

NEBRASKA

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DEPT. OF HEALTH AND HUMAN SERVICES



Pete Ricketts, Governor

August 3, 2020

James G. Scott, Director
Centers for Medicare & Medicaid Services
Kansas City Regional Operations Group
Division of Medicaid Field Operations-North
601 East 12th Street, Suite 355
Kansas City, Missouri 64106-2898

RE: Nebraska SPA NE 20-0008 FQHC Dental APM

Dear Mr. Scott:

Enclosed please find the above referenced amendment to the Nebraska State Plan regarding the federally approved Alternative Payment Methodology (APM) for dental services provided by Federally Qualified Health Centers (FQHCs).

The Division of Medicaid and Long-Term Care sent notice on June 22, 2020 (attached) to the federally recognized Native American tribes and Indian Health Programs within the State of Nebraska to discuss the impact the proposed State Plan Amendment might have, if any, on the tribes. No comments were received.

If you have content questions, please feel free to contact Jeremy Brunssen at jeremy.brunssen@nebraska.gov, or 402-471-5046 or for submittal questions, Dawn Kastens at dawn.kastens@nebraska.gov, or 402-471-9530.

Sincerely,

Jeremy Brunssen, Interim Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

JB/dk

cc: Megan Buck

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: NE 20-0008	2. STATE Nebraska
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2020	

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION: SSA 1902(bb)	7. FEDERAL BUDGET IMPACT: a. FFY 2020 \$656,427 b. FFY 2021 \$2,625,710
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Att. 4.19-B, Item 2c, Page 1b (new)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>):

10. SUBJECT OF AMENDMENT:

Federally Qualified Health Center (FQHC) Dental Alternative Payment Methodology (APM) Reimbursement

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor has waived review
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Dawn Kastens Division of Medicaid & Long-Term Care Nebraska Department of Health & Human Services 301 Centennial Mall South Lincoln, NE 68509
13. TYPED NAME: Jeremy Brunssen	
14. TITLE: Interim Director, Division of Medicaid and Long-Term Care	
15. DATE SUBMITTED: August 3, 2020	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED:
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME:	22. TITLE:

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State Nebraska
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

c) DENTAL ALTERNATIVE PAYMENT METHODOLOGY (APM)

Effective July 1, 2020, the Dental Alternative Payment Methodology (APM) base rate will be computed as follows:

1. Determine dental-related expenditures and visits for the FQHCs using the most recent available Medicare Cost report data, and the 2016 and 2017 Uniform Data System (UDS) submissions for each Nebraska FQHC that will operate under the APM reimbursement methodology for FQHC dental visits.
2. Determine the base costs which reflect direct dental expenditures and the allowable portion of overhead costs. An allocation of overhead costs to dental expenditures was provided within the submitted UDS data. These allocated costs were included as part of the APM development, with a cap such that no more than a 20% increase to the direct dental expenditures (a maximum of 1.2 x direct dental expenditures) is allocated to either the 2016 or 2017 expenditures underlying the base cost per visit.
3. Determine the number of visits. The visits used in the calculation of the cost per visit for each base year are based on the same 2016 and 2017 UDS data for each Nebraska FQHC.
4. Trend the CY2016 data for one year at the 1.8% market basket for 2017, and then at an average annual market basket rate of 1.9% for three years to 2020.
5. Trend the CY2017 data at an average annual market basket rate of 1.9% for three years to 2020.
6. Calculate a blended average cost per visit by combining the two years of base data for each FQHC. The weight used for 2016 and 2017 is 25% and 75%, respectively.
7. Compare the 2016 PPS rate, trended at 1.8% market basket for 2017 and 1.9% annual for each the three years from 2017 to 2020 for an accurate comparison of the 2020 APM rate to the CY2020 PPS rate.

The rate paid to the center or clinic under this methodology will result in payment of an amount which is at least equal to the PPS payment rate. The APM base rate will be updated annually based on the Medicare Economic Index (MEI). The State will periodically rebase the FQHC encounter rates using the FQHC most recent available cost reports and other relevant data. Rebasing will be done only for clinics that are reimbursed under the APM.

TN #. NE 20-0008

Supersedes

Approval Date _____

Effective Date _____

TN #. New