

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 09-023	2. STATE Montana
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		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 07/01/2009	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: N/A		7. FEDERAL BUDGET IMPACT: a. FFY 2009 \$ 3,187 Speech Therapy, \$147 for Audiology b. FFY 2010 \$ 12,748 Speech Therapy, \$589 for Audiology	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Page(s) 1 of 1 and 2 of 2 Attachment 4.19B Methods & Standards For Establishing Payment Rates Service 11.c Speech Therapy and Audiology Services		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Page(s) 1 of 1 and 2 of 2 Attachment 4.19B Methods & Standards For Establishing Payment Rates Service 11.c Speech Therapy and Audiology Services	
10. SUBJECT OF AMENDMENT: Speech Therapy and Audiology Payment Methodology Change (Date)			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO: Montana Dept. of Public Health and Human Services Mary E. Dalton Acting Medicaid Director Attn: Jo Thompson PO Box 4210 Helena, MT 59604	
13. TYPED NAME: Mary E. Dalton			
14. TITLE: Acting Medicaid Director			
15. DATE SUBMITTED: 6/30/09			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: 6/30/09		18. DATE APPROVED: 9/25/09	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/01/09		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Mary Marchioni		22. TITLE: Acting Associate Regional Administrator	
23. REMARKS:			

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
1600 Broadway, Suite 700  
Denver, CO 80202-4967



**Region VIII**

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September 25, 2009

Mary Dalton, Medicaid & Health Services Manager  
Montana Department of Health & Human Services  
Health Policy & Services Division  
111 North Sanders, Room 301  
PO Box 4210  
Helena, MT 59604

Re: SPA 09-023

Dear Ms Dalton:

Please be advised CMS has approved Montana State Amendment 09-023, "Speech Therapy and Audiology Services Payment Methodology Change". This state plan amendment is approved with an effective date of July 1, 2009.

We appreciate the cooperation extended by your staff in the review and approval of this state plan amendment.

If you have any questions regarding this State Plan Amendment please contact Diana Maiden at 303-844-7114.

Sincerely,

/s/

Mary Marchioni  
Acting Associate Regional Administrator  
Division for Medicaid and Children's Health Operations

Cc: Duane Preshinger  
Jo Thompson

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- I. Reimbursement for Speech Therapy Services and Audiology Services shall be:
  - A. The lower of:
    1. The provider's \* usual and customary charge for the service; or
    2. The reimbursement provided in accordance with the methodology described in Section II.
- II. The Department's fee schedule for Speech Therapy Services and Audiology Services is determined:
  - A. In accordance with the Resource Base Relative Value Scale (RBRVS) methodology, by multiplying Medicare's Relative Value Units (RVU), which is numeric, by the Montana Medicaid specific conversion factor, which is a dollar amount, to equal a fee. Specific to Montana Medicaid, there is an ability to multiply the fee times a policy adjuster (either plus or minus) to affect the fee.
  - B. "Resource based relative value scale (RBRVS)" means the most current version of the Medicare resource based relative value scale contained in the physicians' Medicare Physician Fee Schedule adopted by the Centers for Medicare and Medicaid Services (CMS) of the U.S. Department of Health and Human Services.
  - C. "Relative value unit (RVU)" means a numerical value assigned in the resource based relative value scale to each procedure code used to bill for services provided by a health care provider. The relative value unit assigned to a particular code expresses the relative effort and expense expended by a provider in providing one service as compared with another service.

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- D. The RVUs are adopted from the RBRVS. For services for which the RBRVS does not specify RVUs, the Department sets those RVUs as follows:
- (1) The RVUs for a Medicaid covered service are calculated as follows:
    - (i) if Medicare sets RVUs, the Medicare RVUs are applicable;
    - (ii) if Medicare does not set RVUs but Medicaid sets RVUs, the Medicaid RVUs are set in the following manner:
      - (A) convert the existing dollar value of a fee to an RVU value;
      - (B) evaluate the RVU of similar services and assign an RVU value; or
      - (C) convert the average by report dollar value of a fee to an RVU value.
- E. If there is not a Medicare RVU or Medicaid history data, reimbursement will be 'by report', 'By report' means paying a percentage of billed charges. The percentage is derived by dividing the previous state fiscal year's total Medicaid reimbursement for services included in the RBRVS by the previous state fiscal year's total Medicaid billings.
- F. The agency's rates were set as of July 1, 2009 and are effective for services on or after that date. All rates are published on the agency's website [www.mtmedicaid.org](http://www.mtmedicaid.org). Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.
- \* A provider is: a speech-language pathologist licensed in the State of Montana who is enrolled in the Montana Medicaid Program; an audiologist licensed in the State of Montana who is enrolled in the Montana Medicaid program.