

Steve Sisolak  
*Governor*



Richard Whitley  
*Director*

State of Nevada  
Department of Health and  
Human Services

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Nevada Medicaid Quadrennial Rate Reviews

Department of Health Care Financing and Policy

Presented by: Sean Linehan MAIII



9/30/2021

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



# Agenda

1. Why we do the Quadrennial Rate Review (QRR)
2. Current Rate Methodologies
3. QRR Process Flow
4. Provider Engagement
5. Provider Survey
6. Calculating Cost (Resource)
7. Website
8. Survey Schedule



# Why We Do The Quadrennial Rate Review

NRS 422.2704 requires that, every four (4) years, the State of Nevada, Division of Health Care Financing and Policy (DHCFP) review the rate of reimbursement for each service or item provided under the State Plan for Medicaid to determine whether the rate of reimbursement accurately reflects the actual cost of providing the service or item.





# Why We Do The Quadrennial Rate Review Continued

If the Division finds that the rate of reimbursement for a service or item does not accurately reflect the actual cost of providing the service or item, NRS 422.2704 requires the Division to calculate a rate of reimbursement that accurately reflects the actual cost of providing the service or item and recommend that rate to the Director of Health and Human Services for possible inclusion in the State Plan for Medicaid.





# Current Rate Methodologies

- **CMS Based Rates**

Rates are set using the relevant Medicare Fee Schedules and formulas with data provided by the Centers for Medicare and Medicaid Services (CMS). These formulas incorporate factors like adjustments for malpractice risk and geographic locations. Resource-Based Relative Value Scale or RBRVS

- **Provider Specific or Negotiated Rates**

Rates are set through negotiations with specific providers, typically to cover a percentage of billed charges or a specific flat rate that covers an acceptable portion of the providers costs.



# Current Rate Methodologies

- **Contracted Actuarial Vendor Rates**

Providers submit cost reports to an actuarial vendor that analyzes the data and recommends rates based on the data reviewed. This typically only applies to Facility based providers like hospitals.

