

Steve Sisolak
Governor



Richard Whitley
Director

State of Nevada
Department of Health and
Human Services

Nevada Medicaid Quadrennial Rate Reviews

Department of Health Care Finance and Policy

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Agenda

1. Current Review Process
2. Quadrennial Rate Review History
3. Provider Engagement
4. Provider Survey
5. Calculating Cost (Resource)
6. Website
7. Survey Schedule



Current Review Processes

- **Formula based reviews**

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.

- **Provider-specific negotiated reviews**

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 Review Processes

- **Contracted Actuarial Vendor reviews**

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.

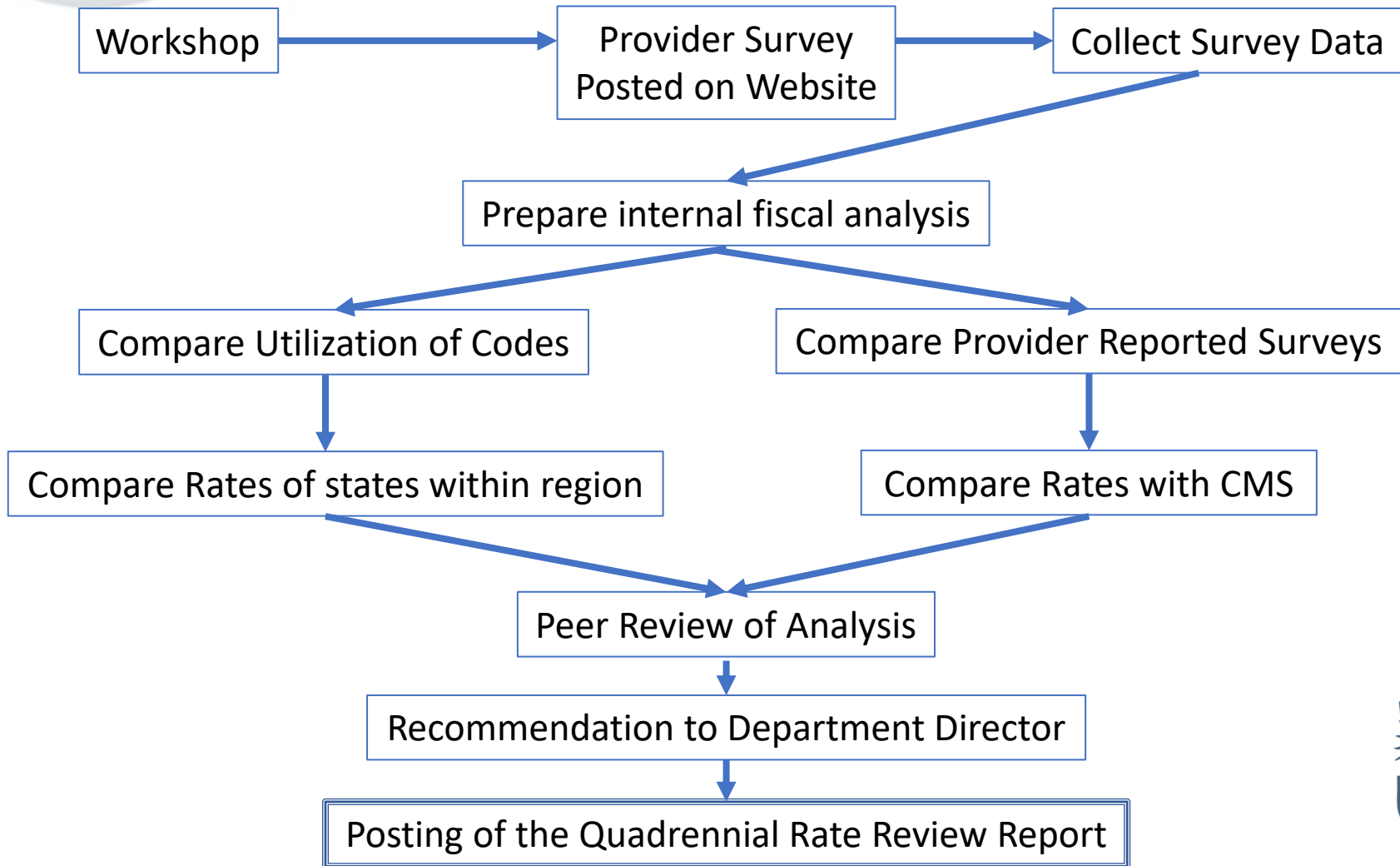
- **State Plan**

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





Process Flow



Quadrennial Rate Review History

During the 2017 Nevada Legislative session, Assembly Bill (AB) 108 was introduced to address continuing concerns raised by Nevada Health Care Providers regarding reimbursement amounts from Nevada Medicaid.

