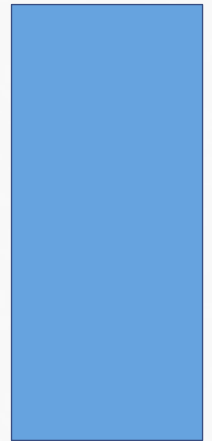




**COMMUNITY BEHAVIORAL HEALTH REBASE
ALASKA MEDICAID
MEETING #1
CLINIC AND DAILY SUBSTANCE USE**

June 27, 2023



DISCLAIMER

- All information shared in this presentation are in draft form
- The information is being presented via publicly noticed meeting as part of a collaborative stakeholder process for the department to gather feedback prior to finalizing values
- Once the department finalizes values after stakeholder feedback, a regulation package with an adopted by reference fee schedule with proposed rates will be publicly noticed
- The public will be able to provide comments on the proposed rates and components utilized as part of the regulations process

MEETING SCHEDULE

Meeting Time/Date	Meeting Topic
6/27/23 1 – 3 PM AKSDT	Clinic services & Daily Substance Use Services
7/10/23 1 – 3 PM AKSDT	Wages & Fringe Benefit inputs
7/18/23 1 – 3 PM AKSDT	Productivity & Time inputs
7/25/23 1 – 3 PM AKSDT	Program Support & Admin Inputs & Draft Proposed Rates

SERVICES

- Community Behavioral Health and Mental Health Physician Clinic Medicaid Covered Services
 - https://health.alaska.gov/dbh/Documents/Medicaid%20Related/CBH-MHPC-rates-updated_12-23-22.pdf
- Clinic services
 - Assessments
 - Psychotherapy
 - Psychological Testing
 - Neuropsychological Testing
 - Comprehensive Medication Services
 - Short-term Crisis Intervention Services
- Rehab services
 - Case Management
 - Peer Support Services
 - Therapeutic Behavioral Health Services
- Substance Use Services
 - Day treatment
 - Oral Medication Administration
 - Methadone Administration
 - Ambulatory Detoxification
 - Medically Managed Detoxification
 - Clinically Managed Detoxification
 - Medical Evaluation
 - Screening, Brief Intervention, and Referral for Treatment
 - Residential Substance Use Disorder Treatment

AGENDA

- Clinic Services
 - Discuss Upper Payment Limits (UPL)
 - Question/Answer
 - Discuss Alaska Clinic UPL specifics
 - Discuss Mental Health Clinic rate setting considering UPL limitations
 - Question/Answer
- Daily Substance Use Services
 - Discuss daily substance use services
 - Question/Answer
- Next Steps

CLINIC UPPER PAYMENT LIMIT

- **Q1: What is an upper payment limit (UPL)?**
 - A federally regulated ceiling for Medicaid reimbursement rates, in aggregate, for certain categories of services in order to receive federal reimbursement.
 - Medicaid is a program funded both by the state and federal governments.
 - The federal government pays between 50-100% of the Medicaid expenditures, depending on Medicaid recipient eligibility category.
 - The federal government approves any changes to the Medicaid program, via adjustments to the state plan called State Plan Amendments (SPA) related to:
 - Services
 - Rates
 - Eligibility

CLINIC UPPER PAYMENT LIMIT

- **Q2: Do all Medicaid services have to have UPLs?**
 - No, only the following Medicaid services are required to have UPLs:
 1. Inpatient hospital services
 2. Outpatient hospital services
 3. Nursing Facilities services
 4. Institutions for Mental Disease
 5. Clinic services
 - Ambulatory Surgical Centers
 - Mental Health Clinics
 - End Stage Renal Dialysis Clinics
 6. Intermediate Care Facility for Individuals with Intellectual Disabilities
 7. Psychiatric Residential Treatment Facility (PTRF)
 8. Qualified Practitioner Services (for states that pay targeted supplemental payments)

CLINIC UPPER PAYMENT LIMIT

- **Q3: What is the Upper Payment Limit ceiling?**
 - This is established via federal regulations.
 - It can be different for each service (IP, LTC, Clinic, etc.)
 - There are different federally approved methods to calculate the UPL ceiling within each service.

