

Joe Lombardo
Governor

Richard Whitley, MS
Director



DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION OF HEALTH CARE FINANCING AND POLICY

Helping people. It's who we are and what we do.



Stacie Weeks,
JD MPH
Administrator

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Notice of Meeting to Solicit Public Comments and Intent to Act Upon Amendments to the State Plan for Medicaid Services

Public Hearing July 25, 2023 Summary

Date and Time of Meeting: July 25, 2023, at 10:01 AM

Name of Organization: State of Nevada, Department of Health and Human Services (DHHS), Division of Health Care Financing and Policy (DHCFP)

Place of Meeting: DHCFP
1100 E. William Street
First Floor Conference Room
Carson City, Nevada 89701

Teleconference and/or Microsoft Teams Attendees

(Note: This List May Not Include All Participants, Just Those Who Identified Themselves)

Karen A. Griffin, Senior Deputy Attorney General
Sandie Ruybalid, Deputy Administrator, DHCFP
Casey Angres, DHCFP
Alex Tanchek, Silver State Government Relations
Alyssa Dennison-Glasgow
Amanda Brazeau
Amy Levin, Anthem
Amy Roukie
Amy Shrogren, Black & Wadhams
Angela Mangum, WestCare
Anna Duffy
April Caughron, DHCFP
Areli Alarcon
Barbara Scaturro
Betty Zerihun
Candace McClain-Williams, DHCFP
Carin Hennessey, DHCFP
Carol

Catherine Perez-Lopez
Catherine Vairo, DHCFP
Catlyn Millis
Chloe Johnson
Chris Bosse, Renown
Cinthia Luevano, DHCFP
Cloris Barrientos, DHCFP
Dave Marlon
Dawn Tann
Dawn Yohey
Dean Polce
Deanna Yates
Debra DeCius
Ester Quilici
Hasnain Photowala, US Anesthesia Partners
Heather Kuhn
Jackie
Jaclyn Winter

Jason Engel
Jeffrey Felsted
Jennifer Atlas
Jennifer Hailey
Jessica Vannucci, DHCFP
Jimmy Lau, Ferrari Public Affairs
Jimmy Monaghan
Joan Waldock
Journee Baham
Kathy W.
Katie Ryan, Dignity Health
Keith Benson, DHCFP
Kenneth Kunke
Kim Taitano, Washoe County
Kimberly Adams, DHCFP
Kitty Ketenheim, WestCare
Krystal Riccio
Krystle Daniels
Kyril Plaskon, DHCFP
Lana Robards
LaTanya McNair, Anthem
Laura Hooper, American Occupational Therapy
Association State Affairs Group
Lea Case, Belz & Case
Leo Magrdichian
Linda Anderson
Lisa Sarro
Luke Lim, Anthem
Lynnette Aaron, DHCFP
Mackenzie Lopez, Anthem
Malioka Toston
Marcel Brown, DHCFP
Marcie Ushijima
Matt

Matt Oliver, Nevada Occupational Therapy
Association (NOTA)
Matt Onstott
Monica Schiffer, DHCFP
Nariman Rahimzadeh, President of the Nevada State Society of
Anesthesiology
Philip Clark
Regina De Rosa
Renee Onyeagbako
Ryan Roa, Merck
Sarah Dearborn, DHCFP
Sarah Paulsen
Scott Fielden, US Anesthesia Partners
Serene Pack, DHCFP
Sheila
Stacey Lance
Stephanie Cook, DHCFP
Steve Huey, University Medical Center (UMC)
Steve Messinger, Nevada Primary Care Association (NPCA)
Steven Brotman
Susan Harrison
Susan Lingelbach, NOTA
Susana Angel, DHCFP
Tandie
Terry Kerns
Tracy Palmer
Tray Abney
Vanessa Diaz
Velina Dechawan
Veronica Sheldon
Vimal Asokan
Vu Luu
Yvonne Vestal, DHCFP

Introduction:

Casey Angres, Chief of Division Compliance, DHCFP, opened the Public Hearing introducing herself, Sandie Ruybalid, Deputy Administrator, DHCFP, and Karen Griffin, Senior Deputy Attorney General.

Casey Angres – The notice for this public hearing was published on June 22, 2023, and revised on July 19, 2023, in accordance with Nevada Statute 422.2369.