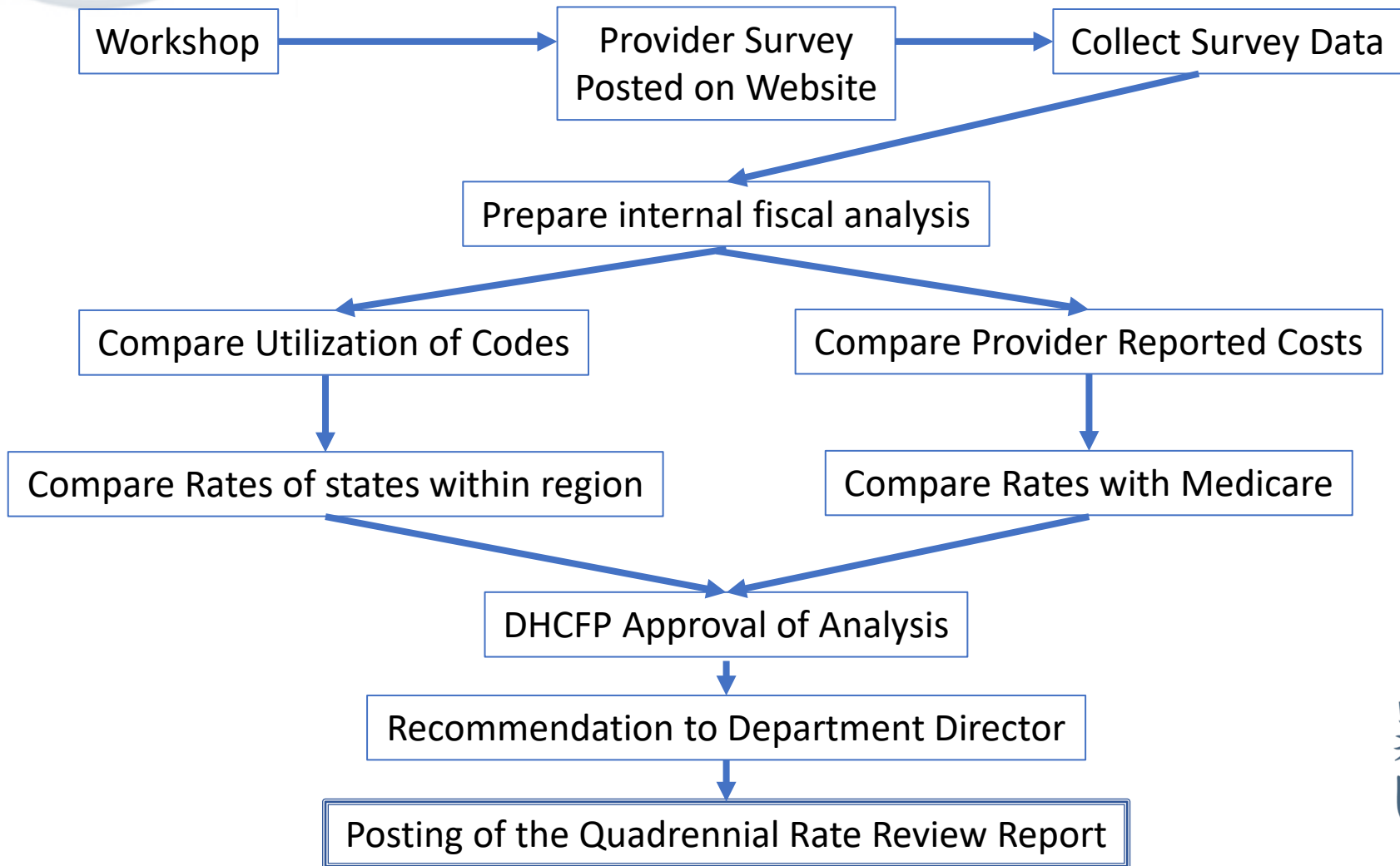
- **State Plan**

All current rate methodologies are documented in the Nevada State Plan, attachments 4.19-A and 4.19-D.





# QRR Process Flow





# Provider Engagement

- Provider survey
  - Provides DHCFP with provider costs for codes in order to help analyze rate discrepancies.
  - Low provider feedback decreases data pool for accurate analysis.
    - It is easier to make a recommendation for a rate increase with a larger pool of provider responses
      - If two providers out of 100 are the only ones to respond, an accurate picture of the true cost of service within the State of Nevada cannot be determined.
      - If those two providers report that their costs are sufficient, then that is the data that will be used even though 98 other providers may have higher costs due to locality such as Clark/Washoe vs Rural NV!





# Provider Survey

## Provider Type 12: Hospital, Outpatient

Provider Name

Provider NPI

Name & Title of person completing survey

Specialty *(if applicable)*

Contact Number *(only to be contacted if clarification is needed)*

Date

### How did you receive notification of the survey (please check all that apply):

Email

Web Announcement

Social Media

Other

**Directions:** Please complete the following review using your most current cost. Indicate which codes your organization currently utilizes by completing the Cost of Providing Service for each code individually. **Completed surveys must be returned in Excel format via email to [Rates@dncfp.nv.gov](mailto:Rates@dncfp.nv.gov) by Friday, September 3, 2021** with the subject line "Quadrennial Rate Review". You may also use this email address if you have any questions about completing the survey.

*The Cost of Providing Service includes all costs directly associated with delivering the service (e.g., wages, supplies, facility costs).*

CPT/HCPCS Code	Code Description	Modifier	Cost of Providing Service	Comments



# Calculating Cost Resources

## References

Dahl, Owen. *A Metric to Quantify the Cost of Patient Visits*. 28 March 2018. <https://www.physicianspractice.com/view/how-your-revenue-cycle-management-effects-patient-payment-and-surprise-billing>. 14 June 2021.

—. *MGMA18: A Patient-Level Approach to managing Practice Costs*. n.d. <https://www.mgma.com/event-registration/mgma18-the-operations-conference/session-handouts/con201-a-patient-level-approach-to-managing-practi>. 14 June 2021.

