

STATE PLAN UNDER TILE XIX OF THE SOCIAL SECURITY ACT

State: NEVADA

Attachment 4.19-B

Page 1

Assurances

These reimbursement methodologies are sufficient to enlist enough providers so that services under the plan are available to recipients at least to the extent that these services are available to the general population, as required by 42 CFR 447.204.

These rates comply with the requirements of Section 1902(a)(30) of the Social Security Act and 42 CFR 447.200, regarding payments and are consistent with economy, efficiency and quality of care.

Rate methodology and provider retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained.

STATE PLAN UNDER TILE XIX OF THE SOCIAL SECURITY ACT

State: NEVADA

Assurances 4.19-B

Page 2

Assurances

The reimbursement methodology described in Attachment 4.19B, Page 5 will not exceed the federal upper payment limit for such services as described in 42 CFR 442.321. To the extend reimbursements exceed upper payment limits, the State will return to CMS any federal funds used to reimburse these providers in excess of this limit. To establish the federal upper payment limit for these services the following methodology is used:

1. Segregation: Providers are divided into two primary categories – hospital based providers and free-standing clinics. These two categories are further segregated three additional categories:
 - a. Privately-owned or operated facilities.
 - b. State government-owned or operated facilities
 - c. Non-state government-owned or operated facilities
2. Free-Standing Privately-owned or operated facility UPL estimation
 - a. A sample of at least one calendar quarter of Medicaid claims for these providers will be used as base data.
 - b. Medicaid reimbursement is estimated for these claims using the methodology described in 4.19B, Page 5.
 - c. Medicare reimbursement is estimated using the guidelines established in the Medicare Claims Processing Manual and Transmittal AB-03-116.
 - d. The amounts calculated in b. and c. are compared. If b. is less than c. Medicaid reimbursement is in conformance with the provisions of 42 CFR 422.321.
3. Free-Standing state and non-state government-owned or operated facilities – there are no facilities providing services under attachment 4.19B, Page 5 in Nevada.
4. Hospital-based privately-owned or operated facilities.
 - a. The methodology utilizes Medicare cost principles to estimate UPL
 - b. The methodology includes all hospital outpatient services, including those provided under 4.19B, Page 1 and Page 5.
 - c. The most recently filed Medicare cost report outpatient cost to charge ratio is used for each facility.
 - d. A sample of at least one calendar quarter of Medicaid claims for the services described in 4.b. above will be used as base data.
 - e. Medicaid reimbursement is estimated for these claims using the methodology described in attachment 4.19B.
 - f. Medicare reimbursement is estimated by multiplying the total billed charges for each facility from d. above by the cost to charge ratio from b. above. The result is the Medicare UPL for these services.
 - g. The amounts calculated in e. and f. are compared. If e. is less than f. Medicaid reimbursement is in conformance with the provisions of 42 CFR 422.321
5. Hospital-based state government-owned or operated facilities – there are no facilities providing services under attachment 4.19B, Page 5 in Nevada.
6. Hospital-based non-state government owned or operated facilities estimations are based on the same methodology described in 4. above.

TN No.: 05-009

Approval Date: September 23, 2005

Effective Date: April 1, 2005

Supersedes

TN No.: 03-007