METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Revised: ~~September 28, 2006~~July 1, 2020

5. Physicians' Services

Reimbursement is based on the lesser of the amount billed or the maximum Title XIX (Medicaid) charge allowed. Reimbursement rates (payments) shall be as ordered by the United States District Court for the Eastern District of Arkansas in the case of Arkansas Medical Society v. Reynolds.

For dates of service occurring July 1, 1994 through March 31, 2004, reimbursement rates are set at 66% of the Arkansas Physician's Blue Cross/Blue Shield (BC/BS) Fee Schedule dated October 1, 1993.

For dates of service occurring April 1, 2004 and after:

A. Reimbursement rates are increased by ten percent (10%) up to a maximum or benchmark rate of eighty percent (80%) of the 2003 Arkansas Blue Cross and /Blue Shield (BC/BS) fee schedule. For rates that as of March 31, 2004, are equal to or greater than eighty percent (80%) of the 2003 BC/BS fee schedule rate, no increase will be given. A minimum rate or floor amount of forty-five percent (45%) of the 2003 BC/BS fee schedule rate will be reimbursed. For those rates that after the ten percent (10 %) increase is applied are still less than the floor amount, an additional increase will be given to bring these rates up to the floor amount.

B. Reimbursement rates are capped at one hundred percent (100%) of the 2003 BC/BS rate. Rates that exceed the cap as of March 31, 2004, ~~exceed the cap~~ shall be reduced in order to bring the rates in line with the cap by making four equal annual reductions beginning July 1, 2005.

C. Adjustments to payment rates that are comprised of two components, e.g., a professional component and a technical services component, shall be calculated based on a combined payment rate that includes both components. After determining the increase or decrease applicable to the combined rate, the payment rate adjustment for each rate component shall be apportioned as follows:

(1) Increases: If one component rate, either technical or professional, exceeds the cap, the entire increase shall be apportioned to the other component. If neither rate component exceeds the cap, the increase shall be applied in proportion to the component's ratio to the combined rate (i.e., if the technical component rate is thirty percent (30%) of the combined rate, then thirty percent (30%) of the increase shall be applied to the technical component payment rate), up to the benchmark. Once a component rate is increased to the benchmark, any remaining increase shall be applied to the other component.

(2) Decreases: If one component rate, either technical or professional, is at the floor, the entire decrease shall be apportioned to the other component. If one component rate is above the cap, the entire decrease shall be apportioned to that component. If both component rates are above the cap, each component shall be reduced to the cap.

D. For dates of service beginning September 28, 2006 through June 30, 2020, the maximum reimbursement rate for fitting of spectacles (procedure code 92340) is fifty-one dollars and twenty-two cents ($51.22). The rate is based on eighty percent (80%) of the sixty-four dollars and two cents ($64.02), which is the 2006 Arkansas Physician's Blue Cross/Blue Shield fee

schedule rate.

E. For dates of service beginning July 1, 2020, the maximum reimbursement rate for evaluation and management codes were increased based upon a routine rate study conducted by DMS in the Fall of 2019.

MARKUP