (Non-inpatient)	1 (406) 444-7843 1 (406) 444-9647	1 (406) 444-9550

# Important Links

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- <http://medicaidprovider.mt.gov>
  - Main page for Medicaid Provider Information
  - Left panel leads to individual provider pages
    - Fee schedules
    - Provider Notices
- <http://medicaidprovider.mt.gov/forms>
  - Prior authorization, adjustment, sterilization, hysterectomy forms, etc
- <http://medicaidprovider.mt.gov/priorauthorization>
  - Prior authorization information
  - Criteria for physician administered drugs
- <http://mtrules.org>
  - Secretary of State website containing all Administrative Rules of Montana