- **Q4: What are the examples of methods of calculating Upper Payment Limit ceilings?**
 - Medicare rates (cannot pay more than Medicare would pay in aggregate)
 - Cost (cannot pay more than costs in aggregate)
 - Others (not applicable to Clinic)

CLINIC UPPER PAYMENT LIMIT

- **Q5: How often are Upper Payment Limits (UPL) submitted to the Centers for Medicare and Medicaid Services (CMS)?**
 - Since 2014, CMS requires retrospective UPLs for each service be submitted annually.
 - Since 2018, CMS requires a prospective Upper Payment Limit be submitted when a state submits a State Plan Amendment (SPA) to restructure or change Medicaid rates for the applicable service category.
 - CMS has stated they will not approve a SPA changing rates when a prospective UPL fails since it wouldn't be in compliance with 42 CFR 447.321.

CLINIC UPPER PAYMENT LIMIT

- **Q6: How is an Upper Payment Limit (UPL) calculated?**

1) Medicaid Payment - A state must pull Medicaid claims data to show Medicaid payments

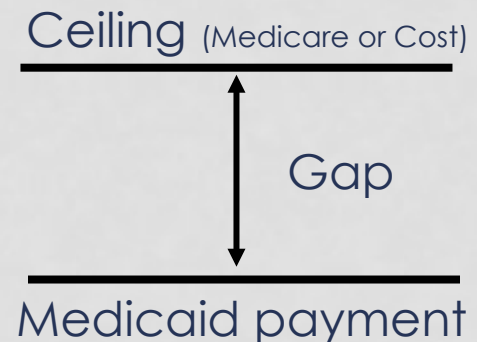
- Payments and units of service per procedure code are listed by provider
- Each provider is sorted into the following categories
 - Private
 - State
 - Non-State government owned (NSGO)
- A state must add in supplemental payments (if applicable)

2) Ceiling - A state must calculate the ceiling reimbursement (looks different for different types of UPLs, but examples include Medicare aggregate payments, cost, etc.)

3) Gap - A state calculates the 'gap' between the UPL ceiling and the Medicaid payments/supplemental payments by provider and by provider category.

CLINIC UPPER PAYMENT LIMIT

- **Q7: Does the Upper Payment Limit calculation change year to year?**
- Yes
- Change in Medicare rates
 - Decreasing Medicare rates lowers ceiling/shrinks gap
- Change in Medicaid rates
 - Increasing Medicaid rates increases Medicaid payment/shrinks gap
- Change in Utilization
 - Can increase or decrease Medicaid payment and/or ceiling
 - Depends if the increase in utilization occurs in a code that Medicare pays more than Medicaid



CLINIC UPPER PAYMENT LIMIT

- **Q8: Can a state pay more than Medicare pays for a particular procedure code and not fail the UPL?**
 - Yes, the state can pay over Medicare for a particular procedure code if, in aggregate, by provider category, the state is under the UPL.

Clinic UPL Example					
Procedure Code	AK Medicaid Rate	AK Medicare Rate	Variance	SFY16 Units of Service	Over / (Under) Payment
Code ABC	\$40	\$20	\$20	1,000	\$ 20,000
Code XYZ	\$100	\$150	(\$50)	1,100	\$ (55,000)
				TOTAL	\$ (35,000)

Must be negative

CLINIC UPPER PAYMENT LIMIT

- **Q9: How does the Centers for Medicare and Medicaid Services (CMS) determine that a state has failed an Upper Payment Limit?**
 - A state fails a UPL if the state shows Medicaid reimbursement rates are being paid above the UPL ceiling for any provider category (private, state, NSGO)

CLINIC UPPER PAYMENT LIMIT

- **Q10: What happens if a state fails a retrospective UPL?**
 - The state must remit the federal share of the Medicaid payment back to CMS for the Medicaid payment above the UPL ceiling.

