

# COMMONWEALTH of VIRGINIA

# Office of the Governor

Daniel Carey, MD Secretary of Health and Human Resources

September 27, 2021

Todd McMillion
Director
Department of Health and Human Services
Centers for Medicare and Medicaid Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601

Dear Mr. McMillion:

Attached for your review and approval is amendment 21-026, entitled "EVMS Supplemental Payments" to the Plan for Medical Assistance for the Commonwealth. I request that your office approve this change as quickly as possible.

Sincerely,

Daniel Carey, MD, MHCM

## Attachment

cc: Karen Kimsey, Director, Department of Medical Assistance Services CMS, Region III

# Transmittal Summary

# SPA 21-026

## I. IDENTIFICATION INFORMATION

<u>Title of Amendment</u>: EVMS Supplemental Payments

#### II. SYNOPSIS

<u>Basis and Authority</u>: The <u>Code of Virginia</u> (1950) as amended, § 32.1-325, grants to the Board of Medical Assistance Services the authority to administer and amend the Plan for Medical Assistance. The <u>Code of Virginia</u> (1950) as amended, § 32.1-324, authorizes the Director of the Department of Medical Assistance Services (DMAS) to administer and amend the Plan for Medical Assistance according to the Board's requirements.

<u>Purpose</u>: DMAS will be updating the state plan text related to supplemental payments made to physicians affiliated with Eastern Virginia Medical School (EVMS). The first change is to remove old text dating back to 2012. The second change makes the language more general so that DMAS does not have to update the state plan every time the average commercial rate percentage changes.

<u>Substance and Analysis</u>: The section of the State Plan that is affected by this amendment is "Methods and Standards for Establishing Payment Rates – Other Types of Care."

Impact: None.

Tribal Notice: Please see Attachments A-1 and A-2.

Prior Public Notice: See Attachment B-1.

Public Comments and Agency Analysis: See Attachment B-2.

# **ATTACHMENT A-1**



Mcclellan, Emily <emily.mcclellan@dmas.virginia.gov>

# Tribal Notice: Supplemental Payments to Eastern Virginia Medical School

1 message

Dear Tribal Leaders and Indian Health Programs:

Attached is a Tribal Notice letter from Virginia Medicaid Director Karen Kimsey indicating that the Dept. of Medical Assistance Services (DMAS) plans to submit a State Plan Amendment (SPA) to the federal Centers for Medicare and Medicaid Services. This SPA will allow DMAS to update the state plan text related to supplemental payments made to physicians affiliated with Eastern Virginia Medical School.

If you would like a copy of the SPA documents or proposed text changes, or if you have any questions, please let us know.

Thank you! -- Emily McClellan

--

Emily McClellan Policy, Regulation, and Member Engagement Division Director Virginia Department of Medical Assistance Services 600 East Broad Street Richmond, VA 23219 (804) 371-4300

www.dmas.virginia.gov



SERVICE • COLLABORATION • TRUST • ADAPTABILITY • PROBLEM-SOLVING



# **ATTACHMENT A-2**



KAREN KIMSEY DIRECTOR

# **Department of Medical Assistance Services**

SUITE 1300 600 EAST BROAD STREET RICHMOND, VA 23219 804/786-7933 800/343-0634 (TDD) www.dmas.virginia.gov

August 24, 2021

SUBJECT: Notice of Opportunity for Tribal Comment – State Plan Amendment related to Supplemental Payments made to physicians affiliated with Eastern Virginia Medical School (EVMS)

Dear Tribal Leader and Indian Health Programs:

This letter is to notify you that the Department of Medical Assistance Services (DMAS) is planning to amend the Virginia State Plan for Medical Assistance with the Centers for Medicare and Medicaid Services (CMS). Specifically, DMAS is providing you notice about a State Plan Amendment (SPA) that the Agency will file with CMS related to supplemental payments made to physicians affiliated with Eastern Virginia Medical School. The first change is to remove old text dating back to 2012. The second change makes the language more general so that DMAS does not have to update the state plan every time the average commercial rate percentage changes.

The tribal comment period for this SPA is open through September 23, 2021. You may submit your comments directly to Emily McClellan, DMAS Policy Division, by phone (804) 371-4300, or via email: Emily.McClellan@dmas.virginia.gov Finally, if you prefer regular mail you may send your comments or questions to:

Virginia Department of Medical Assistance Services Attn: Emily McClellan 600 East Broad Street Richmond, VA 23219

Please forward this information to any interested party.

Sincerely.

Karen Kimsey

# **ATTACHMENT B-1**

Virginia.gov

Agencies | Governor



Board

Board of Medical Assistance Services

**General Notice** 

Edit Notice

Public Notice: Intent to Amend State Plan - Supplemental Payments to Eastern VA

Medical School

Date Posted: 8/24/2021

Expiration Date: 12/31/2021

Submitted to Registrar for publication: YES

30 Day Comment Forum is underway. Began on 8/24/2021 and will end on 9/23/2021

#### LEGAL NOTICE

## **COMMONWEALTH OF VIRGINIA**

#### DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

## NOTICE OF INTENT TO AMEND

(Pursuant to §1902(a)(13) of the Act (U.S.C. 1396a(a)(13))

THE VIRGINIA STATE PLAN FOR MEDICAL ASSISTANCE

## This Notice was posted on August 24, 2021

The Virginia Department of Medical Assistance Services (DMAS) hereby affords the public notice of its intention to amend the Virginia State Plan for Medical Assistance to provide for changes to the *Methods and Standards for Establishing Payment Rates*— Other Types of Care (12 VAC 30-80).

