

## **PUBLIC NOTICE**

Pursuant to 42 CFR 447.205, the Georgia Department of Community Health, Medicaid Division is required to give public notice of any significant proposed changes in the statewide methods and standards for setting payment rates for services.

### **PAYMENTS FOR MEDICARE DUALY ELIGIBLE BENEFICIARIES' COINSURANCE AND DEDUCTIBLES**

Federal guidance (*State Medicaid Directors Letter, November 24, 1997*) provides that Medicaid payments for Medicare coinsurance and deductible obligations may be limited to the Medicaid maximum allowable payment. The Department will modify its claim payment system to apply this policy effective with payments made on after May 11, 2012 as follows:

#### **Physician Services**

1. The Medicaid maximum allowable payment is the rate from the Division's Schedule of Maximum Allowable Payments for each applicable procedure code.
2. The Medicare coinsurance and deductible amounts for a claim are compared to the sum of the Medicaid maximum allowable amounts for each procedure minus the Medicare payment.
3. The actual Medicaid payment will be lower of the amounts in item 2, less applicable third party liabilities and patient copayments.
4. In the event that the service paid through Medicare is not covered by Georgia Medicaid, no payment will be made.

#### **Inpatient hospital services**

1. The Medicaid maximum allowable payment is the hospital specific DRG rate.
2. The Medicare coinsurance and deductible amounts for a claim are compared to the Medicaid maximum allowable payment minus the Medicare payment.
3. The actual Medicaid payment will be the lower of the amounts in item 2, less applicable third party liabilities and patient copayments.
4. In the event that the service paid through Medicare is not covered by Georgia Medicaid, no payment will be made.

#### **Outpatient hospital services**

1. The Medicaid maximum allowable payment is the hospital-specific DRG base rate including capital and graduate medical education add-ons.
2. The Medicare coinsurance and deductible amounts are multiplied by the hospital-specific percent of charges rate for outpatient services.
3. The actual Medicaid payment will be lower of the amounts in items 1 and 2, less applicable third party liabilities and patient copayments.

4. In the event that the service paid through Medicare is not covered by Georgia Medicaid, no payment will be made.

**Ancillary Services (including DME, Orthotic/Prosthetic, Physical Therapy, Rehab Therapy, Speech Therapy, Independent Laboratory, Vision Care, EMS services and Psychological Services)**

1. The Medicaid maximum allowable payment is the rate from the Department's Schedule of Maximum Allowable Payments for each applicable procedure code or covered service.
2. The Medicare coinsurance and deductible amounts for a claim are compared to the sum of the Medicaid maximum allowable amounts for each procedure minus the Medicare payment.
3. The actual Medicaid payment will be lower of the amounts in item 2, less applicable third party liabilities and patient copayments.
4. In the event that the service paid through Medicare is not covered by Georgia Medicaid, no payment will be made.

The proposed changes would apply to services provided to all patients dually eligible for the Medicaid and Medicare programs, including Qualified Medicare Beneficiaries.

The purpose of these changes is to more accurately match payments to the level of services being provided. These changes are estimated to decrease annual expenditures by approximately \$48,580,437 in total funds.

This public notice is available for review at each county Department of Family and Children Services office. An opportunity for public comment will be held on **May 24, 2012, at 1:00 p.m.** at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Individuals who are disabled and need assistance to participate during this meeting should call (404) 656-4479. Citizens wishing to comment in writing on any of the proposed changes should do so on or before **May 31, 2012**, to the Board of Community Health, Post Office Box 1966, Atlanta, Georgia 30301.

Comments submitted will be available for review by the public at the Department of Community Health, Monday – Friday, 9:00 a.m. to 4:30 p.m., in Room 4074, 2 Peachtree Street, N.W., Atlanta, Georgia 30303.

Comments from written and public testimony will be provided to the Board of Community Health prior to the **June 14, 2012**, Board meeting. The Board will vote on the proposed changes at the Board meeting to be held at 10:30 a.m. at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room.

**NOTICE IS HEREBY GIVEN THIS 10<sup>th</sup> DAY OF MAY, 2012**  
**David A. Cook, Commissioner**