

NEBRASKA

Good Life. Great Mission.

DEPT. OF HEALTH AND HUMAN SERVICES



Pete Ricketts, Governor

December 20, 2024

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 State Plan Amendment NE 24-0014

Dear Mr. Scott:

Enclosed please find the above referenced amendment to the Nebraska State Plan to clarify agency policies and provider requirements for rural health clinics (RHCs).

The Division of Medicaid and Long-Term Care sent notice on September 5, 2024 (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 402-540-0380. For submittal questions, please contact Dawn Kastens at Dawn.Kastens@nebraska.gov or 531-893-3779.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Ahern".

Matthew Ahern, Deputy Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

cc: Tyson Christensen

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <table border="1" style="display: inline-table; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px;">2</td> <td style="width: 20px;">4</td> <td style="width: 20px;">—</td> <td style="width: 20px;">0</td> <td style="width: 20px;">0</td> <td style="width: 20px;">1</td> <td style="width: 20px;">4</td> </tr> </table>	2	4	—	0	0	1	4	2. STATE <table border="1" style="display: inline-table; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px;">N</td> <td style="width: 20px;">E</td> </tr> </table>	N	E
	2	4	—	0	0	1	4				
N	E										
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="checkbox"/> XIX <input type="checkbox"/> XXI											

TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE October 1, 2024
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5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 405 Subpart X	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2025</u> \$ <u>0</u> b. FFY <u>2026</u> \$ <u>0</u>
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Att. 3.1-A, Item 2b; Att. 4.19-B, Item 2b, Pgs 1-4	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Att. 3.1-A, Item 2b; Att. 4.19-B, Item 2b, Pgs 1-4
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9. SUBJECT OF AMENDMENT
Rural Health Clinics

10. GOVERNOR'S REVIEW (Check One)

<input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	<input checked="" type="radio"/> OTHER, AS SPECIFIED: Governor has waived review
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11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Dawn Kastens Division of Medicaid & Long-Term Care Nebraska Department of Health and Human Services 301 Centennial Mall South Lincoln, NE 68509
12. TYPED NAME Matthew Ahern	
13. TITLE Deputy Director, Division of Medicaid & Long-Term Care	
14. DATE SUBMITTED December 20, 2024	

FOR CMS USE ONLY	
16. DATE RECEIVED	17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL	21. TITLE OF APPROVING OFFICIAL

22. REMARKS

ATTACHMENT 3.1-A
Item 2b
Applies to both
Categorically and Medically
Needy

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Nebraska

LIMITATIONS – RURAL HEALTH CLINIC SERVICES

Rural Health Clinic Services

The rural health clinic must be certified by HCFA for participation in the Medicare program. Covered services are limited to those defined in 42 CFR 405.2411(a).

Telehealth:

Rural health clinic services are covered when provided appropriately via telehealth technologies subject to the limitations as set forth in state regulations, as amended.

TN No. NE 24-0014

Supersedes

TN No. NE 23-0006

Approval Date: _____

Effective Date: _____

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

X The payment methodology for RHCs will conform to Section 702 of the BIPA 2000 legislation. (All States should check this one.)

 The payment methodology for RHCs will conform to the BIPA 2000 requirements Prospective Payment System.

X The payment methodology for RHCs will conform to the BIPA 2000 requirements for an alternative payment methodology. The payment amount determined methodology will:

- 1) be agreed to by the State and the center or clinic as a part of the center/clinic's provider agreement and enrollment process with the Department; and
- 2) will result in payment to the center or clinic of an amount which is at least equal to the PPS payment rate.

RURAL HEALTH CLINICS

A provider-based RHC is defined as an integral part of a hospital, nursing facility, or home health agency that is participating in Medicare and is licensed, governed, and supervised with departments of the facility. An independent RHC is defined as a clinic participating in Medicare that is free standing with no association to a hospital, nursing facility, or home health agency.

PROSPECTIVE PAYMENT SYSTEM (PPS)

Effective January 1, 2001, the Prospective Payment System (PPS) base rate will be computed as follows:

1. Combine reasonable costs from the RHC center/clinic fiscal year 1999 and 2000 cost reports.
2. Divide the costs by the combined Total Adjusted Visits from the two fiscal year cost reports (Form HCFA - 222-92 Worksheet C, Part 1, Line 6; or Form HCFA - 2552-96 Worksheet M-3, Line 6).

This PPS base rate will be the center's final rate for January 1, 2001 through September 30, 2001. Beginning October 1, 2001, the PPS base rate will be updated annually based on the Medicare Economic Index (MEI).