CLINIC UPPER PAYMENT LIMIT

Questions on Upper Payments Limits, in general,
before we begin Alaska Clinic UPL specific
information?

CLINIC UPPER PAYMENT LIMIT

- **Q11: What is the current ceiling for the Alaska Clinic Upper Payment Limit?**

- Ambulatory Surgical Center – Medicare payments
- Mental Health Clinic – Medicare payments
- End State Renal Dialysis Clinics – Cost

- **Q12: Are all Clinic providers private?**

- No.
- Most clinic providers are private
- There are a few (<5) providers that are non-state government owned.
- There are no state-owned clinics.

CLINIC UPPER PAYMENT LIMIT

- **Q13: For MHC, what are the UPL components?**
 - Medicaid Rates
 - Current Alaska MHC Medicaid rates are based on the modeled methodology adopted in January 2019, inflated forward
 - UPL Ceiling:
 - Medicare rates in aggregate
 - The only UPL ceiling options in the Clinic UPL are:
 - Medicare
 - Cost

CLINIC UPPER PAYMENT LIMIT

- **Q14: Why isn't Alaska currently paying at Medicare rates for Mental Health Clinics?**
 - It was under consideration in the prior rebasing workgroup several years ago.
 - The group's decision at that time was not to move to Medicare rates because even though we were under the UPL in aggregate, some codes would have experienced large negative rate adjustments
 - Group codes
 - The results of the final model methodology in 2019 still resulted in a passing Clinic UPL.

CLINIC UPPER PAYMENT LIMIT

- **Q15: What are the pros and cons of moving to Medicare Rates for Mental Health Clinics?**
 - Pros:
 - Removes administrative burden for the state (Calculating UPL annually)
 - In aggregate increase
 - Largest in aggregate increase possible due to UPL limitations with a Medicare UPL ceiling
 - Con
 - Some providers would experience decreases (providers offering large volume of group services)
 - Medicare rates have been decreasing the last 3 years

CLINIC UPPER PAYMENT LIMIT

- Q16: What are the recent Alaska Medicare rates?**

Code	Desc.	Unit	SFY23 Alaska Medicaid Rate	CY23 Alaska Medicare	% Change
90832	Psychotherapy, Individual	16-37 min	\$67.87	\$105.50	55.40%
90834	Psychotherapy, Individual	38-52 min	\$101.81	\$139.32	36.80%
90837	Psychotherapy, Individual	53-60 min	\$135.75	\$205.30	51.20%
90846	Psychotherapy, Family (w/o patient present)	60 min	\$142.79	\$136.47	-4.40%
90847	Psychotherapy, Family (w/ patient present)	60 min	\$138.72	\$141.93	2.30%
90849	Psychotherapy, Multi-family group	60 min	\$55.49	\$48.66	-12.30%
90853	Psychotherapy, Group	60 min	\$54.30	\$37.11	-31.70%
H0031	Mental Health Intake	Assessment	\$437.50	\$242.24	-44.60%
H2010	Comprehensive Medicaid Services	1 visit	\$145.16	\$115.85	-20.20%
S9484	Short term Crisis Intervention	1 hour	\$128.40	\$196.18	52.80%
90791	Psychiatric Assessment - Diag Eval	Assessment	\$595.97	\$242.24	-59.40%
96136	Neuropsychological Testing	30 min	\$70.40	\$54.09	-23.20%
96137	Neuropsychological Testing	30 min	\$70.40	\$49.31	-30.00%
96130	Psychological Testing	60 min	\$140.91	\$165.35	17.30%
96131	Psychological Testing	60 min	\$140.91	\$121.32	-13.90%
96132	Neuropsychological Testing	60 min	\$165.42	\$176.16	6.50%
96133	Neuropsychological Testing	60 min	\$165.42	\$134.74	-18.50%

