

March 8, 2018

Mark Wong
Division of Medicaid and Children's Health Operations
U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6707

RE: Arizona SPA #18-003, IHS/638 Specialty Drugs

Dear Mr. Wong:

Enclosed is State Plan Amendment (SPA) #18-003, IHS/638 Specialty Drugs, which revises the State Plan to change the reimbursement rate for specialty drugs dispensed by IHS/638 facilities.

If you have any questions about the enclosed SPA, please contact Kyle Sawyer at (602) 417-4211.

Sincerely,



Elizabeth Lorenz
Assistant Director
Arizona Health Care Cost Containment System (AHCCCS)

cc: Blake Holt, CMS
Brian Zolynas, CMS

**REIMBURSEMENT FOR INDIAN HEALTH SERVICE
AND TRIBAL 638 HEALTH FACILITIES**

~~Effective January 1, 2000~~, AHCCCS will reimburse the Indian Health Service (IHS) and tribal facilities based on the following reimbursement methodologies reflected in Tables 1 and 2.

As the Tables 1 and 2 reflect, the methodologies may differ depending on a specific situation. The various situations are whether:

- the services include or exclude professional services.
- the service is provided by the IHS or a tribal facility
- the tribal facility is set up to bill outpatient services with specific coding and requests this format
- based on specific HCFA guidance (transportation).

TABLE 1 - IHS OUTPATIENT REIMBURSEMENT METHODOLOGY

Eligibility Type	Service	Billing Form/Codes	Reimbursement
Title XIX (Acute)	Outpatient Hospital	1500 / 00099	OMB Outpatient Rate
	Clinic	1500 / 00099	OMB Outpatient Rate
	Ambulatory Surgery Center	1500 / 00090-00098	OMB ASC Rate
	Professional Services	1500 / HCPCS/CPT codes	AHCCCS Capped Fee Schedule
	<u>Specialty Drugs</u>	<u>National Council for Prescription Drug Programs (NCPDP) Claims Adjudication Standard</u> <u>(999)</u>	<u>Professional Fee plus the Lesser of the Federal Supply Schedule Unit Price or Wholesale Acquisition Cost</u>
Title XIX (Long Term Care)	Outpatient Hospital	1500 / 00099	OMB Outpatient Rate
	Clinic	1500 / 00099	OMB Outpatient Rate
	Ambulatory Surgery Center	1500 / 00090-00098	OMB ASC Rate
	Professional Services	1500 / HCPCS/CPT codes	AHCCCS Capped Fee Schedule
	<u>Specialty Drugs</u>	<u>National Council for Prescription Drug Programs (NCPDP) Claims Adjudication Standard</u> <u>(999)</u>	<u>Professional Fee plus the Lesser of the Federal Supply Schedule Unit Price or Wholesale Acquisition Cost</u>

TN No. ~~00-003 18-003~~

Effective Date: ~~January 1, 2000~~ October 1, 2018

Supercedes

TN No. ~~None~~ 00-003

Approval Date: _____

REIMBURSEMENT FOR INDIAN HEALTH SERVICE
AND TRIBAL 638 HEALTH FACILITIES

		<u>(???)</u>	
Title XIX (Behavioral Health)	Outpatient Hospital Clinic Professional Services <u>Specialty Drugs</u>	1500 / 00099 1500 / 00099 1500 / HCPCS/CPT codes <u>National Council for Prescription Drug Programs (NCPDP) Claims Adjudication Standard(???)</u>	OMB Outpatient Rate OMB Outpatient Rate AHCCCS Capped Fee Schedule <u>Professional Fee plus the Lesser of the Federal Supply Schedule Unit Price or Wholesale Acquisition Cost</u>

