

Department of Health & Human Services
Centers for Medicare & Medicaid Services
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519



February 26, 2015

Marie Zimmerman
State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Ms. Zimmerman:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #13-0025 - Emergency Transportation Rates
--Effective Date: July 1, 2013

If you have any additional questions, please have a member of your staff contact Courtenay Savage at (312) 353-3721 or via e-mail at Courtenay.Savage@cms.hhs.gov.

Sincerely,

/s/

Todd McMillion
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: Sean Barrett, MDHS

Enclosure

STATE: MINNESOTA
Effective: July 1, 2013
TN: 13-25

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Approved: February 26, 2015

Supersedes: 11-02 (10-06, 09-25, 09-20, 08-17, 07-12, 07-08, 07-09, 07-06, 06-19, 05-21)

5.a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a nursing facility or elsewhere (continued).

- health care; or
- The recipient (or caregiver of a dependent recipient) has a serious and persistent mental illness.

Additional payment adjustment for physician practice groups at Hennepin County Medical Center and Regions Hospital Effective for services delivered on or after July 1, 2009, in recognition of the services provided by physicians and, effective for services delivered on or after January 1, 2011, non-physician practitioners affiliated with the two largest safety net hospitals, an additional adjustment, in total for the physician practice groups associated with Hennepin County Medical Center (Hennepin Healthcare System Faculty Associates) and with Regions Hospital (HealthPartners), will be made in the fourth quarter of each calendar year, within two years following the close of the federal fiscal year, that equals the difference between average commercial payer rates for the hospital-based services delivered by physicians and practitioners affiliated with Hennepin County Medical Center and Regions Hospital and the rates paid to those physicians and practitioners under this section of Attachment 4.19-B using rates from the most recently complete calendar year available. Anesthesia services and bundled radiology services are excluded from this payment. Total payments shall be based on data and calculated beginning in January of each year as follows:

1. For physician services delivered at Hennepin County Medical Center by physicians and practitioners practicing with Hennepin Healthcare System Faculty Associates, the set of services (by HCPCS code) delivered to Medicaid eligible individuals and billed on a fee-for-service basis shall be determined using MMIS data.

For physician services delivered at Regions Hospital by physicians and practitioners practicing with HealthPartners, the set of services (by HCPCS code) delivered to Medicaid eligible individuals and billed on a fee-for-service basis shall be determined using a list of transaction control numbers from HealthPartners' billing system. DHS will use the supplied transaction control numbers to extract the relevant HCPCS codes from the MMIS system.

2. The payment rate for HCPCS code will be supplied, by the practice groups, for the top five commercial payers from the billing systems of the two physician practice groups.
3. The payment rates for each HCPCS code for each of the commercial

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24.a. Transportation.

Effective July 1, 2001, payment for **emergency ambulance transportation** is the greater of:

- 1) the payment rate in effect on July 1, 2000; or
- 2) the Medicare unadjusted payment rate; or
- 3) the established rate for the following codes:
 - A0427 \$430.03
 - A0429 \$430.03

If the provider transports two or more persons simultaneously in one vehicle from the same point of origin, the payment must be prorated according to the following schedule:

NUMBER OF RIDERS	PERCENT OF ALLOWED BASE RATE PER PERSON IN VEHICLE	PERCENT OF ALLOWED MILEAGE RATE
1	100	100
2	80	50
3	70	34
4	60	25
5-9	50	20
10 or more	40	10

Payment for emergency **air ambulance transportation** is consistent with the level of medically necessary services provided during the recipient's transportation.

Effective January 1, 2001, payment is the lower of:

- 1) submitted charge; or
- 2) the Medicare unadjusted base payment rate.

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24.a. Transportation.

Additional payment adjustment for emergency transportation providers at Hennepin County Medical Center and the City of St Paul: Effective for services delivered on or after July 1, 2013, emergency transportation providers affiliated with Hennepin County Medical Center and the City of St. Paul will receive an additional adjustment in the first quarter of each calendar year, within two years following the close of the provider's rate year. The adjustment equals the difference between average commercial payer rates for the emergency transportation services delivered by providers affiliated with Hennepin County Medical Center and the City of St. Paul and the rates paid to those providers under this section of Attachment 4.19-B using rates from the most recently complete calendar year available. Total payments shall be based on the data described below and calculated beginning with payments made in January of each year as follows:

- 1) For emergency transportation services delivered by providers associated with Hennepin County Medical Center and the City of St. Paul, the set of services (by HCPCS code) delivered to Medicaid eligible individuals and billed on a fee-for-service basis shall be determined using MMIS data.
- 2) Hennepin County Medical Center and the City of St. Paul will supply, from their respective billing systems, the payment rates for their top five commercial payers along with the relative percentage of commercial ambulance charges that each payer represents. Only commercial payers with at least two percent of the provider's total commercial ambulance charges for the relevant HCPCS codes will be included in the calculation of the average commercial rate.
- 3) The payment rates for each HCPCS code for each of the commercial payers will be averaged to determine the average commercial payer rate for each HCPCS code.
- 4) For each of the two emergency transportation provider data sets, the average commercial payer rate is multiplied by the Medicaid frequency for the HCPCS codes for that group.
- 5) For each of the two emergency transportation provider data sets, the Medicaid payment amount is subtracted from the result in paragraph 4 for each HCPCS code.
- 6) The final payment amount for the two emergency transportation providers is equal to the sum of the amounts in paragraph 5.

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24.a. Transportation. (continued)

Final Rate Formula:

1. total district special transportation costs (salaries of drivers only, fringe benefits, gas, oil, insurance, maintenance) divided by the total number of days eligible children are enrolled in the district = per child daily costs
2. per child daily cost divided by 2 = trip cost per child
3. trip cost per child multiplied by the cognizant agency's unrestricted indirect cost percentage for the school district
4. item 2 + item 3 = final rate

The base rates as described in this item are adjusted by the following clauses of Supplement 2 of this Attachment:

D. MinnesotaCare tax rate adjustment

Y. Ambulance services rate decrease 2011