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State Fiscal Year 2014 DMAHS Proposed Budget

Medical Assistance Advisory Council Meeting
April 8, 2013

Vasyl Litkewycz
Chief, Bureau of Budget and Accounting

DMAHS Budget Highlights

- Medicaid/General Assistance Health Care Trend - \$159.8M
- Medicaid Costs Associated w/Federal Affordable Care Act - \$42.3M
- Medicaid – Shift to Non-State Funds – Affordable Care Act – (\$227.4M)
- Net FY'14 Proposed Budget Increase over FY'13 Appropriation - \$172.4M



2014 Budget Timeline

- April/May – Legislative Budget Hearings
- May/June – Budget Resolutions
- July 1, 2013 – FY 2014 Appropriation Act





PAYMENTS FOR SERVICES FURNISHED BY
CERTAIN PRIMARY CARE PHYSICIANS AND CHANGES TO THE
VACCINES FOR CHILDREN PROGRAM

The Affordable Care Act as Amended by Section 1202
of The Health Care and Education Act of 2010

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Marcia L. Harrison

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The Centers for Medicare and Medicaid Services' (CMS) implementation of The Affordable Care Act (ACA) - Section 1202 is a coordinated measure to:

- Address the management of chronic illness;
- Reduce health care costs for Medicaid beneficiaries; and
- Increase the PCP network for newly eligible Medicaid beneficiaries enrolling through Medicaid 2014 program expansion.



Section 1202 of the ACA is a program that allows eligible Primary Care Physicians (PCP), participating in Medicaid's fee-for-service and managed care programs, to seek enhanced rates of reimbursement (up to Medicare fee schedule) for eligible services from 1/1/2013 through 12/31/2014.

- Program implementation is MANDATORY for all states.
- The physician fee is 100% federally funded for the length of the program.
- Enhanced rates are reimbursable for Medicaid Title XIX and Medicaid Expansion beneficiaries.
- The Centers for Medicare and Medicaid Services (CMS) expects an increase in PCP Medicaid network enrollment.
- CMS expects the program to create greater access to preventive primary care services for Medicaid beneficiaries.



Certain Primary Care Physicians and Non-Physician Providers

Eligible PCP Specialty Designation

- Family Medicine;
- General Internal Medicine;
- Pediatric Medicine; or,
- Related Sub-Specialty

This program allows non-physician providers to seek enhanced rates for eligible services when supervised by program-eligible PCPs.

PCPs practicing at Federally Qualified Health Centers are not eligible for this program.

Physician Attestation Required

Fee-for-Service PCPs must attest to:

- current board certification in an eligible specialty/sub-specialty; OR,
- 2012 billed Medicaid claims are $\geq 60\%$ of eligible codes

If the Managed Care Organization (MCO) does not have Board Certification on file, then the PCP must attest to:

- 2012 billed Medicaid claims for $\geq 60\%$ of eligible codes

States must verify a statistically valid sample of physicians annually.



Health Care Common Procedure Coding System (HCPCS) codes that will be reimbursed at Enhanced Rates

- ❑ This program allows States to offer enhanced rates of reimbursement to eligible PCPs for:
 - Evaluation and Management Services (E & M) codes 99201 through 99499; and Vaccine Administration Codes 90460; 90461; 90471; 90472; 90473 and 90474.
 - Currently, NJ does not reimburse 46 of the impacted HCPCS on the Medicaid Fee Schedule.
 - NJ will add two codes covered by Medicare, for this program. Codes 99495 and 99496 cover Transitional Care Management services.
- ❑ CMS must grant approval of:
 - A State Plan Amendment (SPA) before FFS reimbursements are made;
 - Methodology to reimburse MCOs (MCO reimburses PCP);
 - MCO contract amendments before managed care reimbursements are made.
- ❑ The Federal Medical Assistance Percentage (FMAP) will be 100% of the difference between the Medicaid State Plan rate in effect on July 1, 2009 and the applicable Medicare rate.



Division of Medical Assistance and Health Services (DMAHS) preparedness for PCP eligibility and reimbursement

FFS PCP Network

- Developed SPA,
- Public Notice(advising all NJ physicians);
- Physician Letters with Attestation documents to be returned by March 15, 2013;
- Physician attestation forms will be included in Enrollment Packages;
- CCB to update Procedure Code File; create separate fee schedule; identify eligible physicians when MOLINA adjudicates eligible claims.

Managed Care PCP Network

- Outlined the proposed process for implementation with MCOs;
- Developed proposed payment methodology;
- MCOs identifying eligible Board Certified PCPs in the Network and PCPs requiring attestation statements;
- DMAHS will outreach PCPs requiring attestations and advise MCOs of physician's eligibility.



Division of Medical Assistance and Health Services (DMAHS)

- DMAHS will make retroactive reimbursements to eligible providers upon CMS approval.
- ACA Section 1202 outlines a provision for states to assess Medicaid PCP enrollment at the onset of the program and at the end of each program calendar year.
- CMS will present PCP enrollment data to Congress in hopes of program continuance after 12/31/2014.