

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



Atlanta Regional Operations Group

May 22, 2019

Ms. Lynnette Rhodes, Esq.
Director, Medical Assistant Plans
Georgia Department of Community Health
2 Peachtree Street, N.W., Suite 36th floor
Atlanta, GA 30303

Re: Technical Correction: Georgia State Plan Amendment Transmittal #16-0010

Dear Ms. Rhodes:

This technical correction is being issued to correct state plan language in Georgia State Plan Amendment (SPA) #16-0010. The Attachment 4.19-B pages submitted with this SPA contained the incorrect language on page 4.003. With this correction, the correct attachment 4.19B, page 4.003 will be revised with the corrected state plan language.

This technical correction was approved on May 22, 2019, and is effective July 1, 2016. We are enclosing the corrected plan page.

If you have any additional questions or need further assistance, please contact Amr Ali at Amr.Ali@cms.hhs.gov; 404-562-7338.

Sincerely,

Trina Roberts

Shantrina D. Roberts, MSN
Deputy Director
Division of Medicaid Field Operations South

Enclosures

POLICY AND METHODS FOR ESTABLISHING PAYMENT RATES FOR
OTHER TYPES OF CARE OR SERVICES

Methodology for Calculating the Supplemental Payments

The methodology for calculating physician supplemental payments will be the difference between the Medicare equivalent of the average commercial rate and the Medicaid payment. For anesthesia services, the supplemental payment will be the difference between the Medicare rate and the Medicaid rate. Only the physician component of a procedure is eligible for a supplemental payment.

Base data will be collected from each eligible practice, but the Medicare equivalent of the average commercial rate will be calculated by hospital affiliation. For practices associated with Grady Memorial Hospital, the Medicare equivalent of the average commercial rate will be practice specific.

The Medicare equivalent of the average commercial rate will be determined as follows based on a per affiliation calculation (except as noted previously):

1. For the first payment, Medicaid paid claim data for physician professional services will be used for a defined base period (April 2005 to March 2006) for each practice eligible for a physician supplemental payment. The paid claim data will be compiled to identify the number of procedures and payment amounts included in the paid claims, sorted by procedure code for services provided in a hospital setting. For subsequent payments, the data will be collected for the same period for each subsequent year.

For payments after July 1, 2016, Medicaid paid claim data for physician professional services and eligible mid-level provider services will be used for a defined base period for each faculty practice eligible for a physician supplemental payment.

2. For the first payment, using the same base period as was used for the Medicaid paid claims data, each faculty practice will identify the average payment (including patient share amounts) per procedure code for the practice's five largest commercial payers or all payers. The top five commercial payers will be determined by total billed charges reported by eligible practices. After the first payment, the average payment per procedure code is updated every two years.
3. The base period average commercial payment will be calculated by multiplying the average commercial rate per procedure by the number of times each procedure code was rendered in the base period and paid to eligible practices on behalf of Medicaid beneficiaries as reported from the MMIS. The sum of the product for all procedure codes shall determine the base period's average commercial payment ceiling.
4. For the same base period as used to identify Medicaid claim data and average payments per procedure code for commercial payers, the Medicare fee schedule for physician services will be used to identify the Medicare equivalent payment rates.

Holly, Mary V. (CMS/CMCHO)

From: Bond, Heather <hbond@dch.ga.gov>
Sent: Monday, May 20, 2019 2:46 PM
To: CMS SPA_Waivers_Atlanta_R04
Cc: Upchurch, John; Hawkins, Etta (CMS/CMCHO); Ali, Amr I. (CMS/CMCHO); Holly, Mary V. (CMS/CMCHO); Betzel, Margaret; Rhodes, Lynnette; Brisco, Therese
Subject: 16-0010 Technical Correction
Attachments: 4.19-B 4.003 Clean.docx; 4.19-B 4.003 Redline.docx

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Hello,

DCH inadvertently submitted the incorrect version of SPA 16-0010, which was subsequently approved.

Our initial SPA submission included this as the 2nd paragraph on page 4.003. I'll call this paragraph **Version A**:

Base data will be collected from each eligible practice, but the Medicare equivalent of the average commercial rate will be calculated by hospital affiliation. To benefit the small urban practices affiliated with Grady Memorial Hospital that do not have the strength in contracting of the larger practices, the Medicare equivalent of the average commercial rate of the largest physician practice affiliated with Grady Memorial Hospital will be used for all physician practices affiliated with Grady Memorial Hospital.

You reviewed 16-0010 and asked us to change this paragraph, so we made the change and submitted an informal draft to you. CMS said our change was fine and asked us to formally submit it with our RAI response. Here is that changed paragraph (**Version B**):

Base data will be collected from each eligible practice, but the Medicare equivalent of the average commercial rate will be calculated by hospital affiliation. For practices associated with Grady Memorial Hospital, the Medicare equivalent of the average commercial rate will be practice specific.

The issue arose when DCH actually submitted the RAI response. Our intention was to submit **Version B**, but we inadvertently submitted **Version A**. CMS then approved 16-0010 with the **Version A** paragraph. We are requesting that the Georgia State Plan be corrected so that **Version B** replaces **Version A**.

Thanks,
Heather Bond

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