CLINIC UPPER PAYMENT LIMIT

- **Q17: How does the Centers for Medicare and Medicaid Services set Medicare rates?**
 - Relative Value Units (RVU) are adjusted every 3 years
 - Code adjustments are spread over the 3-year period
 - Three different RVUs for each code
 - Work RVU – Time, skill and effort of the provider
 - Practice Expense RVU – Rent, equipment, support staff, and other facility costs required to perform the treatment
 - Malpractice RVU – Expenses for purchasing malpractice insurance
 - Geographic Practice Cost Index (GPCI)
 - 3 GPCIs (one for each RVU listed above)
 - Alaska only have one GPCI per RVU
 - Conversion Factor
 - Monetizes the rate
 - Calculation for each code
 - $[\text{Work RVU} \times \text{Work GPCI}] + (\text{PE RVU} \times \text{PE GPCI}) + (\text{MP RVU} \times \text{MP GPCI}] \times \text{CF}$

CLINIC UPPER PAYMENT LIMIT

- **Q18: What is the Medicare conversion factor?**

Time Period	CF	CF Change
CY18	36	
CY19	36.04	0.1%
CY20	36.09	0.1%
CY21	34.89	-3.3%
CY22	34.61	-0.8%
CY23	33.88	-2.1%

CLINIC UPPER PAYMENT LIMIT

- **Q19: What are the Alaska Medicare rate changes on a code level?**

Proc Cd	Service	Unit	Alaska Medicare Rate			% Rate Change	
			CY21	CY22	CY23	CY21 to CY22	CY22 to CY23
90832	Psychotherapy, Individual	16-37 min	\$ 108.77	\$ 108.30	\$ 105.50	-0.4%	-2.6%
90834	Psychotherapy, Individual	38-52 min	\$ 143.75	\$ 142.95	\$ 139.32	-0.6%	-2.5%
90837	Psychotherapy, Individual	53-60 min	\$ 212.31	\$ 210.53	\$ 205.30	-0.8%	-2.5%
90846	Psychotherapy, Family (w/o patient present)	60 min	\$ 141.20	\$ 140.04	\$ 136.47	-0.8%	-2.5%
90847	Psychotherapy, Family (w/ patient present)	60 min	\$ 146.43	\$ 145.23	\$ 141.93	-0.8%	-2.3%
90849	Psychotherapy, Multi-family group	60 min	\$ 46.91	\$ 46.91	\$ 48.66	0.0%	3.7%
90853	Psychotherapy, Group	60 min	\$ 38.33	\$ 38.02	\$ 37.11	-0.8%	-2.4%
H0031	Mental Health Intake	Assessment	\$ 250.80	\$ 248.70	\$ 242.24	-0.8%	-2.6%
H2010	Comprehensive Medicaid Services	1 visit	\$ 118.95	\$ 118.36	\$ 115.85	-0.5%	-2.1%
S9484	Short term Crisis Intervention	1 hour	\$ 201.72	\$ 200.62	\$ 196.18	-0.5%	-2.2%
90791	Pyschiatric Assessment - Diag Eval	Assessment	\$ 250.80	\$ 248.70	\$ 242.24	-0.8%	-2.6%
96136	Neuropsychological Testing	30 min	\$ 58.90	\$ 56.87	\$ 54.09	-3.4%	-4.9%
96137	Neuropsychological Testing	30 min	\$ 52.59	\$ 51.00	\$ 49.31	-3.0%	-3.3%
96130	Psychological Testing	60 min	\$ 167.16	\$ 167.72	\$ 165.35	0.3%	-1.4%
96131	Psychological Testing	60 min	\$ 126.75	\$ 125.32	\$ 121.32	-1.1%	-3.2%
96132	Neuropsychological Testing	60 min	\$ 181.38	\$ 180.11	\$ 176.16	-0.7%	-2.2%
96133	Neuropsychological Testing	60 min	\$ 141.32	\$ 139.42	\$ 134.74	-1.3%	-3.4%

