

February 19, 2014

Senator Kathy Campbell, Chair  
Health and Human Services Committee  
P.O. Box 94604  
Lincoln, NE 68509-4604

RE: LB 1107

Dear Senator Campbell and members of the Health and Human Services Committee:

The Division of Medicaid and Long-Term Care has reviewed LB 1107 and offers the following information on the bill.

According to the statement of intent for LB 1107, the bill would allow multiple encounters with more than one health care professional at a Federally Qualified Health Center (FQHC) to count as a separate visit for certain services.

The Nebraska Medicaid State Plan and Department regulation defines Encounter as *a face-to-face visit between a Medicaid-eligible patient and a physician, physician assistant, nurse practitioner, nurse midwife, specialized nurse practitioner, visiting nurse, clinical psychologist, or clinical social worker during which an FQHC service is rendered. Encounters with more than one health professional and multiple encounters with the same health professional which take place on the same day and at a single location constitute a single visit, except for cases in which the patient, subsequent to the first encounter, suffers an illness or injury requiring additional diagnosis or treatment.*

Currently, payment to a FQHC for an encounter is based on an all-inclusive prospective payment system (PPS) rate for a single visit. A behavioral health service provided by a psychiatrist or licensed mental health practitioner is not included in the PPS rate and is currently billed as a separate service to Medicaid. Payments for those services are established in the Nebraska Medicaid Fee-For-Service Care Fee Schedule for Mental Health and Substance Abuse Services or by Magellan, the Behavioral Health Managed Care Organization.

LB1107 would change the current payment methodology to result in a rate increase for behavioral health services provided by a psychiatrist or licensed mental health practitioner. The bill would also expand the services available to all Medicaid clients for diabetes education and registered dietician services. As a result, there will be significant costs associated with this bill as stated in the Department's fiscal note.

Please feel free to contact me if you have any questions on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Kerry T. Winterer". The signature is fluid and cursive, with the first name "Kerry" being more prominent and the last name "Winterer" following in a similar style.

Kerry T. Winterer  
Chief Executive Officer  
Department of Health and Human Services

CC: Senator Danielle Conrad