- 1. Public Comments:** Doctor Susan Lingelbach, President of NOTA, introduced Matt Oliver, NOTA Advocacy Chair, and Laura Hooper, American Occupational Therapy Association State Affairs Group. She advised they represent approximately 1,700 Occupational Therapy and Occupational Therapy Assistant Professionals in the state of Nevada, and NOTA's primary mission is to advance and advocate for the profession and practice of Occupational Therapy. She advised Occupational Therapy is a holistic profession that works in a variety of settings and

populations to help people gain health, wellness, and function through the therapeutic use of everyday activities. In one of their teaching facilities listed on the document being discussed, University Medical Center of Southern Nevada Occupational Therapy practitioners often evaluate a patient's functional performance of activities of daily living such as showering, dressing, and being able to feed oneself after a traumatic injury like a stroke or a serious burn. They work right alongside other interdisciplinary colleagues like physicians, assistants, doctors, nurses, and speech therapists to send patients home as often as possible with greater independence. In a recent study, Occupational Therapy practitioners were proven to reduce the incidence of hospital readmissions, making them an essential provider on the interdisciplinary team to increase access to quality healthcare and reduce costs for organizations. The purpose of her public comment is to advocate for the inclusion of Occupational Therapy on the list of eligible providers for enhanced Medicaid payments. They are also hoping this serves as an introduction to their professions and hope to have an ongoing positive professional relationship on this and other Medicaid issues within the State.

Scott Fieldon, Chair of US Anesthesia Partners, an anesthesiologist in Las Vegas, and a native Nevadan has been here for 25 years. He is currently the chair of USA Pain Nevada and a part of the State Society. He advised they sent a written testimony, which was accepted by DHCFP, but wanted to do a live testimony as well. He said there is a severe anesthesia shortage in the state, directly caused by the Pandemic. After the Pandemic, 43% of the Hospital-Based Physicians switched jobs, 11% retired, and 31% of those who left their jobs are going to low-income tenants because of higher rates. Within their own practice, they have had a 25% attrition rate over the past year, and it is affecting access to anesthesia by the State's population, by the patients, and by the hospitals. Surgery centers are also having difficulty staffing operating rooms because anesthesiologists have had to consolidate their practices because of the attrition. They are not able to go around and actually provide anesthesia and it is affecting them as well. Their group anticipated that there would be some kind of shortage years ago, before the Pandemic they started the only anesthesia residency in the state of Nevada. He said the true pipeline of physicians into the state is through residencies, through medical schools. The medical schools get the doctors into the residencies, and hope the residents stay, but they have had a hard time keeping them in the state because of high rates out-of-state as well as the low-income tenants. Jobs in this area are directly related to the low reimbursement of state Medicaid. The state dropped their rates in half over 10 years ago and they did not see any true increase since then. With all the outside pressures that are on their group, they have had no relief by the state after the rates were dropped. There was also an increase in malpractice limits by this last Legislative Session and their insurance company has already increased their rates by 22% in anticipation of increased lawsuits directly from the State Legislature. This, plus recent inflation rates across the United States, is only worsening the effect of the lack of reimbursement by the state, and it is being felt by everyone. Nevada Medicaid needs to invest in anesthesia and help keep doctors in Nevada. He said he knew state employees get a cost of living adjustments, and we need to keep up with other states' doctors. He said they are asking for an immediate increase rate above \$25 which is normal that they feel as the cost-of-living adjustment to help catch the state up to a competitive rate." Please see attachment for the written public comment.

Nariman Rahimzadeh, President of the Nevada State Society of Anesthesiology, said he represents over 300 local anesthesiologists who are both hospital-based and at other venues, who provide services to the individual communities within the state. He advised Doctor Fieldon had already stated many of the things he was going to say so he would not repeat him. He advised since 2010, looking at the last rate decrease, promises to review subsequent increases in anesthesia have been made. Obviously, the field itself, much like many in healthcare today, are experiencing many shortages with no end in sight, at least for the next decade or so. Per the American Society of Anesthesiologists, all of this may have been due to the pandemic, but it has gotten worse due to folks just retiring and getting out of healthcare for various reasons. We need help, particularly those who are based in the hospital and are unable to keep up with the wages, the demands, and all the other stressors that go into healthcare. He said they would truly appreciate a relook and revisit, not only regarding the anesthesia rates, but

also at all the other things that are ongoing. They realize it is a big ask, but it is fair as given the timeline that he just described. He said they hope the state takes a look this in a positive manner so they can continue providing services that employ those who want to be here Nevada.

