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# 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,  
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Administrator

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## **PUBLIC NOTICE TO SOLICIT COMMENT ON INTENT TO SUBMIT A STATE PLAN AMENDMENT TO ESTABLISH A NEW REIMBURSEMENT METHODOLOGY FOR SPECIAL CLINICS THAT PROVIDE SERVICES PRIMARILY TO CHILDREN WITH CANCER AND OTHER RARE DISEASES**

**Date of Publication:** September 26, 2023

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

General public comments are encouraged to be submitted in writing. You may submit comments in one of two ways. (Please choose only one of the ways listed below):

**Electronically:** You may email comments to [DocumentControl@dhcfp.nv.gov](mailto:DocumentControl@dhcfp.nv.gov). Write "State Plan Amendment for Special Clinics that Provide Services Primarily to Children with Cancer and Rare Diseases Public Notice" in the subject line.

**Mail:** You may mail written comments to the following address:

Division of Health Care Financing and Policy

ATTN: "State Plan Amendments for Special Clinics that Provide Services Primarily to Children with Cancer and Rare Diseases Public Notice"

1100 E. William Street, Suite 101, Carson City, Nevada 89701

### **Purpose:**

The purpose of this notice is to provide the public with information and to collect public feedback regarding the state's intent to submit a State Plan Amendment (SPA) for federal approval of a new reimbursement methodology for special clinics that provide services primarily to children with cancer and rare diseases. The new methodology will be effective October 1, 2023. The Division intends to publish the draft SPA and other supporting materials on its website within the coming months at: <http://dhcfp.nv.gov>. Emails will be sent to such individuals as have requested public notice of SPAs and meetings (to request notifications please contact [documentcontrol@dhcfp.nv.gov](mailto:documentcontrol@dhcfp.nv.gov), or at 1100 East William Street, Suite 101, Carson City, Nevada 89701.

**Overview:** During the 2023 Legislative Session, Senate Bill 221 (SB 221) was passed and signed into law. SB 221 requires the Division of Health Care Financing and Policy "create a specific billing category as a type of special clinic for clinics that provide services primarily to children with cancer and rare diseases" and "establish billing guidelines and a rate methodology for [these] clinics... that are consistent with prevailing best practices for reimbursing such clinics."

Per a Guidance Document published by CMS (<https://www.hhs.gov/guidance/document/clinic-payment-methodology>), clinic services as defined by 42 CFR 440.90 may be reimbursed using one of the following methodologies:

1. Payment using an all-inclusive encounter visit rate
2. Practitioner/physician fee schedule rates
3. Reconciled cost (requires and approved cost report)

**Methodology:** Based on the federal guidance listed above, the Division intends to reimburse the new special clinics using an encounter visit rate. Currently, many providers who may qualify to enroll under the new special clinic type are physician groups, which would indicate they are already paid via practitioner/physician fee schedule rates; the Division would not expend the additional funding granted by SB221 under this option. Medicaid agencies may also reimburse clinic providers via a reconciled cost report. However, this may be burdensome on providers to complete a cost report and may require additional funding for a vendor to audit cost reports; the Division did not receive any funding from SB 221 for vendor support services. As such, the all-inclusive encounter visit rate is the best option for reimbursing special clinics that primarily treat children with cancer and other rare diseases.

Given the extensive regulatory structure surrounding Medicaid payments for pharmacy services, the Division plans to define the new clinic encounter service to exclude pharmacy services. The all-inclusive rate will capture all other services provided by such clinics when services are rendered for recipients enrolled in Medicaid. To calculate encounter rates, the Division will combine the additional funding allocated by the legislature through the passage of SB 221 with the current reimbursement paid to providers who qualify to enroll under the new clinic type. The total funding available will be compared to historical visit counts to determine an encounter rate.

**Expected Expenditures:** The state anticipates an increase to annual medical aggregate expenditures to the Division's budget as follows to implement the new reimbursement methodology addressed above:

- **State Fiscal Year 2024:**
  - Total computable expenditures: \$747,039
  - State Share: \$278,000
- **State Fiscal Year 2025:**
  - Total computable expenditures: \$2,349,426
  - State Share: \$890,135

## Notice Information

This notice has been posted online at <http://dhcfp.nv.gov>, as well as Carson City, Las Vegas, Elko, and Reno Central Offices for DHCFP. Email notice has been made to such individuals as have requested notice of meetings (to request notifications please contact [documentcontrol@dhcfp.nv.gov](mailto:documentcontrol@dhcfp.nv.gov), or at 1100 East William Street, Suite 101, Carson City, Nevada 89701. DHCFP, 1100 E. William St., Suite 101, Carson City, Nevada 89701 DHCFP, 1010 Ruby Vista Drive, Suite 103, Elko, Nevada 89801 DHCFP, 1210 S. Valley View, Suite 104, Las Vegas, Nevada 89102 DHCFP, 745 W. Moana Lane, Suite 200, Reno, Nevada 89509.

If you require a physical copy of this notice, please contact [documentcontrol@dhcfp.nv.gov](mailto:documentcontrol@dhcfp.nv.gov), or at 1100 East William Street, Suite 101, Carson City, Nevada 89701.

## Public Hearing

The Division will host a public hearing prior to submitting the State Plan Amendment to seek further public comment. This public hearing will be held by the end of calendar year 2023. Additional information will be shared at that time noting specific reimbursement rates for the new clinic services. This information will be posted online at <http://dhcfp.nv.gov>, as well as Carson City, Las Vegas, Elko, and Reno central offices for DHCFP. Email notice has been made to such individuals as have requested notice of meetings (to request notifications please contact [documentcontrol@dhcfp.nv.gov](mailto:documentcontrol@dhcfp.nv.gov), or at 1100 East William Street, Suite 101, Carson City, Nevada 89701. DHCFP, 1100 E. William St., Suite 101, Carson City, Nevada 89701 DHCFP, 1010 Ruby Vista Drive, Suite 103, Elko, Nevada 89801 DHCFP, 1210 S. Valley View, Suite 104, Las Vegas, Nevada 89102 DHCFP, 745 W. Moana Lane, Suite 200, Reno, Nevada 89509.