June 6, 2019

Marie Zimmerman, 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 #19-0001 --Revises payment rates to support changes in the allowable units of certain service codes. Also deletes language describing certain payment adjustments, and revises observation and direction requirements under the EIDBI benefit.

--Effective Date: January 1, 2019

--Approval Date: June 6, 2019

If you have any additional questions, please have a member of your staff contact Sandra Porter at (312) 353-8310 or via e-mail at Sandra.Porter@cms.hhs.gov.

Sincerely,

/s/

Todd McMillion
Acting Deputy Director
Center for Medicaid & CHIP Services
Regional Operations Group

Enclosures

cc: Ann Berg, DHS
4.b. Early and periodic screening, diagnosis, and Treatment services. (continued)

2. **Observation and Direction** is the clinical direction and oversight by a qualified EIDBI provider to a same or lower level provider based on the required provider standards and qualifications regarding provision of EIDBI services to a child. The qualified provider delivers face-to-face observation and direction to a same or lower level provider regarding developmental and behavioral techniques, progress measurement, data collection, function of behaviors, and generalization of acquired skills for each child. This service is for the direct benefit of the child and provides a real time response to the EIDBI intervention to maximize the benefit for the child. It also informs any modifications needed to the methods to be implemented to support the accomplishment of outcomes in the Individual Treatment Plan.

Qualified providers: Qualified Supervising Professional, Level I Provider, and Level II Provider.

3. **Family/Caregiver Training and Counseling** is specialized training and education provided, for the benefit of the child, to a family/caregiver to assist with the child’s needs and development. The provider will observe, instruct and train the family/caregivers on the child’s development status, and techniques and strategies to promote the child’s development.

Qualified providers: Qualified Supervising Professional, Level I Provider, and Level II Provider.
4.b. Early and periodic screening, diagnosis, and Treatment services. (continued)

2. **Observation and Direction** is the clinical direction and oversight by a qualified EIDBI provider to a same or lower level provider based on the required provider standards and qualifications regarding provision of EIDBI services to a child. The qualified provider delivers face-to-face observation and direction to a same or lower level provider regarding developmental and behavioral techniques, progress measurement, data collection, function of behaviors, and generalization of acquired skills for each child. This service is for the direct benefit of the child and provides a real time response to the EIDBI intervention to maximize the benefit for the child. It also informs any modifications needed to the methods to be implemented to support the accomplishment of outcomes in the Individual Treatment Plan.

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Qualified providers: Qualified Supervising Professional, Level I Provider, and Level II Provider.
4.b. Early and periodic screening, diagnosis, and treatment services.

EPSDT (in Minnesota, Child & Teen Checkup) services are paid the lower of the submitted charge or the 75th percentile of screening charges submitted by providers of the service during the period of July 1 to June 30, 2010. The adjustment necessary to reflect the 75th percentile is effective on October 1, 2010.

Effective January 1, 2002, provider travel time is covered if a recipient’s individual treatment plan requires the provision of mental health services outside of the provider’s normal place of business. Travel time is paid as a supplement to the payment for the associated covered service. Travel time is paid at the lower of the submitted charge or 45 cents per minute. This does not include travel time included in other billable services.

A. With the exceptions listed below, children’s therapeutic services and supports not provided by IHS/638 facilities are paid the lower of the submitted charge or the Resource Based Relative Value Scale rate.

The children’s therapeutic services and supports below are paid the lower of the submitted charge or the listed rate.

- **H0031 UA UD Functional Assessment:** $19.81 per 15 minute unit $82.44 per session
- **H0032 UA UD Service Plan Development:** $19.81 per 15 minute unit $82.44 per session
- **H2014 UA CTSS Skills Training, Individual:** $12.80 per 15 minute unit
- **H2014 UA HQ CTSS Skills Training, Group:** $8.60 per 15 minute unit
- **H2014 UA HR CTSS Skills Training, Family:** $16.67 per 15 minute unit
- **H2015 UA CTSS Crisis Assistance:** $13.65 per 15 minute unit
- **H2019 UA CTSS Mental Health Behavioral Aide-level 1:** $6.03 per 15 minute unit
- **H2019 UA HE CTSS Direction of Mental Health Behavioral Aide by Mental Health Professional or Mental Health Practitioner:** $8.80 per 15 minute unit
- **H2019 UA HM CTSS Mental Health Behavioral Aide-level 2:** $7.89 per 15 minute unit
4.b. Early and periodic screening, diagnosis, and treatment services: (continued)

