

LICENSED BEHAVIORAL HEALTH PROFESSIONALS IN INDEPENDENT PRACTICE RATE REDUCTION

1. IS THIS A RATE CHANGE OR A METHOD CHANGE?

Rate Change

2. IS THIS CHANGE AN INCREASE, DECREASE, OR NO IMPACT?

This change represents a decrease in the reimbursement rates for services provided by Licensed Behavioral Health Professionals (LBHPs) in Independent Practice.

3. PRESENTATION OF ISSUE – WHY IS THIS CHANGE BEING MADE?

The Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS or Agency) proposes to revise the payment methodology and rates for Licensed Behavioral Health Professionals in Independent Practice. Changes are necessary to reduce the Agency's spending to balance the state budget in accordance with Article 10, Section 23 of the Oklahoma Constitution, which prohibits a state agency from spending more money than is allocated.

4. CURRENT METHODOLOGY AND/OR RATE STRUCTURE.

LBHPs in Independent Practice are currently reimbursed at payment rates equal to the rates paid to LBHPs in outpatient behavioral health clinic settings. The current rates equate to 62.7 percent of the CY2013 Medicare Physician Fee Schedule.

5. NEW METHODOLOGY OR RATE STRUCTURE.

The ODMHSAS proposes to change the payment methodology for Common Procedure Terminology (CPT) codes for services provided by LBHPs in independent practice, to 70% of the equivalent fees paid to LBHPs in outpatient behavioral health clinic settings. The Agency is taking into account the "cost " to the provider in a clinic setting, such as salaries and benefits of non-licensed clinical staff, accreditation, quality reporting, oversight, etc. This site of service differential* is based on costs, not quality. This is a 30% rate reduction.

STATE PLAN AMENDMENT RATE COMMITTEE

***AN EXAMPLE OF WHERE MEDICARE PAYS A SITE OF SERVICE DIFFERENTIAL FOR THE SAME SERVICE:**

PROCEDURE CODE	SITE OF SERVICE	
	PHYSICIAN'S OFFICE	FQHC
	OK RATE @ 100% OF MEDICARE CY2016	NATIONAL MEDICARE PPS BASE PAYMENT CY2016
99214	\$101.07	\$160.60

6. BUDGET ESTIMATE.

Estimated savings to ODMHSAS for SFY2016 is \$889,005 Total; \$346,801 State share.
Estimated savings to ODMHSAS for SFY2017 is \$5,334,045 Total; \$2,080,811 State share.

7. AGENCY ESTIMATED IMPACT ON ACCESS TO CARE

The Agency has determined that the proposed payment rates are sufficient to enlist enough providers so that SoonerCare services are available to the extent that such care and services are available to the general population in the state. In accordance with 42 CFR 447.203(b), an access review plan will be developed, in which the Agency will demonstrate access to care by documenting their consideration of: enrollee needs (experience of care); the availability of care and providers; and the utilization of services as a result of this reduction.

8. RATE OR METHOD CHANGE IN THE FORM OF A MOTION.

The Agency requests the SPARC to approve the proposed reimbursement methodology to establish Independent Practice LBHP reimbursement rates for Common Procedure Terminology (CPT) codes which equate to 70% of the rates paid to LBHPs in an outpatient behavioral health clinic setting.

9. EFFECTIVE DATE OF CHANGE.

May 1, 2016