2. Discussion of Amendments to the State Plan for Medicaid Services and Solicitation of Public Comments

Subject: Practitioner Upper Payment Limit (UPL) for Fee-for-Service Payments

Cynthia Luevano, Management Analyst, Supplemental Reimbursement Unit (SRU), DHCFP presented the proposed revisions to the Nevada State Plan Amendment (SPA) Attachment 4.19-B, Enhanced Rates for Practitioner Services Delivered in a Teaching Environment, Pages 9a.1 – 9a.3 to amend language regarding the use of average commercial rate data required as part of the calculations related to the Practitioner UPL program. This update will require that all entities report at a procedure code level yearly and update the language to include the date the reports are due to the Division and participants.

Language is also being updated to utilize date of service data. Currently a date of payment methodology is being utilized. Centers for Medicare and Medicaid Services (CMS) has requested that this methodology be updated to a date of service methodology. This update will allow the state to remain in compliance with requests received from CMS to continue to fund Practitioner UPL Supplemental Payment Program and update the current methodology.

On Page 9, Enhanced Rates for Practitioner Services Delivered in a Teaching Environment, has been updated to incorporate Page 8. Previously another program was between Pages 8 and 9 of this section, but this change incorporates all program details into one section.

The section for Enhanced Rates for Practitioner Services Delivered in a Teaching Environment changes were made to Page 9a.1 through 9a.3. The language addresses the change in calculation methodology from “date of payment” along with the updated “date of service.”

The bottom of Page 9a.3 reflects updates to the Average Commercial Rate.

The final page of this section is being left blank for future updates when needed.

These proposed changes affect all Medicaid enrolled providers participating in the Enhanced Rates for Practitioner Services Delivered in a Teaching Environment or also known as Practitioner UPL program. Those providers are currently University of Las Vegas School of Medicine, University of Reno School of Medicine, and University Medical Center in Las Vegas.

There is no financial impact anticipated for local government as a result of these changes.

The effective date of this proposed policy is July 1, 2023.

At the conclusion of Cynthia Luevano’s presentation, Casey Angres asked Sandie Ruybalid and Karen Griffin if they had any questions or comments, they had none.

Public Comments: Scott Fieldon, Chair of US Anesthesia Partners. Advised he would like to add their HOA Residency at Mountain View Hospital, their anesthesia residents to be added to the list.

Steve Huey, UMC of Southern Nevada, advised he wanted to go on record and state that at this time, UMC as a participant of this program opposes the proposed changes, specifically relating to the methodology described using the rates of other participating entities to determine the average commercial rates used in the payment calculations as an Acute Care Hospital. UMC's reimbursement methodologies, volumes, and mix of services provided vary greatly from some of the other participants in this program; Thus, they do not feel it is appropriate. He said he knew it states there is no fiscal impact, but at no time did the state share the fiscal analysis of these proposed changes with UMC illustrating what it would do to UMC payments, Clark County Inter-Governmental Transfers (IGT), or the impact these changes would have on state savings. So, in light of that, he asked the state to postpone these changes until the proposed methodology and possible alternate methodologies can be fully analyzed, such as using a payment to charge ratio to calculate the Adjusted Community Rating (ACR), which is an approved methodology that is used in the fee-for-services outpatient UPL programs , and is being proposed for some of the underdevelopment directive payment programs that the state is currently developing."

Doctor Susan Lingelbach, President of NOTA, commented that she wanted to again reiterate Occupational Therapy would like to be added to the list of eligible providers on this list, as they were omitted from this draft.

Deanna Yates, Guest. Stated in 2008, therapy lost the pediatric enhancement rate and so therapy reimbursement went from \$162.08 to \$114.96 an hour. Effective January 1, 2017, rates went down again to \$111.52. They are struggling to pay their therapists enough because the reimbursement is too low. The October 2022 Medicaid Quadrennial Rate review found that therapy reimbursement is low. The survey found that a 5%-5% rate increase would align the reimbursement with other sources.

Casey Angres – closed the Public Hearing for the Practitioner UPL for Fee-for-Service Payments.

3. Adjournment

There were no further comments and Casey Angres closed the Public Hearing at 10:19 AM.