Kullgren, Jeff MPH and Sibella, Maria MA. *Calculating Your Costs per Visit*. 11 April 2004. <https://www.aafp.org/fpm/2004/0400/p41.html>. 14 June 2021.

The Journal of Urgent Care Medicine. *Understanding Your Cost per Patient*. n.d. <https://www.jucm.com/understanding-cost-per-patient/>. 14 June 2021.





# Provider Survey Conclusion

- Once completed, please send the Excel survey to the following E-Mail Address with “Quadrennial Rate Review” in the subject line:
  - [rates@dncfp.nv.gov](mailto:rates@dncfp.nv.gov)
- If you need assistance, please contact us at the above address and a member of our team will be more than happy to assist!

# Website

<https://dhcfnv.gov/Resources/Rates/QRR/>

## Rate Analysis & Development

### Medicaid Rate Reviews

NRS 422.2704 requires that, every four (4) years, the State of Nevada, Division of Health Care Financing and Policy (DHCFP) review the rate of reimbursement for each service or item provided under the State Plan for Medicaid to determine whether the rate of reimbursement accurately reflects the actual cost of providing the service or item. If the Division determines that the rate of reimbursement for a service or item does not accurately reflect the actual cost of providing the service or item, the Division must calculate the rate of reimbursement that accurately reflects the actual cost of providing the service or item and recommend that rate to the Director of Health and Human Services (DHHS) for possible inclusion in the State Plan for Medicaid.

- [Full Text of Quadrennial Rate Reviews](#)

### Methodology and Schedule of Reviews

DHCFP has established a schedule for completing rate reviews by provider type. Surveys will be made available on this page for the designated providers. Completed surveys must be emailed to [rates@dhcfnv.gov](mailto:rates@dhcfnv.gov) in Excel format. Various channels may be used to notify affected providers of the availability of surveys for selected provider types to include: email and fax blasts from DHCFP's fiscal agent (Gainwell Technologies), correspondence to provider associations, [Web Announcements](#) on the Provider Portal, and updated postings on the bottom of this webpage.

Provider surveys will request information regarding the Cost of Providing Service for each CPT/HCPCS/Revenue code allowed under the designated provider type. Providers should ensure that surveys are completed and submitted by the deadline listed on the survey. These surveys will help DHCFP determine if the current reimbursement rates paid to providers accurately reflect the cost of providing the service or item.

**Provider Type (PT) Survey Instructions and Templates – due to DHCFP by September 3, 2021**

### Contact

[rates@dhcfnv.gov](mailto:rates@dhcfnv.gov)

### Links

[Yearly Review Schedule](#) &

[Web Announcements](#)

### Quadrennial Reports

[June 2021 Quadrennial Rate](#)

[Review](#) &

[2020 Quadrennial Rate](#)

[Review Report](#) &

- Yearly Schedule
- Web Announcements
- Quadrennial Rate Review Report
- Survey and Instructions



# Survey Schedule

Steve Sisolak  
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.*



Suzanne Bierman,  
JD MPH  
Administrator

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## Yearly Quadrennial Rate Review Survey Schedule

2021

### Provider Type - Service for Rate Review – Specialty Code

- 10 – Outpatient Surgery, Hospital Based
- 12 – Hospital, Outpatient
- 13 – Psychiatric Hospital, Inpatient
- 33 – Durable Medical Equipment, Disposable, Prosthetics
- 34 – Therapy
- 36 – Chiropractor
- 44 – Swing-Bed, Acute Hospital
- 45 – End Stage Renal Disease Facility
- 46 – Ambulatory Surgical Centers





# Questions?





# Contact Information

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[rates@dhcfp.nv.gov](mailto:rates@dhcfp.nv.gov)

<http://dhcfp.nv.gov/Resources/Rates/QRR/>



# Acronyms

- QRR – Quadrennial Rate Review
- CMS – Centers for Medicare and Medicaid Services
- DHCFP – Division of Health Care Financing and Policy