Enhanced Rates for Practitioner Services delivered in a Teaching Environment

In order to ensure access to University of Nevada School of Medicine (UNSOM) Practitioner Services by needy individuals in the state of Nevada and to recognize the higher cost of providing Practitioner Services in a teaching environment, enhanced payments will be made for practitioner services provided through the following public teaching entities:

- University of Nevada, Las Vegas School of Dental Medicine
- University of Nevada, Las Vegas School of Medicine
- University of Nevada, Reno School of Medicine
- University Medical Center of Southern Nevada

Enhanced payments apply to claims paid on or after July 1, 2017. Eligibility for these enhanced payments is limited to Designated Practitioners when Medicaid Services are billed under the Medicaid Billing Provider ID of a Designated Billing Provider.

The Division of Healthcare Financing and Policy (DHCFP) must concur with the public teaching entity’s designations in order for the payment adjustment to be applied.

Medicaid Services provided by the following Designated Practitioners, when not included in the facility payments to the public teaching entity, are included:

- Advanced Practitioner of Nursing (APN)
- Audiologist
- Clinical Psychologist
- Dentist
- Licensed Clinical Professional Counselor, Intern or Psychological Assistant
- Licensed Clinical Social Worker (LCSW)
- Licensed Marriage and Family Therapist (LMFT)
- Licensed Nurse Practitioner
- Licensed Registered Nurse
- Oral Surgeon
- Physician (MD or DO)
- Physician Assistant (PA-C)
- Speech Pathologist
- Optometrist
- Ophthalmologist
- Registered Dietician
- Registered Behavioral Technician

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UNSOM shall be paid a Supplemental Payment for such services to Medicaid recipients which is in addition to the Medicaid Base Rate(s) normally paid for said services.

The Supplemental Payment for any quarterly Service Period shall be calculated as:

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\text{Supplemental Payment} = \left( \text{Medicare Equivalent Ratio} \times \left( \text{sum of Medicaid Services paid for during the Service Period} \times \text{Medicare Reimbursement Rates} \right) \right) - \left( \text{Medicaid Services paid for during the Service Period} \times \text{Medicaid Base Rates} \right)
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provided, however, that in no event shall total reimbursements (i.e., Medicaid Base Rate plus Supplemental Payments) during any Service Period exceed the Reimbursement Ceiling for that Service Period.

For the purposes of this policy, the following definitions shall apply:

- **Medicare Equivalent Ratio** means the Reimbursement Ceiling divided by the sum of the products of all Medicaid Services provided during the Base Period and the Medicare Reimbursement Rates for those services during the Base Period.

- **Medicaid Services**, when calculating Medicare Equivalent Ratio and Reimbursement Ceiling for the Base Period, means Practitioner Services enumerated by HCPCS/CPT code, delivered to Medicaid eligible recipients, and paid during the Base Period.

  As otherwise used herein, Medicaid Services means outpatient Practitioner Services enumerated by HCPCS/CPT code, and delivered to Medicaid eligible recipients, and paid during the Service Period.

  In all instances, the source of the service and payment data shall be the Nevada MMIS.

- **Medicare Reimbursement Rate(s)**, when calculating Medicare Equivalent Ratio, means the applicable Medicare fee for service reimbursement rate(s) published for the Base Period by the U.S. Department of Health and Human Services - Centers for Medicare & Medicaid Services.

- As otherwise used herein, Medicare Reimbursement Rate(s) means the applicable Medicare fee for service reimbursement rate(s) published from time to time for the Service Period by the U.S. Department of Health and Human Services - Centers for Medicare & Medicaid Services.

- **Medicaid Base Rate(s)** means the applicable Medicaid fee for service reimbursement rate(s) published for the applicable Base Period or Service Period by the State of Nevada—Division of Health Care Financing and Policy.
For the purposes of this policy, the following definitions shall apply:

- **Designated Practitioner** means individual practitioners or practitioner groups designated by the public teaching entities as participating in medical education programs. To qualify for designation as a Designated Practitioner, the practitioners or practitioner group must be either an employee of the designating public teaching entity or under contract with the designating public teaching entity. Designations may apply to both public and private practitioners and practitioner groups.

- **Designated Billing Provider** means a public teaching entity or a billing provider/provider group facilitating meaningful medical education as designated by a public teaching entity other than the University Medical Center of Southern Nevada.