This bill requires the Division of Health Care Financing and Policy (DHCFP) to review the adequacy of Medicaid rates every 4 years.





Quadrennial Rate Review History Continued

If DHCFP finds that the rate of reimbursement for a service or item does not accurately reflect the actual cost of providing the service or item, this bill 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 NV State Plan for Medicaid.





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

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 Usual & Customary Charge* and the Cost of Providing Service** for each code individually. Completed surveys must be returned by **May 31, 2021** and emailed to **Rates@dncfp.nv.gov** with the subject line "Quadrennial Rate Review".

**The amount paid for a medical service in a geographic area based on what providers in the area usually charge for the same or similar medical service.*

***This includes all costs directly involved in delivering the service, labor and material. Measure all costs directly associated with delivering the service.*

CPT/HCPCS Code	Code Description	Modifier	Usual & Customary Charge*	Cost of Providing Service**
00100	ANESTHESIA FOR PROCEDURE ON SALIVARY GLAND WITH BIOPSY			
00102	ANESTHESIA FOR PROCEDURE TO REPAIR LIP DEFECT PRESENT AT BIRTH			
00103	ANESTHESIA FOR PROCEDURE ON EYELID			
00104	ANESTHESIA FOR ELECTRIC SHOCK TREATMENT			
00120	ANESTHESIA FOR BIOPSY OF EXTERNAL MIDDLE AND INNER EAR			





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 to the following E-Mail Address with “Quadrennial Rate Review” in the subject line:
 - 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

http://dhcfp.nv.gov/Resources/Rates/AB_108_Reviews/

Rate Analysis & Development

Medicaid Rate Reviews

In 2017, the Nevada Legislature passed Assembly Bill 108. Beginning in 2018, this bill mandates the State of Nevada Division of Health Care Financing and Policy (DHCFP) complete a comprehensive rate review for each provider type at least every four years. These reviews may or may not result in changes to reimbursement amounts.





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

Methodology and Schedule of Reviews

DHCFP has established a quarterly schedule for completing rate reviews by provider type. During each quarter, surveys will be made available on this page for the designated providers. Completed surveys can be emailed to Rates@dhcfp.nv.gov or mailed to the address listed at the top of the survey. Various channels will be used to notify affected providers on a quarterly basis of the availability of surveys for selected provider types. These include email and fax blasts from DHCFP's fiscal agent (DXC Technology), 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 Customary Charges and Costs 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 rate reimbursement rates paid to providers are appropriate.


Provider Rate Review Instructions and Surveys

- [2nd Quarter 2020 Instructions](#) 
 - [PT 29 Survey](#) 
 - [PT 39 Survey](#) 
 - [PT 55 Survey](#) 

Contact

rates@dhcfp.nv.gov

Links

[Yearly Review Schedule](#) 
[Web Announcements](#)

Quadrennial Reports

[2020 Quadrennial Rate Review Report](#) 

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



Survey Schedule

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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.



Suzanne Bierman,
JD MPH
Administrator

During the 2017 Nevada Legislative Session, Assembly Bill 108 (AB 108), also known as Quadrennial Rate Review, was passed. The passage of this bill requires the State of Nevada, Division of Health Care Financing and Policy (DHCFP) conduct a rate review for each provider enrolled with Nevada Medicaid at a minimum of every four years. The purpose of this bill is to determine whether the rate of reimbursement accurately reflects the actual cost of providing the service or item. The DHCFP has established a yearly rate review schedule that is based on provider types and their assigned specialties. The schedule below only reflects the review schedule and does not display any anticipated reports generated from the conclusions of the reviews. As such, the DHCFP reserves the right to amend the yearly schedule if deemed necessary.

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
- 25 – Optometrist
- 33 – Durable Medical Equipment, Disposable, Prosthetics
- 34 – Therapy
- 35 – Non Emergency Transportation
- 36 – Chiropractor
- 38 – Home & Community Cased Waiver – MR Services
- 41 – Optician, Optical Business
- 44 – Swing-Bed, Acute Hospital





Questions?





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Acronyms

- QRR – Quadrennial Rate Review
- CMS – Centers for Medicare and Medicaid Services