Crisis response services are paid as follows:

Crisis assessment, intervention and crisis stabilization services are paid:

- for doctoral prepared mental health professionals, the lower of the submitted charge or $148.77 per 60-minute unit $37.19 per 15-minute unit;

- for master’s prepared mental health professionals, the lower of the submitted charge or $119.01 per 60-minute unit $29.75 per 15-minute unit; or

- for mental health practitioners supervised by mental health professionals, the lower of the submitted charge or $104.13 per 60-minute unit $26.03 per 15-minute unit.

IHS/638 facility providers of crisis response services are paid according to the encounter rate specified in Supplement 2 of this Attachment for each face-to-face encounter.
4.b. Early and periodic screening, diagnosis, and treatment services.

Effective for services provided on or after July 1, 2015, payment for Early Intensive Developmental and Behavioral Intervention (EIDBI) services is the lower of:

1. Submitted charge, or
2. The resource based relative value scale (RBRVS) calculated rate (if available); or

For all other services, payment is the lower of:

1. Submitted charge, or
2. the following state agency established rates:

- Comprehensive multi-disciplinary evaluation conducted by a doctoral prepared professional: $35.67 per 15-minute unit (if the service is provided by a masters level trained provider: $28.54 per 15-minute unit)
- Individual Treatment Plan (ITP) development: $82.44 per session per 15 minute unit: $20.61
- Coordinated care conference, per provider per session: $97.98
- EIDBI intervention, per 3015-minute unit: $35.08$17.54
- Group intervention, per 3015-minute unit: $11.68$5.84
- Observation and Direction of EIDBI intervention, per 3015-minute unit: $35.08$17.54
- Family/caregiver training and counseling, per 15 minute unit: $17.54
- Group family/caregiver training and counseling, per 15 minute unit: $5.84

Necessary travel time to provide EIDBI services is paid using the same methodology that applies to provider travel time in item 6.d.A.
5.a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a nursing facility or elsewhere (continued).

Effective for services on or after January 1, 2017, the Resource Based Relative Value Scale conversion factors are:

- Evaluation and Management services: $27.92 $27.90
- Obstetric services: $27.92 $27.90
- Psychiatric services: $32.49 $32.00
- All other physician services: $25.55 $25.60

Effective for services on or after April 15, 2014, procedure code 58565 pays the lower of:

1) Submitted charge; or
2) $1863.65

Effective July 1, 2007, through June 30, 2009, eligible providers are paid an additional $125 every six months for each recipient for whom the provider demonstrates optimal diabetic and/or cardiovascular care which includes:

- Blood pressure less than 140/90; and
- Lipids less than 100; and
5.a. Physicians' services, whether furnished in the office, the patient's home, a hospital, a nursing facility or elsewhere. (continued)

Laboratory services are paid using the same methodology as item 3, Other lab and x-ray services.

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

A. IHS/638 Facilities
B. Critical Access Hospitals
C. TPL
D. MinnesotaCare Tax Rate Adjustment
E. Modifiers
F. Family Planning
G. Community and Public Health Clinics
H. Medicare Cap
I. Exceptions to payment methodology and reconstructing a rate
J. Copay converted to $3.00 provider rate reduction
P. Rate increase effective 07/01/07
R. Professional services decrease effective July 1, 2009.
S. Professional services decrease effective July 1, 2010
T. Rate increase July 1, 2010
V. Facility and professional services rate increase 2010
W. Physician and physician assistant rates are adjusted by the professional services rate decrease 2011
aa. Anesthesia service rates are adjusted by the miscellaneous services and material rate decrease 2011.
bb. Reimbursement for costs of services provided by a non-state, government-operated community mental health center
cc. Supplemental payment for medical education.
ff. Professional services rate increase effective September 1, 2014.

Other provider-preventable conditions are not eligible for payment as described in Attachment 4.19-A.
11.a. Physical therapy.

Physical therapy services are paid using the same methodology as item 5.a., Physicians’ services.

