

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

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11 - 82 Hospital Payments

Effective September 1, 2011, Utah Medicaid will change its reimbursement methodology for hospital outpatient services per legislative directive to Medicare's payment methodology. The new payment methodology will be effective for end-dates-of-service on or after September 1, 2011. The new payment methodology will include Outpatient Prospective Payment System (OPPS) Hospitals and Critical Access Hospitals.

1. OPPS Hospitals will be paid per applicable APC, Medicare fee-schedule, or reasonable cost method (reasonable cost will be paid using the facility-specific cost-to-charge (CCR) multiplied by the line-item billed charge).
 - a. The CCR used will be the Medicare CCR calculated from the most recently filed Medicare Cost Report until such time as a Medicaid CCR is calculated for the hospital.
 - b. Services not priced using OPPS or CAH methodology will be based on the established Medicaid fee schedule. Typically, these services are not covered by Medicare.
 - c. Vaccines for Children (VFC) services will be paid using the Medicaid VFC rates. Non-VFC services will be paid using Medicare's pricer.
 - d. Transitional Outpatient Payments (TOPs) will be calculated according to Medicare principles and paid on a semi-annual basis to in-state providers only.
2. Critical Access Hospitals (CAH) will be paid 101% of costs using the facility-specific CCR.
 - a. The CCR used will be the Medicare CCR calculated from the most recently filed Medicare Cost Report until such time as a Medicaid CCR is calculated for the hospital.
 - b. Annually, using the as-filed hospital's Medicare Cost Report, each in-state CAHs Medicaid claims payments will be reconciled to 101% of costs.
3. Out-of-state hospitals will be paid by hospital type (OPPS or CAH) like in-state hospitals, but will not receive any specialty payments (e.g., TOPs, year-end reconciliation for CAH).
4. In-state hospitals, beginning with the providers' fiscal year ending on or after January 1, 2012, shall complete the Title XIX sections of their Medicare Cost Report. When the Medicaid specific cost report information is available, it will be used to calculate a Medicaid CCR that will then be used in place of the Medicare CCR noted in 1.A. above.
5. Billed charges shall not exceed the usual and customary charge to private pay patients.
6. Hospitals shall begin submitting outpatient claims like they would to Medicare for their claims with end-dates of service on or after September 1, 2011.

While the Traditional Medicaid Plan, the Non-Traditional Medicaid Plan and the Primary Care Network Plan will each have separate coverage schedules for these hospital outpatient services, the payment methodology used will be the same for each benefit group. Services covered under each benefit plan may differ. This change of payment methodology does not change the benefits currently covered under each of the three Medicaid benefit plans.

The changes to outpatient hospital services reimbursement outlined above are subject to approval of State Plan Amendment 11-008 by the Centers for Medicare and Medicaid Services. Once approved, the State Plan Amendment will be adopted into Rule (R414-1-5) by reference and posted on the Medicaid website.

Medicaid is also removing its past requirement that hospital services less than 24 hours be considered outpatient and those services over 24 hours be considered inpatient.

Fee schedules will be posted to the web at the following location:

<http://www.health.utah.gov/medicaid/>

Manuals that will be updated include:

- Hospital Services
- Laboratory Services
- Physician Services

Attachments that will be updated include:

- Revenue Code list
- Diagnosis ER (Header / title change only)

These are located at:

<http://health.utah.gov/medicaid/manuals/directory.php>