TN #. NE 24-0014

Supersedes

Approval Date _____

Effective Date _____

TN #. MS-01-10

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

ALTERNATIVE PAYMENT METHODOLOGY (APM)

All rural health clinic (RHC) rates are computed under the Alternative Payment Methodology. The Department assures that payments to all rural health clinics (RHCs) are done in compliance with Section 1902(bb) of the Social Security Act and will result in a payment to the clinic in the amount which is at least equal to the prospective payment system (PPS).

Under the Alternative Payment Method, the rate for Rural Health Clinic (RHC) services provided by provider-based RHCs associated with hospitals of less than 50 beds is the lower of cost or charges, as established by Medicare.

Rates for the provider-based RHC centers/clinics associated with hospitals of 50 beds or more and Independent Rural Health Clinics are computed at the all inclusive encounter rate established by Medicare. The center/clinic's final rate for January 1, 2001 through September 30, 2001, is the greater of the APM rate or the PPS base rate. Beginning October 1, 2001, the PPS base rate will be updated annually based on the Medicare Economic Index (MEI).

For those non-RHC services for which no charge has been established by Medicare, Nebraska Medicaid makes payment according to the applicable Nebraska Medicaid fee schedule.

RATES FOR NEW RHC CENTERS/CLINICS

The initial interim rates for new RHCs will be the average APM rate of all RHC clinic/centers in Nebraska. The RHC's individual APM base rate will be computed later. Once the APM base rate has been established, it will be updated annually based on the Medicare Economic Index (MEI).

The State will periodically rebase the RHC APM rates using the most recently available cost reports and other relevant data. New RHCs will receive their own individual APM rate when the State rebases the RHC APM rates for the first time after the RHC's enrollment with Nebraska Medicaid.

The rate for any additional provider-based RHC clinic/location will be the same rate as the existing provider-based RHC clinic/location(s).

RATES FOR OUT-OF-STATE RHCs

The Department pays out-of-state rural health clinics (RHCs) participating in Medicaid at a rate which is the average APM rate of all RHC clinic/centers in Nebraska. Once the out-of-state RHC's rate has been established, it will be updated annually based on the Medicare Economic Index (MEI).

The Department pays for covered dental services appropriately provided by out-of-state rural health clinics (RHCs) participating in Medicaid in accordance with the Nebraska Medicaid Dental Fee Schedule.

TN #. NE 24-0014

Supersedes

TN #. NE 23-0006

Approval Date: _____

Effective Date: _____

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

RHC MANAGED CARE PAYMENT

RHCs that provide services under a contract with a Medicaid managed care entity (MCE) will be reimbursed at the APM rate and in accordance with the Nebraska Medicaid Rural Health Clinic Rates Fee Schedule. All rates are published and updated annually on the agency's website at: <http://dhhs.ne.gov/Pages/Medicaid-Provider-Rates-and-Fee-Schedules.aspx>. The Department assures that payments to all rural health clinics (RHCs) by its Managed Care Entities (MCEs) are done in compliance with Section 1902(bb) of the Social Security Act and will result in a payment to the clinic in the amount which is at least equal to the prospective payment system (PPS).

Reimbursement for radiology services is included in the encounter rate.

TN #. NE 24-0014

Supersedes

TN #. MS-01-10

Approval Date _____

Effective Date _____

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Nebraska

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

CHANGE IN SCOPE OF SERVICES

A change in scope of services is defined as a change in the type, intensity, duration and/or amount of services. A change in the cost of service, addition or reduction of staff members to or from an existing service, or an increase or decrease in the number of encounters are not considered in and of themselves a change in the scope of services. It is the responsibility of the RHC to notify the Division of Medicaid of any changes in the scope of services and to provide the proper documentation to support the rate change. Adjustments to the base rate for the increase or decrease in scope of services will be reflected in the RHC's respective rate for services provided in the calendar year following the calendar year in which the change in scope of services took place.

Payment for Telehealth Services: Payment for the professional service performed by the distant site practitioner (i.e., where the practitioner is physically located at time of telehealth encounter) will be equal to what would have been paid without the use of telehealth. If a RHC service is appropriately provided via telehealth and the center or clinic is the distant site, the RHC will be reimbursed at their applicable encounter rate. Non-RHC services provided via telehealth would not be eligible for reimbursement at the RHC's encounter rate. Non-RHC services appropriately delivered via telehealth will be paid according to the applicable service-specific Nebraska Medicaid fee schedule (i.e., Physician or Mental Health and Substance Use Fee Schedule), as authorized elsewhere in the plan. For services appropriately provided via telehealth where the center or clinic is the originating site, the RHC will be reimbursed at the Nebraska Medicaid originating site fee as set forth in state regulations, as amended.

The provider must be in compliance with the standards for real time, two way interactive audiovisual transmission as set forth in state regulations, as amended.

TN #. NE 24-0014

Supersedes

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Approval Date: _____

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