Effective for services provided on or after January 1, 1997, physical therapy assistants are paid the lower of:

1. submitted charge; or

2. 100% of the fee schedule rate if the services are provided under the direction of the physical therapist who is on the premises; or

3. 65% of the fee schedule rate if the services are provided when the physical therapist is not on the premises.

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

R. Professional services decrease effective July 1, 2009
V. Facility and professional services rate increase 2010.
   aa. Miscellaneous services and materials rate decrease 2011.
   ff. Professional services rate increase effective September 1, 2014.
   jj. Rate increase for miscellaneous services, effective July 1, 2015
Occupational therapy services are paid using the same methodology as item 5.a., Physicians’ services.

Occupational therapy assistants are paid the lower of:

1. submitted charge; or

2. 100% of the fee schedule rate if the services are provided under the direction of the occupational therapist who is on the premises; or

3. 65% of the fee schedule rate if the services are provided when the occupational therapist is not on the premises.

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

R. Professional services decrease effective July 1, 2009
V. Facility and professional services rate increase 2010.
   aa. Miscellaneous services and materials rate decrease 2011.
   bb. Reimbursement for costs of services provided by a non-state, government-operated community mental health center.
   ff. Professional services rate increase effective September 1, 2014.
   jj. Rate increase for miscellaneous services, effective July 1, 2015.
Speech, language, and hearing therapy services (provided by or under the supervision of a speech pathologist or audiologist).

Speech, language, and hearing therapy services are paid using the same methodology as item 5.a., Physicians’ services.

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

- R. Professional services decrease effective July 1, 2009
- V. Facility and professional services rate increase 2010.
- W. Professional services rate decrease 2011.
- ff. Professional services rate increase effective September 1, 2014.
- jj. Rate increase for miscellaneous services, effective July 1, 2015.
Community health worker services are paid using the same methodology that applies to community health workers in item 5.a., Physicians’ services.

Effective January 1, 20152019, the following services provided as part of Adult Rehabilitative Mental Health Services (ARMHS) are paid as described below:

- A functional assessment is paid the lower of the submitted charge or $20.61 per 15-minute unit$82.44 per session;

- Creation of an individualized treatment plan is paid the lower of the submitted charge or $20.61 per 15-minute unit$82.44 per session;

- Basic living & social skills provided by a mental health professional or practitioner are paid the lower of the submitted charge or $17.17 per 15-minute unit;

- Basic living & social skills provided by a mental health rehabilitation worker are paid the lower of the submitted charge or $12.87 per 15-minute unit;

- Basic living & social skills provided in a group setting, regardless of the provider, are paid the lower of the submitted charge or $7.55 per 15-minute unit. A “group” is defined as two to 10 recipients.
Crisis assessment, crisis intervention, and crisis stabilization provided as part of mental health crisis response services are paid:

- As described in item 4.b. when provided by mental health professionals or mental health practitioners;

- when provided by mental health rehabilitation workers, the lower of the submitted charge or $74.38 per 60-minute unit $18.59 per 15-minute unit;

- in a group setting (which does not include short-term services provided in a supervised, licensed residential setting that is not an IMD), regardless of the provider, the lower of the submitted charge or $37.19 per 60-minute unit $9.29 per 15-minute unit. For the purposes of mental health crisis response services, “group” is defined as two to 10 recipients;

For a supervised, licensed residential setting with four or fewer beds, and does not provide intensive residential treatment services, payment is based on a historical calculation of the average cost of providing the component services of crisis assessment, crisis intervention and crisis stabilization in a residential setting, exclusive of costs related to room and board or other unallowable facility costs, and is equal to the lower of the submitted charge or $262.00 per day.
Payment for services for patients that are simultaneously covered by Medical Assistance and a liable third party other than Medicare will be made as the lesser of the following:

a. the patient liability according to the provider/third party payer (insurer) agreement;
   b. covered charges minus the third party payment amount; or
   c. the Medical Assistance rate minus the third party payment amount.

D. MinnesotaCare Tax Rate Adjustment
Total payment for services provided on or after January 1, 2004, is increased by two percent for the following Minnesota providers and services. This is an increase to the rate methodology described elsewhere in this Attachment for the following Minnesota providers and services. This rate increase is applied after all other payment rate increases or decreases described below.