****An Audio (CD) version of this meeting is available through the DHCFP Compliance office. For more detailed information on any of the handouts, submittals, testimony and or comments please contact Jenifer Graham at documentcontrol@dncfp.nv.gov with any questions.***

From: [Gavin Hartman](#)
To: [Document Control DHCFP](#)
Subject: Medicaid Rates
Date: Tuesday, July 25, 2023 6:34:08 AM
Attachments: [3B9DB52F934F45BDBBE0F288DA805577.png](#)

WARNING - This email originated from outside the State of Nevada. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello,

I am an Anesthesiologist in Northern Nevada, and I am also the President of my physician only private practice group of 28 Anesthesiologists. As we compete in the market and maintain our independence we are constantly focusing on a competitive job that recruits, hires, and retains high quality anesthesiologist to provide the best care to Nevadans. Which given the national shortage of anesthesiologist, this has become increasingly difficult with private equity diluting the quality and independence of groups in Nevada.

For many years we were able to survive with the well below market average medicaid rates, and that was mainly because we could balance our low CMS payments with higher commercial payers. But the payer mix has changed significantly over the last few years and now we are no longer able to maintain an adequate unit value and risk losing high quality physicians.

For physicians to continue to work in high percentage CMS payers, there are only 3 solutions and the most obvious is always the right one. For many years physicians took the financial impact of the terrible Medicaid rates by relying on other better payers. But, as hospitals pivot and are now able to do quite well with a high CMS payer mix they now have to stipend us to maintain our fair market value pay to staff their hospitals. This has put us and hospitals at odds in what should only be a mutually beneficial relationship and quite frankly a relationship in which one does not exist without the other. Hospitals now take the financial impact and have done so for a few years to maintain anesthesia coverage. The only party in this complex relationship that hasn't come to the table and contributed their fare share to helping provide the best quality care to patients are the PAYERS. Physicians and hospitals have long shouldered the cost of providing care to Medicaid patients. To do this they must do these two things:

1. Raise our rates to be competitive to neighboring states like Utah and Arizona to at or above \$26/unit.
2. Maintain this rate with current market rates and have an auto escalator built in at a minimum 3% per annum to be in line with the industry standard of commercial payers. Inflation has outpaced almost all COLA's given the last few years financial market but there has to be at least a minimum attempt to adjust to the cost of living.

I would be happy to discuss with anyone, and thank you for supporting Nevadan Physicians.

All the best,
Gavin Hartman

Gavin Hartman, MD, MS
Chief Executive Officer/President

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RENO TAHOE
A N E S T H E S I A

From: [Perez, Karla \(Group VP-Acute\)](#)
To: [Stacie Weeks](#)
Cc: [Document Control DHCFP](#)
Subject: FW: Anesthesia Email Draft
Date: Monday, July 24, 2023 1:32:36 PM

WARNING - This email originated from outside the State of Nevada. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Administrator Weeks, in advance of your public hearing scheduled for tomorrow regarding Practitioner Upper Payment Limit for Fee-For-Service payments, I would like to enter these comments into the record.

The Valley Health System of Hospitals is the largest provider of Hospital Services in the State of Nevada. As such, our need for Anesthesiologists who are available to provide services to all of our patients is absolutely paramount. With Nevada having some of the lowest Medicaid rates for anesthesia not only in the nation, but certainly in this region, it is getting harder and harder to contract with anesthesiologists to provide much needed services. We have been experiencing a growing shortage in this area of practice for the last few years.

As you well know, the current anesthesia unit rate in Nevada is approximately \$18 dollars less than what it was in 2010 and sits at approx.. \$20-21 per unit. This rate has not kept up with the mCPI or the CPI and is also much lower than Arizona who has a rate of \$24-25 and the Mountain States like Utah, Idaho and Montana who have rates that range from \$26-31 per unit.

What you may not know is that the hospitals that I represent, in order to contract with anesthesia groups, often have to provide revenue guarantees in order to attract those physicians who will be willing to take call and treat Medicaid patients. The lower the state rate for Medicaid is, the more of an impact it has on the hospitals and our costs to contract.

We are supporting and advocating the unit value be raised to combat critical anesthesia shortages in Nevada and ask that the rates be \$25/unit or higher.

Respectfully submitted,

Karla Perez

Karla J. Perez / Regional Vice President / Acute Care Division / UHS of Delaware, Inc.
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July 24th, 2023

Nevada Department of Health and Human Services
Division of Healthcare Financing and Policy
Attn: Stacie Weeks, Administrator

Re: Nevada Medicaid Rates for Anesthesia Providers

Ms. Weeks,

We continue to appreciate the state's leadership in making investments in building patient care services for the citizens of Nevada. We appreciate the leadership demonstrated by DHCFP during the Covid pandemic and the support for physicians and providers of healthcare in the state. You have our gratitude and our sincerest appreciation.

