

AGENDA ITEM: Approval of Changes to Health Center Fee Schedule for certain Medicaid and NC Health Choice reimbursed services.

CURRENT STATUS: Health Center Fees for Services are adopted annually by the Board of Commissioners following review and recommendation by the Board of Health. The FY'06 Fee Schedules were approved by the Board of Commissioners on June 7, 2005. As changes in Medicaid or other relevant third-party reimbursement rates occur, fee policy revisions are proposed and, upon approval by the Board of Commissioners, become effective to reflect the changes.

BACKGROUND SUMMARY: Two current issues impact the current fee schedules:

(1) NC Health Choice interim rate adjustments. NC DMA and NC DHHS converted children aged 0-5 statewide from NC Health Choice eligibility to Medicaid effective January 1, 2006. In an effort to incent providers to accept new (backfilled) NC Health Choice eligible children, providers are permitted to bill 115% of the customary charges into NC Health Choice for a six month period (1/1/06 to 6/30/06). Effective 7/1/06, the standard rates will revert. Health Center Accounting staff has reviewed charges, and identified increases in current rates required in order to maximize billing to and revenues from NC Health Choice.

Buncombe County
Health Center

3-2006

CPT	Rate Schedule Changes Code Description	Current Charge	115 % of Medicaid NC HC Rate	Recommended Charge
87880	Strep Screen - Throat (Lab)	18.00	18.41	19.00
90801	Clinical Evaluation/Intake (BMH)	142.00	162.59	163.00
90804	Individual Therapy 20-44 minutes (BMH)	61.00	69.66	70.00
90806	Individual Therapy 45-74 minutes (BMH)	95.00	105.14	106.00
90853	Group Therapy (non-multiple family group) (BMH)	32.00	34.53	35.00
93000	Electrocardiogram (Prim. Care)	24.00	27.37	28.00
J1055	Depo-Provera (Prim. Care)	50.00	61.02	62.00

(2) NC Medicaid rates for local health departments. The Health Center was advised in March that Medicaid reimbursement rates for Local Health Departments had been revised effective January 1, 2006. Health Center Accounting staff has reviewed charges, and identified increases in current rates required in order to maximize billing to and revenues from NC Medicaid.

**Buncombe County
Health Center
Rate Schedule
Changes**

3-2006

CPT	Service Type	Current Charge	Medicaid Rates Eff. 1/1/2006	Recommended Rate
90471	IMMUNIZATION ADMIN. (INCL: PERCUTANEOUS, INTRADERMAL, SUBCUTANEOUS)	20.00	27.42	27.42
90734	MENACTRA (IMMUNIZATION)	82.00	88.56	89.00
94010	SPIROMETRY, INCLUDING RECORDING	28.00	48.30	50.00
94150	VITAL CAPACITY, TOTAL	28.00	33.21	35.00

Once approved, these fee changes would be incorporated into the Health Center Fee Policy and Schedules for FY'06, and would be made effective immediately for Health Center billing to all third party payers including Medicaid and NC Health Choice. These rates would also become the basis for any sliding scale charges to patients receiving these services with self-pay responsibility.

COMMUNITY IMPACT/INQUIRIES: Board approval would enable the Health Center to maximize Medicaid and NC Health Choice reimbursements for these specific services. While difficult to identify the amount of additional revenues that these changes may generate, they will help the Health Center in closing the estimated shortfall in Medicaid Revenues of \$555,698 as projected by the HSST Team (3/9/06).

RECOMMENDATIONS: Recommend approval by the Board of Commissioners as a Consent Agenda item.

REVIEW BY: BUDGET ___ FINANCE ___ LEGAL ___ PLANNING ___ MGR ___
PREPARED BY: