

KANSAS MEDICAID STATE PLAN

Attachment 3.1-A
#2.a.

Outpatient Hospital Services Limitations

1. Non-emergency services are covered. Outpatient hospital assessment of the need for emergency service is non-covered.
2. Emergency services are covered.
3. Elective surgery is non-covered with the exception of elective sterilization procedures.
4. Partial hospitalization for psychiatric illness is limited to programs which have been licensed by SRS (Social and Rehabilitation Services).
5. Sterilization and abortions are covered in accordance with current federal regulations.
6. Rehabilitation therapy is limited to that which is restorative in nature and provided following physical debilitation due to acute physical trauma or physical illness. Therapy services must be prescribed by the attending physician. Therapy services are limited to 6 months for participants over the age of 20 (except the provision of therapy under HCBS) per injury, to begin at the discretion of the provider. There are no time limits for participants from birth through age 20. Rehabilitative therapy evaluations and re-evaluations may be done when reasonable and necessary for wheelchair seating assessments.
7. Prosthetic devices provided by a hospital are limited to those that replace all or part of an internal body organ, including replacement of these devices.
8. Ambulance services billed as outpatient services are non-covered.
9. See Attachment 3.1-A, #4.b. for outpatient hospital service limitations for children from birth through age 20.

KANSAS MEDICAID STATE PLAN

Attachment 3.1-A
#11.a.

Physical Therapy Services

Physical therapy services must be rehabilitative and restorative in nature and provided following physical debilitation due to acute physical trauma or illness and must be prescribed by the attending physician. Physical therapy services are limited to 6 months for participants over the age of 20 (except the provision of therapy under HCBS) per injury, to begin at the discretion of the provider. There are no time limits for participants from birth through age 20. Rehabilitative therapy evaluations and re-evaluations may be done when reasonable and necessary for wheelchair seating assessments.

Physical therapy services are provided in accordance with 1905(a)(11) of the Social Security Act and all applicable federal regulations, including 42 CFR 440.110.

Physical therapy services are performed by a qualified physical therapist or furnished by a certified physical therapy assistant working under the supervision of a qualified physical therapist.

Physical therapy must be provided by a physical therapist registered, licensed, or certified in the jurisdiction where the service is provided or licensed by the Kansas Board of Healing Arts.

Refer also to General Limitations page.

KANSAS MEDICAID STATE PLAN

Attachment 3.1-A
#11.b.

Occupational Therapy Services

Occupational therapy services must be rehabilitative and restorative in nature and provided following physical debilitation due to acute physical trauma or illness and must be prescribed by the attending physician. Occupational therapy services are limited to 6 months for participants over the age of 20 (except the provision of therapy under HCBS) per injury, to begin at the discretion of the provider. There are no time limits for participants from birth through age 20. Rehabilitative therapy evaluations and re-evaluations may be done when reasonable and necessary for wheelchair seating assessments.

Occupational therapy services are provided in accordance with 1905(a)(11) of the Social Security Act and all applicable federal regulations, including 42 CFR 440.110.

Occupational therapy services are performed by a qualified occupational therapist or by a certified occupational therapy assistant working under the supervision of a qualified occupational therapist.

Occupational therapy must be provided by an occupational therapist registered, licensed, or certified in the jurisdiction where the service is provided or licensed by the Kansas Board of Healing Arts.

Refer also to General Limitations page.

KANSAS MEDICAID STATE PLAN

Attachment 4.19-B
#11 a, b, c, and d

Methods and Standards for Establishing Rates

Physical Therapy, Occupational Therapy, Speech, Hearing, and Language Disorders

Inpatient Hospital – services are reimbursed in accordance with the payment methodology described in Attachment 4.19-A

Outpatient Hospital – services are reimbursed in accordance with the payment methodology described in Attachment 4.19-B #1

Home Health Agency – services are reimbursed in accordance with the payment methodology described in Attachment 4.19-B #7

Physician – services are reimbursed in accordance with the payment methodology described in Attachment 4.19-B #5

Hearing aid services are reimbursed on the basis of reasonable fees as related to Medicaid customary charges except no fee is reimbursed in excess of a statewide maximum. Provider representatives are consulted in reviewing the maximum rate.

Wheelchair seating assessment reimbursements are capped at \$500 per beneficiary per year. The reimbursement codes are set at 85% of non-rural Medicare rates.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers for wheelchair seating assessments. The agency's fee schedule rate was set as of July 1, 2020 and is effective for wheelchair seating assessments provided on or after that date. The agency's established fee schedule rates are published on the agency's website at <https://www.kmap-state-ks.us/Provider/PRICING/RefCode.asp>

When the user is on the landing page of the above link, select the link [Download Fee Schedules](#). This link will take the user to a page titled "Reference Copyright Notice." Scroll to the bottom of the page and click on the word "Accept" to access the fee schedule. The next page that appears is titled "KMAP Fee Schedules."

To access a fee schedule:

- a. Select the program from the drop-down list -TXIX;
- b. Choose the type of rates – Medicaid;
- c. After choosing the rate type, the user will see a list of the current and historical versions of the corresponding schedule;
- d. Click the schedule TXIX.