As the 9 member physician governing board of the largest anesthesia physician and CRNA group in the state of Nevada, we want to provide supporting commentary and advocacy to review NV Medicaid rates for anesthesia professional services.

A National and Local Shortage

1. After the pandemic, the specialty of anesthesia has gone through a major workforce shift and shortage challenge. The surgical backlog caused by the pandemic was too large nationally (and in Nevada) for the number of anesthesia providers to manage. This has led to every hospital and health system in the state (and country) being short of anesthesia providers daily to meet the demand. Many physicians and CRNAs have left our organization to join locum agencies/1099 jobs to become travelers who can charge 200% premium per hour (upto \$400/hr from agencies) to provide services to hospitals in need for services.
2. The American Society of Anesthesiology (ASA) is estimating that this shortage will now last for an additional 8 to 10 years since the largest group of working anesthesiologists is in their early 60s and will be retiring this decade. The retirements coupled with not enough providers entering the specialty due to historically lower incomes in the specialty during the 2000s will lead to this 8-10 year predicted shortage.
3. As an employed provider group with 150+ physicians and CRNAs, we experienced an unprecedented attrition rate of 25% in 2022. In the 10 years prior to the pandemic, our attrition was 8%. Nationally attrition rates have been 18%+ in 2022 for physicians and 35%+ for CRNAs. Compensation for both groups has gone up 40%+ with limited visibility to stable compensation.

Investments we have made as a group into the specialty to address this shortage

1. We have continued to invest in Nevada, by starting the state's first anesthesia residency at HCA Mountainview Hospital in 2018. We have graduated 8 physician residents annually since 2021 to help meet this shortage. This has helped some, but not enough.
2. We, as a group of physicians, have funded scholarships for medical students with both UNLV and Touro to promote our specialty and engage new providers to join anesthesia and stay in Nevada.
3. We are working with UNLV and Roseman to help start two new CRNA programs in the state with funding for scholarships for local resident nurses to join CRNA programs.
4. We provide student loan repayments programs to all providers who join our group to help reduce debt burden for practitioners.

Malpractice Insurance Rate Increases

AB 404 passed in June 2022 which will increase the cost of insurance for our group by approximately \$5,000-\$6,000 annually per provider through the next several years as limits increase.

AB 404 increases limit to \$750,000: The decision increased the current limitation (cap) of \$350,000 on the amount of noneconomic damages a plaintiff may recover in a professional negligence action by \$80,000 for the next 5 years starting on January 1, 2024, until the cap reaches \$750,000 on January 1, 2028. As proposed, the scheduled increase each year follows:

- January 1, 2024: \$430,000
- January 1, 2025: \$510,000
- January 1, 2026: \$590,000
- January 1, 2027: \$670,000
- January 1, 2028: \$750,000

After the five-year step wise increase, premiums go up 2.1% per year or tracking CPI.

Our Ask from DHCFP Leadership

During this public commentary period around review of Medicaid Rates for Anesthesia Providers, we sincerely ask that you review the national and local statistics and make an investment in our specialty by revising the rates to a fair comparative ASA unit reimbursement.

1. We ask that the Medicaid rate be increased to \$26-\$28 per ASA unit with the addition of an annual or every two-year cost of living/cpi increase. This will support providers and Medicaid members in the state over the course of the next 8 to 10 years with the shortage.

2. e.g. An average anesthesiologist produces approx 15,000 ASA units annually. At the approx. \$21.00 per ASA unit that NV Medicaid reimburses currently, the average compensation would be \$315,000 annually. In 2022, National Benchmarks for Total Anesthesia Compensation (for 3 aggregated surveys from MGMA, AGMA and ECG) has a median (50th %ile) compensation of \$586,000 annually. This number is difficult for our practice to reach without improvements in Medicaid rates.
3. States like Arizona and Utah have updated their rates to a more competitive level to allow groups to hire and compensate individuals at these fair market value compensation benchmarks.

As a board of physicians and CRNAs who live and work in Nevada, we appreciate your consideration of this request. We would appreciate any changes to the reimbursement rate and we thank you for investing in anesthesia services for patients in the state.

If we can provide you any data/research/statistics, please do reach out to our physician chair, Dr. Scott Fielden (Scott.Fielden@usap.com) or our administrative leader Hasnain Photowala (Hasnain.Photowala@usap.com)

Our sincerest thanks,



Fielden, Hanson, Isaacs, Miyada, Robison, Yeh Ltd.
d/b/a US Anesthesia Partners, Nevada

By: Scott Fielden M.D.