TN No. ~~00-003~~ 18-003

Effective Date: ~~January 1, 2000~~ October 1, 2018

Supersedes

TN No. ~~None~~ 00-003

Approval Date: _____

**REIMBURSEMENT FOR INDIAN HEALTH SERVICE
AND TRIBAL 638 HEALTH FACILITIES**

**TABLE 2 - '638 TRIBAL FACILITY OUTPATIENT REIMBURSEMENT
METHODOLOGY**

Eligibility Type	Service	Billing Form/Codes	Reimbursement
Title XIX (Acute)	Outpatient Hospital (including professional services) (or) Outpatient Hospital (excluding professional services)	1500 / 00099 (or) UB-92 – Specific revenue codes	OMB Outpatient Rate (or) Statewide Cost to Charge Rate
	Clinic (including professional services) (or) Clinic (excluding professional services)	1500 / 00099 (or) 1500 / HCPCS/CPT codes	OMB Outpatient Rate (or) AHCCCS Capped Fee Schedule
	Ambulatory Surgery Center (including professional services) (or) Ambulatory Surgery Center (excluding professional services)	1500 / 00090-00098 (or) 1500 / CPT codes	OMB ASC Rate (or) AHCCCS Capped Fee Schedule (Medicare ASC Rate)
	Professional Services (services included in procedure bill)	1500 / HCPCS/CPT codes	AHCCCS Capped Fee Schedule
	<u>Specialty Drugs</u>	<u>National Council for Prescription Drug Programs (NCPDP) Claims Adjudication Standard</u> <u>(???)</u>	<u>Professional Fee plus the Lesser of the Federal Supply Schedule Unit Price or Wholesale Acquisition Cost</u>
	Title XIX (Long Term Care)	Outpatient Hospital (including professional services) (or) Outpatient Hospital (excluding professional services)	1500 / 00099 (or) UB-92 / Specific revenue codes

Formatted Table

TN No. ~~00-003 18-003~~

Effective Date: ~~January 1, 2000~~ October 1, 2018

Supercedes

TN No. ~~None~~ 00-003

Approval Date: _____

**REIMBURSEMENT FOR INDIAN HEALTH SERVICE
AND TRIBAL 638 HEALTH FACILITIES**

	Clinic(including professional services (or) Clinic (excluding professional services)	1500 / 00099 (or) 1500 / HCPCS/CPT codes	OMB Outpatient Rate (or) AHCCCS Capped Fee Schedule
	Professional Services (services included in procedure billed) HCBS Services	1500 / HCPCS/CPT codes 1500 / HCPCS or AHCCCS specific codes	AHCCCS Capped Fee Schedule AHCCCS Capped Fee Schedule
	Transportation (Air & Ground) Transportation (Non-Ambulance)	1500 / HCPCS codes 1500 / HCPCS/AHCCCS specific codes	AHCCCS Capped Fee Schedule AHCCCS Capped Fee Schedule
	<u>Specialty Drugs</u>	<u>National Council for Prescription Drug Programs (NCPDP) Claims Adjudication Standard</u> <u>(???)</u>	<u>Professional Fee plus the Lesser of the Federal Supply Schedule Unit Price or Wholesale Acquisition Cost</u>
Title XIX (Behavioral Health)	Outpatient Hospital (including professional services) (or) Outpatient Hospital (excluding professional services)	1500 / 00099 (or) UB-92 / Specific revenue codes	OMB Outpatient Rate (or) Statewide Cost to Charge Rate
	Clinic (including professional services) (or) Clinic (excluding professional services)	1500 / 00099 (or) 1500 / HCPCS/CPT codes	OMB Outpatient Rate (or) AHCCCS Capped Fee Schedule
	Professional Services	1500 / HCPCS/CPT codes	AHCCCS Capped Fee Schedule
	Transportation (Air & Ground) Transportation (Non-Ambulance)	1500 / HCPCS codes 1500 / HCPCS/AHCCCS codes	AHCCCS Capped Fee Schedule AHCCCS Capped Fee Schedule
	<u>Specialty Drugs</u>	<u>National Council for Prescription Drug Programs (NCPDP) Claims Adjudication Standard</u> <u>(???)</u>	<u>Professional Fee plus the Lesser of the Federal Supply Schedule Unit Price or Wholesale Acquisition Cost</u>

Formatted Table

Formatted Table

TN No. ~~00-003~~ 18-003

Effective Date: ~~January 1, 2000~~ October 1, 2018

Supercedes

TN No. ~~None~~ 00-003

Approval Date: _____