CLINIC UPPER PAYMENT LIMIT

- **Q20: What rate setting options were considered for Mental Health Clinics?**
 - 1) Set through the model
 - Failed UPL
 - 2) Set at Medicare rates
 - 3) Increase all clinic codes a certain percentage to stay below the UPL

CLINIC UPPER PAYMENT LIMIT

- **Q21: What are the pros/con with each option?**
 - Option 1: Adopt Medicare rates for all clinic services
 - Pro:
 - Some providers will experience rate increases
 - Reduce administrative burden for the state
 - Con:
 - Some providers will experience rate reductions
 - Medicare rates have been reducing
 - Option 2: Increase existing clinic rates by 7.5%
 - Pro:
 - All providers will experience a rate increase
 - Con:
 - Slight variations with utilization, decreases in Medicare rates, or increases in Medicaid rates can result in the UPL failing in the future.

CLINIC UPPER PAYMENT LIMIT

- **Q22: For the current rebasing, what decision was made for Clinic services?**
 - Increase all clinic codes by 7.5%

CLINIC UPPER PAYMENT LIMIT

- **Q23: Are there any different long term rate options for Clinic codes?**
 - The Department was granted funding by the Legislature to obtain a contractor to study rate setting options
 - The Department is outlining a schedule for procuring services and conducting a study
 - Behavioral health services and Home and Community Based Waiver services were prioritized.

CLINIC UPPER PAYMENT LIMIT

Stakeholder questions:

- Alaska Clinic UPL?
- Alaska Clinic service rate setting?

STATE PLAN SERVICES DAILY SUBSTANCE USE

- **Q1: What services are we talking about?**

- H0010 Clinically Managed Detoxification
- H0011 Medically Managed Detoxification
- H0047 Res. SU Disorder Tmnt., Clinical Managed – Low Intensity
- H0047 TF Res. SU Disorder Tmnt., Clinical Managed – Med Intensity
- H0047 TG Res. SU Disorder Tmnt., Clinical Managed – High Intensity

STATE PLAN SERVICES DAILY SUBSTANCE USE

- **Q2: What is the issue with these services?**
 - The Centers for Medicare and Medicaid Services (CMS) has advised the Department to phase out non-inpatient daily rates in the state plan.
- **Q3: Are there similar services on the 1115 waiver?**
 - Yes, there are similar services.
 - 1115 services are not state plan services
 - The services have different fee-for-service reimbursement rates.
 - The 1115 services require compliance with the Qualified Addiction Professional (QAP)

STATE PLAN SERVICES DAILY SUBSTANCE USE

- **Q4: What is the decision on Daily Substance Use Codes?**
 - Leave the codes on the CBH state plan fee schedule at currently published rates.
 - Work to sunset the codes

CLINIC DAILY SUBSTANCE USE

Questions:

- Daily Substance Use Services?

UPCOMING MEETING SCHEDULE

Meeting Time/Date	Meeting Topic
7/10/23 1 – 3 PM AKSDT	Wages & Fringe Benefit inputs
7/18/23 1 – 3 PM AKSDT	Productivity & Time inputs
7/25/23 1 – 3 PM AKSDT	Program Support & Admin Inputs & Draft Proposed Rates

NEXT STEPS

1. Hold all public meetings
2. Gather feedback
3. Department to consider changes based on feedback
4. Begin regulations process
 - Additional opportunity for formal public comment as part of the regulations
 - No rate changes are effective until the fee schedule is adopted by reference in regulations

COMMENTS

Please provide any feedback you wish the Department to consider prior to finalizing rate setting decisions to:

Katherine.McDonald@alaska.gov

Feedback due date: August 8, 2023

Please include in the subject line: “CBH Rebase”