

ND Medicaid Program

Most North Dakota Medicaid providers (listed below) will receive a two percent inflationary increase in reimbursement effective for dates of services July 1, 2019 as authorized and appropriated by the 2019 Legislative Assembly. The two percent inflationary increase is estimated to cost \$25.6 million for a 12-month period.

Fee schedules for services are on the Department of Human Services website at: <http://www.nd.gov/dhs/services/medicalserv/medicaid/provider-fee-schedules.html>

The following Medicaid providers/services are provided an inflationary increase.

- Home Health Services
- Chiropractic Services
- Providers of Services through the ND 1915(c) Medicaid Waivers
- Rehabilitative Services
- Personal Care Services (Community Services and Basic Care Facilities)
- Intermediate Care Facilities
- Durable Medical Equipment (except for those services impacted by Section 5002 of the 21st Century Cures Act)
- Anesthesia
- Ambulance Services
- Clinic Services
- Targeted Case Management Services
- Substance Use Disorder Treatment Services
- Ambulatory Surgical Centers
- Rural Health Clinics and Federally Qualified Health Centers using an Alternate Payment Methodology
- Inpatient and Outpatient Hospital Services (PPS, Per Diem, and Long-Term Care)
- Non-Emergency Medical Transportation (except for private vehicle mileage and lodging)
- Providers reimbursed from the Professional Services Fee Schedule
- Dental Services
- Vaccine Administrations
- Autism Spectrum Disorder Services

In addition to the above inflationary increases, there will also be the following provider rate changes, effective on or after July 1, 2019:

In addition to the two-percent inflationary increase and consistent with Medicaid State Plan Authority, for services paid from the North Dakota Professional Services Fee Schedule, the posted fee schedule, effective for dates of service on or after July 1, 2019, will account for annual cost neutral adjustments to the North Dakota Medicaid conversion factor made to reflect updates to the Medicare RVUs and utilization changes. The Medical Services Division continues annual review of Medicaid fee schedules; and this review results in codes previously maintained on separate fee schedules to be moved to have fees established using the Medicare Resource Based Relative Value Scale pricing methodology.

Effective on or after July 1, 2019, the Department will recalculate the number of licensed intermediate care facility beds and provide the information to the North Dakota Tax Department. Based on the number of beds, the amount of assessment paid by the intermediate care facilities may increase or decrease; and such increase or decrease will be reflected in the daily rate paid to the private intermediate care facilities. For State Fiscal Year 2020, the assessment amount is estimated to be \$50 per licensed bed lower than the previous State Fiscal Year. This change is estimated to save \$127,000 for the 12-month period.

The Medicaid Fee schedule for services provided by physical therapists, occupational therapists, and speech therapists will be increased to equal the professional services fee schedule. Previously these provider groups were paid seventy-five percent of the professional services fee schedule. This increase was approved by the 2019 Legislative Assembly and is estimated to cost \$1.65 million for the 12-month period.

Effective for dates of service on or after July 1, 2019, ND Medicaid will be amending the State Plan to clarify the reimbursement methodology for out-of-state rehabilitation and psychiatric hospitals. There is no estimated fiscal impact expected for a 12-month period.

In accordance with state plan authority, effective for dates of service on or after August 1, 2019, the Medicaid Fee Schedule for vaccines will be updated will account for annual adjustments to the Average Sales Price or Wholesale Acquisition Cost. The update is expected to have a minimal fiscal impact.

An increase in the capitated monthly rate paid for the Program for All Inclusive Care of the Elderly (PACE) is estimated to cost \$1.5 million for the 12-month period.

Effective for dates of service on or after July 1, 2019, ND Medicaid will be amending the State plan to allow selective 340B contract pharmacies to carve-in to North Dakota's current coverage outlined in the State plan. There is no estimated fiscal impact expected for a 12-month period.

Effective for dates of service on or after July 1, 2019, ND Medicaid will be adding coverage of the following dental code for teledentistry, CDT Code D9995. The estimated fiscal impact expected for a 12-month period is \$10,000.

In accordance with state plan authority, effective for dates of service on or after July 1, 2019, the rate paid for non-commercial, passenger vehicle non-emergency medical transportation mileage will be adjusted to reflect limits established by the North Dakota Legislature. The adjustment is expected to have a minimal fiscal impact.

In accordance with state plan authority, effective for dates of service on or after July 1, 2019, the rate paid for meals will be increased to an amount that will not exceed the limits established by the North Dakota Legislature. The adjustment is expected to have a minimal fiscal impact.

In accordance with state plan authority, payment for clinic services, targeted case management and rehabilitative services provided by state-government providers is based on the cost of delivery of the service. Effective for dates of service on or after July 1, 2019, the estimated cost of delivery of the services is expected to increase by no more than 2.6%, in the aggregate. This is estimated to cost approximately \$1.5 million for the 12-month period.

Effective on or after July 1, 2019, North Dakota Medicaid intends to submit a state plan amendment to implement new payment levels for services provided to individuals identified as medically involved and medically intense and receiving services in a licensed intermediate care facility. The estimated impact for a 12-month period is \$1.5 million.

ND Medicaid follows the National Correct Coding Initiative (NCCI) Edits. These edits were developed by the Centers for Medicare and Medicaid Services (CMS) based on coding conventions defined in the American Medical Association's Correct Procedure Terminology Manual, national and local policies and edits, coding guidelines developed by national societies, analysis of standard medical and surgical practices, and a review of current coding practices. CMS annually updates the National Correct Coding Initiative Coding Policy Manual.

Effective on or after October 1, 2019, in accordance with existing Medicaid state plan authority, annual cost information will be collected from dental clinic providers. This is estimated to have a minimal fiscal impact.

The supplemental payment for State Fiscal Year 2020 will be continued for critical access hospitals; the estimated cost is \$1.2 million for the 12-month period.

On or after July 1, 2019, the capitated monthly rate for Medicaid Expansion may be adjusted to reflect consistent levels of reimbursement methodology as approved by the 2019 Legislative Assembly, based on actuarial certification of the rates and Sanford Health Plan acceptance of those rates, and is expected to have a minimal fiscal impact.

Effective for dates of service on or after October 1, 2019, ND Medicaid plans to submit updates to state plans for Targeted Case Management for the following targeted groups: Individuals with a Serious Mental Illness and Individuals with a Serious Emotional Disturbance. The updates to the state plan will be to expand who may enroll to provide Targeted Case Management. Currently, only individuals employed by Tribes and Human Service Centers may enroll to provide Targeted Case Management to these populations. The estimated impact for a 12-month period is \$3.5 million.

Comments can be sent to and viewed at: Medical Services Division Room 309, ND Department of Human Services, 600 E Boulevard Ave Dept 325, Bismarck, ND 58505-0250. Questions may be directed to the local county social service office, or individuals may contact the ND Medicaid Program at 1-800-755-2604.

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