KANSAS MEDICAID STATE PLAN

Attachment 4.19-A
Page 4

Methods and Standards for Establishing Payment Rates - Inpatient Hospital Care

1.0000 continued

- z. "Readmission" means the subsequent admission of a recipient as an inpatient into a hospital within 15 days of discharge as an inpatient from the same or another hospital participating in the DRG reimbursement system.
- aa. "Recalibration" means the adjustment of all DRG weights to reflect changes in relative resource use associated with all existing DRG categories and/or the creation or elimination of DRG categories.
- bb. "Standard diagnosis related group (DRG) amount" means the amount computed by multiplying the group reimbursement rate for the general hospital by the diagnosis related group weight.
- cc. "State-operated hospital" means an establishment operated by the State of Kansas with an organized medical staff of physicians, with permanent facilities that include inpatient beds, with medical services, including physician services and continuous registered professional nursing services for not less than 24 hours of every day, and which provides diagnosis and treatment for nonrelated patients.
- dd. "Stay as an inpatient in a general hospital" means the period of time spent in a general hospital from admission to discharge.
- ee. "Transfer" means the movement of an individual receiving hospital inpatient services from one hospital to another hospital, or different units within the same hospital, for additional related inpatient care after admission to the previous hospital, hospitals, or hospital units.
- ff. "Transferring hospital" means the hospital which transfers a recipient to another hospital. There may be more than one transferring hospital for the same recipient until discharge.
- gg. "Critical Access Hospital": Hospitals that are certified as critical access hospitals by Medicare.
- hh. "Border city children's hospital" is defined as a comprehensive pediatric medical center with 200 beds or more, a level I pediatric trauma center, and at least a level IIIc intensive care nursery. The border city children's hospital must be located in a Kansas border city. A Kansas border city means those communities outside of the state of Kansas, but within a 50-mile range of the state border.
- ii. "Hospital located in a frontier county": A hospital located within a county where the population is fewer than 6.90 persons/sq. mi. The population density is taken from the 2010 Census.
- jj. "Hospital located in a rural county": A hospital located within a county where the population is 6.0 – 19.9 person/sq. mi. The population density is taken from the 2010 Census.
- kk. "Hospital located in a densely-settled rural county": A hospital located within a county where the population is 20.0 - 39.9 persons/sq. mi. The population density is taken from the 2010 Census.
- ll. "Large Hospital" is defined as any hospital in the State of Kansas with 500 or more available beds, as reported on the Medicare cost report, defined in Section 6.2000 B.
- mm. "State Institutional Alternatives (SIA)" are defined as facilities that provide inpatient psychiatric treatment and are authorized by the Kansas Department of Aging and Disability Services (KDADS) to serve as an alternative to placement in a state mental health institution.

KS 20-0011

Approval Date _____ Effective Date 7/1/2020

Supersedes KS 20-0008

DRAFT

KANSAS MEDICAID STATE PLAN

Methods and Standards for Establishing Payment Rates – Inpatient Hospital Care

Section 2.5320 continued

Total Claim		
Payment	=	Standard DRG Payment + Outlier Payment
	=	\$11,995 + \$2,354
	=	\$14,349

2.5330 Simultaneous Cost and Day Outlier Payment

If a covered general hospital inpatient stay is determined to be both a cost outlier and a day outlier, the reimbursement will be the greater of the amounts computed for cost outlier and day outlier.

Example of Payment for Simultaneous Cost and Day Outlier:

Data

Total Claim Payment for Cost Outlier...\$14,308 (subsection 2.5310)
Total Claim Payment for Day Outlier.... \$14,349 (subsection 2.5320)

Analysis

The higher of the two amounts, \$14,349, will be the reimbursement amount for the claim which meets both cost outlier and day outlier criteria.

2.5340 Pay No More Than Charges

After the determination of the payment, including any applicable outliers, hospitals shall be paid the lesser of the Medicaid allowed amount and their allowed charges. Allowed charges are determined based upon which revenue codes are allowed as covered services.

2.5400 Payment for Transfers

When a recipient is transferred during a covered general hospital inpatient stay from one hospital to another hospital, or to a psychiatric or rehabilitation unit of the same hospital, the reimbursement to all hospitals involved in the transfer(s) will be computed as follows.

2.5410 Transferring Hospital(s)

The reimbursement to each transferring general hospital shall be the DRG daily rate for each covered day of stay. Total payment to each transferring hospital shall be no greater than the standard DRG amount, except where the transferring hospital is eligible for outlier payments.

2.5420 Discharging Hospital

The discharging general hospital shall be reimbursed the standard DRG amount. If the claim qualifies as an outlier, the discharging hospital shall be eligible for an outlier payment based solely on the length of stay at the discharging hospital.

State of Kansas
Kansas Department of Health and Environment
Division of Health Care Finance
Public Notice

The Kansas Department of Health and Environment, Division of Health Care Finance, KDHE-DHCF, is amending the Kansas Medicaid State Plan to state – Wheelchair seating assessment reimbursements will be capped at \$500 per beneficiary per year. The reimbursement codes will be set at 85% of non-rural Medicare rates.

The proposed effective date for the state plan amendment (SPA) is July 1, 2020.

For a copy of the proposed SPA please contact William C. Stelzner at william.stelzner@ks.gov. The last day for public comment is June 19, 2020.

This Local Health Department (LHD) has a draft copy of the proposed SPA. The copy may be available in either print form or as an electronic file on the LHD's website.

Adam Proffitt, Medicaid Director
Division of Health Care Finance
Kansas Department of Health and Environment

State of Kansas
Kansas Department of Health and Environment
Division of Health Care Finance
Public Notice
for
Local Health Departments

The Kansas Department of Health and Environment, Division of Health Care Finance, KDHE-DHCF, is amending the Kansas Medicaid State Plan. The state will add hospital units to the hospital transfer definition.

The proposed effective date for the state plan amendment (SPA) is July 1, 2020.

For a copy of the proposed SPA please contact William C. Stelzner at william.stelzner@ks.gov. The last day for public comment is July 6, 2020.

This Local Health Department (LHD) has a draft copy of the proposed SPA. The copy may be available in either print form or as an electronic file on the LHD's website.

Adam Proffitt, Medicaid Director
Division of Health Care Finance
Kansas Department of Health and Environment