

## PUBLIC NOTICE (SPA)

The Department of Health and Human Services, Division of Medical Assistance, hereby provides notice of its intent to revise the Medicaid State Plan to change the reimbursement for prescription drugs, implement aggregate rate reductions, and reduce the nursing facility cost ceiling in accordance with Session Law 2009-451 (SB 202). These SPA changes affect the rates and not the service.

General Assembly legislation reduces public and private provider rates for state fiscal years 2010 and 2011. Specific exceptions include federally qualified health centers, rural health centers, school-based and school-linked health centers, State institutions, hospital outpatient, pharmacy, and the non-inflationary components of the case-mix reimbursement system for skilled nursing facilities. The legislation further changes the reimbursement for prescription drugs to Wholesale Acquisition Cost (WAC) + 7%; and reduces the reimbursement cost ceiling for nursing facilities to 102.6% of the State median cost.

The effective date is October 1, 2009 with the over all program reductions listed below. The reductions are annualized over a nine month period (October 2009 – June 2010). The frozen rates incorporated within these SPAs are effective July 1, 2009 thru September 30, 2009.

SPA #	Program	Impact SFY 2010	Impact SFY 2011
09.008	PCS (ACH)	\$ (2,319,578)	\$ (2,319,578)
09.009	Nursing Home Rate Reduction	\$ (15,588,870)	\$ (15,588,870)
	Nursing Facility Cost Ceiling Reduction	\$ (2,149,900)	\$ (2,149,900)
	Vent Services	\$ (105,102)	\$ (105,102)
	Head Injury Services	\$ -	\$ -
	Geropsychiatric Services	\$ (11,811)	\$ (11,811)
	Swing Bed Services	\$ (11,224.6)	\$ (11,224.6)
09.010	ICF-MR	\$ (2,992,376)	\$ (2,992,376)
09.011	Home Health, PDN, Hospice,	\$ (1,920,615)	\$ (1,920,615)
	PCS –Community Based	\$ (4,484,436)	\$ (4,429,136)
09.013	Dental Services	\$ (3,529,537)	\$ (3,529,537)
09.014	HIT	\$ (105,321)	\$ (105,321)
09.015	Physician, Laboratory, Radiology	\$ (3,696,400)	\$ (3,696,400)
09.016	Ambulatory Surgical.	\$ (150,443)	\$ (150,443)
09.017	Rehab Services (Enhanced Mental Health)	\$ (10,590,990)	\$ (10,590,990)
09.018	PRTF	\$ (607,072)	\$ (607,072)
09.019	DME	\$ (1,269,505)	\$ (1,269,505)
09.020	Case Mgmt	\$ (6,323,856.03)	\$ (6,323,856.03)
09.021	Extended Services for Pregnant Women	\$ (2,346)	\$ (2,346)
09.022	Orthotics and Prosthetics	\$ (204,328)	\$ (204,328)
	Physician Drug Program	\$ (317,253)	\$ (317,253)
	Drug Acquisition Cost Change	\$ (32,926,961)	\$ (38,151,069)
09.023	LEA	\$ -	\$ -

A copy of the proposed amendment may be viewed at the county department of social services. Questions, comments and requests for copies of the proposed State Plan Amendment should be directed to the Division of Medical Assistance at the address listed below.

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