Title: Chair, Clinical Governance Board

Email: Scott.Fielden@usap.com

Address: 7160 Rafael Rivera Way, Suite 210, Las Vegas, NV 89113

Date: July 24th, 2023

Physician Board Members:

Scott Fielden (Chair)

Dean Polce (Vice-Chair)

Jason Jackson

Derek Goffstein

Arthur Ho

Jens Kellermeier

Brad Isaacs

Virag Patel

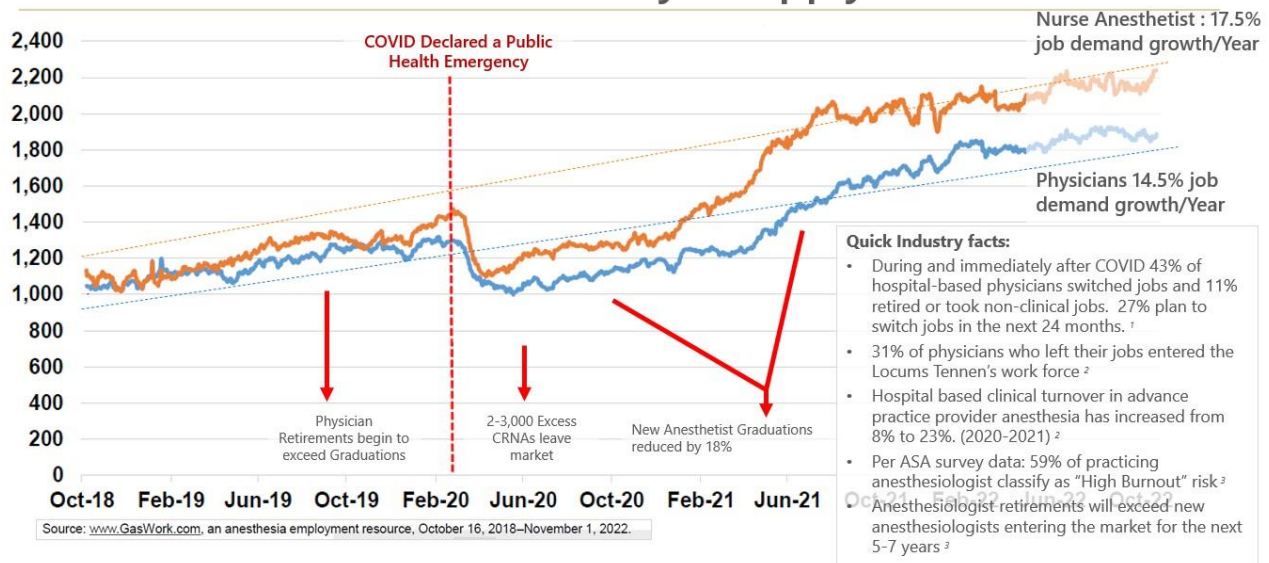
Charles Mendoza

Some Information and Statistics

Slow to negative growth in the supply of practicing clinicians combined with consistent YoY growth in anesthesia demand has resulted in explosive growth in both recruitment activity and clinical compensation, and corresponding shortage of available clinicians.

Types	MD	CRNA	CAA
Estimated Population	55,000	59,000	3,300
Est. Annual Population Growth	0% to -2%	2% to 5%	7% to 9%
Estimate Annual Demand Growth for Anesthesia = +5 to 7%			

Anesthesia Workforce Summary – Supply Headwinds



ANESTHESIA 2022 TOTAL COMPENSATION MGMA, ECG, AMGA BENCHMARK SURVEY 50th/75th/90th Percentile Benchmarks (2022 Compensation)

		50th Percentile	75th Percentile	90th Percentile
TCC (Clinical+Benefits) - Per 1.0 FTE				
Anesthesiology	\$	771,000	\$ 586,000	\$ 667,000
Anesthesiology–Trauma	\$	801,000	\$ 609,000	\$ 693,000
Anesthesiology–OB	\$	771,000	\$ 586,000	\$ 667,000
Anesthesiology–Cardiology	\$	713,000	\$ 648,000	\$ 694,000
Pediatrics–Anesthesiology	\$	736,000	\$ 602,000	\$ 679,000
Pediatrics–Cardiac Anesthesiology	\$	-	\$ -	\$ -
Certified Registered Nurse Anesthetist	\$	339,000	\$ 287,000	\$ 314,000