- outpatient hospital services (Item 2.a)
- x-ray services (Item 3)
- EPSDT services, excluding rehabilitative services and services provided to a recipient with severe emotional disturbance residing in a children’s residential treatment facility (Item 4.b)
- physicians’ services (Item 5.a)
- medical and surgical services furnished by a dentist (Item 5.b)
- podiatrists’ services (Item 6.a)
- optometrists’ services (Item 6.b)
- chiropractors’ services (Item 6.c)
- other practitioners’ services: mental health, public health nursing, ambulatory surgical center, certified registered nurse anesthetist, nurse practitioner, case management services provided as a component of receiving clozapine, and clinical nurse specialist services (Item 6.d)
- clinic services (Item 9)
- dental services (Item 10)
- physical therapy services (Item 11.a)
- occupational therapy services (item 11.b)
- speech, language, and hearing therapy services (Item 11.c)
- dentures (Item 12.b)
- eyeglasses (Item 12.d)
- diagnostic, screening, and preventive services (Items 13.a, 13.b, and 13.c)
- rehabilitative services: day treatment for mental illness, services for treating chemical abuse, rehabilitative restorative
7. Teaching sites
8. Performance based payments
9. Administration of vaccines
10. Psychiatrist
11. Advanced practice nurses with a specialty in mental health
12. Mental health services provided through physicians
13. Anesthesia services

**T. Rate increase July 1, 2010**

Effective for services provided on or after July 1, 2010, the following provider payment rates for physicians’ services are increased by one and one half percent:

- Psychiatrists
- Advanced practice nurses with a specialty in mental health (Items 5.a. and 6.d.)

**U. Facility Services rate decrease 2009**

Effective for services, except as noted in **U.1**, provided on or after July 1, 2009, the following services payment rates are reduced by 3 percent. Effective for services provided on or after July 1, 2009 and before July 1, 2011, the following services payment rates are reduced an additional one and one half percent:

- Outpatient hospital (Item 2.a)
- Renal dialysis (Item 2.a)
- Laboratory (Item 3)
- Public health nursing (except for pediatric vaccine administration as described in item 25.a.) (item 6.d.B)
- Medical supplies and durable medical equipment not subject to a volume purchase contract (Item 7.c)
- Ambulatory surgery (Item 9.)
- Noncontract Eyeglasses and contact lenses not subject to a volume purchase contract (Item 12.d.)
- Noncontract Hearing aids not subject to a volume purchase contract (Item 11.c.)
- Prosthetics and orthotics (Item 12.c.)

**U.1. Noted exceptions to clause U:**

1. For outpatient hospital exclude claim lines with [mental health] procedure codes 90800-90899, 96101-96103, 96118-96120, 97535 HE.
2. For medical supplies and durable medical equipment exclude procedure codes E0424, E0431, E0434, E0439, E1390, S8120, S8121, K0738 (volume purchase oxygen) and E1399 with modifier QH. Effective 02/01/10, E0441-E0444, E1392
4. Teaching sites
V. Facility and Professional Services rate increase 2010
Effective for services, except as noted in V.1, provided on or after July 1, 2010, the following services payment rates are increased by two percent:

- Physical therapy (Item 11.a.)
- Speech therapy (Item 11.c.)
- Occupational therapy (Item 11.b.)

V.1. Noted exceptions to clause V:
1. For outpatient hospital exclude claim lines with [mental health] procedure codes 90800-90899, 96101-96103, 96118-96120, 97535 HE.
2. For medical supplies and durable medical equipment exclude procedure codes E0425, E0431, E0434, E0439, E1390, E8120, E8121, K0738 (volume purchase oxygen) and E1399 with modifier QH. Effective 02/01/10, E0441-E0444, E1392
4. Teaching sites

W. Professional services rate decrease 2011
Effective for services provided on or after September 1, 2011, through June 30, 2013, the following services payment rates are reduced by 3 percent:

- Radiology (Item 3)
- Physician (Item 5.a)
- Physician assistant (Item 5.a)
- Podiatry (Item 6.a)
- Optometrists’ services (Item 6.b)
- Chiropractic (Item 6.c)
- Nurse practitioner (Item 6.d.E.)
- Clinical nurse specialist (6.d.H)
- Medication therapy management (Item 6.d.I)
- Audiology (Item 11.c.)
- Nurse midwife (Item 17)
- Traditional midwife (Item 28)