- **Medicaid Services** means Fee-for-Service (FFS) Practitioner Services enumerated by Healthcare Common Procedure Coding System (HCPCS)/Common Procedural Terminology (CPT)/Code on Dental Procedures (CDT), delivered to Medicaid eligible recipients, and paid during the Claims Payment Period. The following services are excluded from the enhanced payment:
  - Services delivered to Medicaid eligible recipients enrolled in Medicaid Managed Care Organizations
  - Clinical diagnostic lab procedures
  - Services provided to Medicaid recipients also eligible for Medicare
  - The technical component of radiological services
  - Services provided by practitioners/practitioner groups not designated by a public teaching entity as Designated Practitioners for the entire Claims Payment Period
  - Services not billed by a Designated Billing Provider

The source of the service and payment data shall be the Nevada MMIS.

- **Medicaid Base Rate(s)** means the applicable Medicaid fee for service reimbursement rate(s) published by the State of Nevada - Division of Health Care Financing and Policy, applicable on the date of service.

- **Claims Payment Period** means the three-month period directly prior to the first day of each payment quarter.

- **Base Period** means the state fiscal year (July 1- June 30) prior to the Claims Payment Period.

- **Average Commercial Rate (ACR)** means, for each procedure (HCPCS/CPT/CDT) code, the average reimbursement amount of the top five commercial payers to the public teaching entity. "Commercial payers" exclude Medicare, Workers Compensation and any other payer(s) not subject to market forces. The ACR for each procedure code is established separately for each public teaching entity every Base Period.
• Reimbursement Ceiling, when calculating Medicare Equivalent Ratio, means the sum of the products of all Medicaid Services delivered and paid during the Base Period and the Average Reimbursement by Third Party Payers for those services for the same period.

• As otherwise used herein, Reimbursement Ceiling means the sum of the products of all Medicaid Services delivered and paid during the Service Period and the Average Reimbursement by Third Party Payers for those services for the same period.

• Average Reimbursement by Third Party Payers means, for each procedure (HCPCS/CPT) code, the average reimbursement amount of the top five (5) commercial payers to UNSOM during the Base Period. "Commercial payers" exclude Medicare, Workers Compensation and any other payer(s) not subject to market forces.

• Service Period means a three-month period commencing on the effective date of this provision, the accompanying UNSOM supplemental payment analysis will be rebased every 3 years.

• Base Period means the one year period commencing January of the previous year of the rebasing year and ending December 31 of the same year.

• Practitioner means an individual who is employed by the University of Nevada School of Medicine and is either a Physician (MD or DO), Physician Assistant (PA-C), Advanced Practitioner of Nursing (APN), Clinical Psychologist, Licensed Registered Nurse, Licensed Nurse Practitioner, Licensed Clinical Social Worker (LCSW), Licensed Marriage and Family Therapist (LMFT), Licensed Clinical Professional Counselor, Interns and Psychological Assistants.

• Practitioner Services means medical services (enumerated by HCPCS/CPT code) delivered to eligible Medicaid recipients by a Practitioner.
If a public teaching entity’s contracts with commercial payers do not include a rate for a Medicaid Service delivered by a Designated Practitioner, and the Designated Billing Provider’s contracts with commercial payers do include a rate for the Medicaid Service, the designating public teaching entity’s average ACR percentage increase over the Medicaid Base Rates will be applied to the Medicaid Base Rate for the Medicaid Service.

If a public teaching entity does not have contracts in place with commercial payers during a Base Period, the ACRs will be calculated based on the public teaching entity’s contracts with commercial payers in effect during the Claims Payment Period.

The enhanced payment for each eligible service will be the lesser of:

- The difference between Billed Charges and the Medicaid Base Rate.
- The difference between 100% of the ACR and the Medicaid Base Rate.

Each public teaching entity will provide the following listings to the DHCFP no later than the fifth business day of the first month of a quarter:

- A list of Designated Practitioners to include the Practitioner Name, Practitioner National Provider Identification number (NPI), Designation Start Date, Designation End Date (if applicable) for the prior quarter.
- A list of Designated Billing Providers to include the Billing Provider Name, Billing Provider ID, Designation Start Date, Designation End Date (if applicable) for the prior quarter.

After receipt of the above items, each quarter the DHCFP will provide a separate report to each public teaching entity which includes the utilization data for the services billed by their Designated Billing Providers and delivered by their Designated Practitioners. The public teaching entity must review the report and acknowledge the completeness and accuracy of the report. After receipt of this acknowledgement, the DHCFP will approve and process the quarterly enhanced payments for each Designated Billing Provider. Enhanced payments are issued in the quarter they are calculated and are based on the Claims Payment Period. The process includes a reconciliation that takes into account all valid claim replacements affecting claims previously processed, as well as a process for recoupment of erroneous enhanced payments made due to incomplete and/or inaccurate ACR data sets.

The enhanced payments will be sent to the Designated Billing Providers through the identification number used to bill Medicaid under the FFS program.