

Web address: <http://health.utah.gov/medicaid>

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World Wide Web: <http://health.utah.gov/medicaid>

### Medicaid Information

- Salt Lake City area, call 538-6155.
- In Utah, Idaho, Wyoming, Colorado, New Mexico, Arizona and Nevada, call toll-free 1-800-662-9651.
- From other states, call 1-801-538-6155.

### Requesting a Medicaid publication?

Send a Publication Request Form.

- by FAX: 1-801-536-0476
- by mail to: Division Of Health Care Financing  
Box 143106, Salt Lake City UT 84114-3106

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## 08- 95 Medicaid Services Affected By Budget Cuts

### Traditional and Non-Traditional Medicaid Programs Only

These changes are needed for budget reductions due to revenue shortfalls.

Effective November 1, 2008, the following services have been eliminated for all non-pregnant adults on **Traditional Medicaid**:

- Audiology and Hearing Services
- Physical Therapy and Occupational Therapy when provided by Independent Therapist or Group Practices, a Rehabilitation Center, or through Home Health Services
- Speech and Language Services, including those provided through Home Health
- Eyeglasses, lenses, and contact lenses
- Chiropractic Services

An exception will be made for individuals whose primary coverage is through Medicare Part B, only when Medicare Part B has covered the service. Medicare will still submit the claim to Medicaid as a crossover claim.

Effective November 1, 2008, the following services are no longer a benefit of **Non-Traditional Medicaid**:

- Audiology and Hearing Services
- Physical Therapy and Occupational Therapy when provided by Independent Therapist or Group Practices, a Rehabilitation Center, or through Home Health Services
- Speech and Language Services, including those provided through Home Health
- Chiropractic Services

An exception will be made for individuals whose primary coverage is through Medicare Part B, only when Medicare Part B has covered the service. Medicare will still submit the claim to Medicaid as a crossover claim.

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## 08 - 96 Never Events - Inpatient Hospital

Recently, the Centers for Medicare & Medicaid Services (CMS) announced that it is investigating ways that Medicare can help to reduce or eliminate the occurrence of “never events” – serious and costly errors in the provision of health care services that should never happen. “Never events,” like surgery on the wrong body part or mismatched blood transfusion, cause serious injury or death to beneficiaries, and result in increased costs to the Medicare program to treat the consequences of the error.

Effective October 1, 2008, Utah Medicaid has adopted the policy of CMS for “never events” for Medicare crossover patients. Providers must submit the Present on Admission (POA) indicator for each diagnosis. All inpatient hospital Medicare crossover claims will not be paid if the diagnosis indicates a “never event” by any one of the diagnoses on the claim.

The Hospital Provider Manual, Section 4, Non-Covered Services, item 27 has been added to explain adverse events or “never events” are non-covered in Medicare crossover patients. A Never Event Diagnosis List has been added to the attachments section.

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**08 - 97 Elimination of PCN Inpatient Specialty Care**

The Division of Health Care Financing operates the Primary Care Network (PCN) for qualified adults, ages 19-64. Although PCN benefits do not include inpatient stays, the program has paid specialty care physicians in the past when they saw PCN clients during an inpatient stay.

Effective immediately, PCN will no longer pay physicians for services rendered to PCN clients during an inpatient stay. This change is needed for budget reductions due to revenue shortfalls.

The estimated annual fiscal impact of this action is a budget reduction of \$500,000.

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**08 - 98 Hospital Outlier Payment Adjustment Factor Reduction**

Reimbursement for urban hospital outlier claims will be adjusted to reflect the lowering of the outlier payment adjustment factor from 80.00% to 77.85% effective for discharges occurring on or after October 4, 2008. This is the factor used to pay Diagnostic Related Group (DRG) claims that reach outlier status.

The estimated annual fiscal impact of this action is reduced payments to hospitals of \$2,150,000.

This change is needed for budget reductions due to revenue shortfalls.

All rate changes are posted to the web and can be viewed at: <http://health.utah.gov/medicaid/stplan/bcrp.htm> .

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**08 - 99 Medicaid Rate Changes**

Effective October 1, 2008, Utah Medicaid adjusted its rates consistent with approved methodologies. Rate adjustments include new codes priced consistent with approved Medicaid methodologies as well as potential adjustments to existing codes, and nursing home rate changes to case mix components consistent with adopted payment methodology.

Rate changes also include a rollback of the July 1, 2008, inflation increases and other reductions. The following providers will be directly impacted by these mandated reductions and the annual estimated fiscal impact is as follows:

Case Management (\$57,900), Community IMR (\$544,700), Dental Services (\$649,100), Home Health (\$241,700), Hospice (\$265,400), Inpatient Hospital (\$5,575,300), Inpatient Hospital - Mental Health (\$611,800), Inpatient Hospital - Non-Seeded GME (\$166,100), Interpretive Services (\$6,400), Kidney Dialysis (\$30,600), Lab and Radiology (\$33,700), Medical Supplies (\$218,500), Medical Transportation (\$132,700), New Choices Waiver (\$316,600), Nursing Facilities (\$2,507,800), Occupational Therapy (\$1,200), Other Services (\$800), Personal Care (\$26,400), Physical Therapy (\$7,500), Psychology Services (\$1,500), Speech and Hearing (\$9,800), Utah Premium Partnership (\$15,600).

This change is needed for budget reductions due to revenue shortfalls.

All rate changes are posted to the web and can be viewed at: <http://health.utah.gov/medicaid/stplan/bcrp.htm> .

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**08 - 100 Crossover Claim Reimbursement Limits**

The Division of Health Care Financing is submitting changes to the Medicaid State Plan, Attachment 4.19-B, 08-015-UT - Crossover Reimbursement Limits. This change is needed for budget reductions due to revenue shortfalls.

Reimbursement for crossover claims will be limited to the Medicaid fee schedule for all types of services.

These are estimated to have an annual fiscal impact reduction of approximately \$7,020,000.

This proposed change, if approved, becomes effective on November 1, 2008.

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**08 - 101 Home Health**

Effective November 1, 2008, physical therapy, occupational therapy, and speech therapy will no longer be available through home health. Exceptions will only be considered for medical necessity on a case by case basis for children under EPSDT and pregnant women.

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**08 - 102 Physical Therapy**

As outlined in the Physician Services Provider Manual, physical therapy is a conservative treatment requirement in several current policies for prior approval of imaging or surgical services. Since there has been a change to no longer cover physical therapy in a free standing facility, the policy requirements for physical therapy will require modifications.

1. A physical therapy assessment must be obtained through an outpatient hospital physical therapy provider. This physical therapy assessment must include patient teaching of home physical therapy exercises.
2. The patient will be responsible for completing the home exercise program over the period of time designated in policy for physical therapy exercise. The patient must keep a log of their activities.
3. The physician requesting the imaging or surgical service, which requires a physical therapy course, must monitor the patient for compliance with the exercise program. A final evaluation of the progress found during the course of the exercise program must be submitted with the documentation for the requested imaging or surgical procedure authorization.

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