This notice is intended to satisfy the requirements of 42 C.F.R. § 447.205 and of § 1902(a)(13) of the *Social Security Act*, 42 U.S.C. § 1396a(a)(13). A copy of this notice is available for public review from Emily McClellan, DMAS, 600 Broad Street, Suite 1300, Richmond, VA 23219, or via e-mail at: Emily.McClellan@dmas.virginia.gov.

**DMAS** is specifically soliciting input from stakeholders, providers and beneficiaries, on the potential impact of the proposed changes discussed in this notice. Comments or inquiries may be submitted, in writing, within 30 days of this notice publication to Emily.McClellan@dmas.virginia.gov and such comments are available for review at the same address. Comments may also be submitted, in writing, on the Town Hall public comment forum attached to this notice.

This notice is available for public review on the Regulatory Town Hall (<a href="www.townhall.com">www.townhall.com</a>), on the General Notices page, found at: <a href="https://townhall.virginia.gov/L/generalnotice.cfm">https://townhall.virginia.gov/L/generalnotice.cfm</a>

DMAS will be making the following changes:

#### Methods & Standards for Establishing Payment Rates-Other Types of Care (12 VAC 30-80)

DMAS will be updating the state plan text related to supplemental payments made to physicians affiliated with Eastern Virginia Medical School. The first change is to remove old text dating back to 2012. The second change makes the language more general so that DMAS does not have to update the state plan every time the average commercial rate percentage changes.

This change is not expected to have any costs.

# **Contact Information**

Name / Title:	Emily McClellan / Regulatory Manager		
Address:	Division of Policy and Research 600 E. Broad St., Suite 1300 Richmond, 23219		
Email Address:	Emily.McClellan@dmas.virginia.gov		
Telephone:	(804)371-4300 FAX: (804)786-1680 TDD: (800)343-0634		

This general notice was created by Emily McClellan on 08/24/2021 at 12:21pm

# **ATTACHMENT B-2**

Virginia.gov

Agencies | Governor



# **Public comment forums**

**Make your voice heard!** Public comment forums allow all Virginia's citizens to participate in making and changing our state regulations.

# See our public comment policy

Currently showing **3** comment forums closed within the last 5 days for the Board of Medical Assistance Services.

Recently closed
Recently opened
Active Forums
More filter options

Regulato	ry Activity Forums (3)	uidance Document Forums (0)					
Actions ()	Periodic Reviews () Petitic	ons for Rulemaking () General Notices (3)					
Board of Mo	Board of Medical Assistance Services						
View Comments	Draft Screening for LTSS Provider Manual  General Notice Draft Screening for LTSS Provider Manual Closed: 9/23/21 0 comments						
View Comments	Public Notice: Intent to Amend State Plan - Supplemental Payments to Eastern VA Medical School	General Notice Public Notice: Intent to Amend State Plan - Supplemental Payments to Eastern VA Medical School					
		Closed: 9/23/21 0 comments					
View Comments	Draft Physician/Practitioner Appendix D Provider Manual	General Notice Draft Physician/Practitioner Appendix D Provider Manual					
		Closed: 9/25/21 0 comments					

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

## METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE-OTHER TYPES OF CARE

- 18.5. Supplemental payments for services provided by physicians affiliated with Eastern Virginia Medical Center Physicians.
- b. a. In addition to payment for physician services specified elsewhere in the State Plan, DMAS provides supplemental payments to physicians affiliated with Eastern Virginia Medical Center Physicians for furnished services provided on or after October 1, 2012. A physician affiliated with Eastern Virginia Medical Center Physicians is a physician who is employed by a publicly-funded medical school that is a political subdivision of the Commonwealth of Virginia, who provides clinical services through the faculty practice plan affiliated with the publicly funded medical school, and has entered into contractual arrangements for the assignment of payment in accordance with 42 CFR 447.10.
- c. Effective October, 1, 2012, the supplemental payment amount shall be the difference between the Medicaid payments otherwise made for physician services and 137% of the Medicare rates. The methodology for determining the Medicare Equivalent of the Average Commercial Rate is described in, Supplement 6, Attachment 4.19 B.
- d. <u>b.</u> Effective November 1, 2018 October 1, 2021, the supplemental payment amount shall be the difference between the Medicaid payments otherwise made for physician services and 145% of the Medicare equivalent of the average commercial rate (ACR) percentage times the Medicare rates. The methodology for determining the Medicare Equivalent of the Average Commercial Rate is described in, Supplement 6, Attachment 4.19-B.
- d. c. Supplemental payments shall be made quarterly, no later than 90 days after the end of the quarter.

TN No.	21-026	Approval Date	Effective Date	10/1/2021
Supersede	es			

TN No. <u>18-024</u>

CENTERS FOR MEDICARE & MEDICAID SERVICES			
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 2 1 0 2 6 Virginia  3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE  10/1/2021		
5. TYPE OF PLAN MATERIAL (Check One)			
■ NEW STATE PLAN ■ AMENDMENT TO BE CONSID	ERED ASNEW PLAN 🔼 AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMEND	OMENT (Separate transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION	7. FEDERAL BUDGET IMPACT		
42 CFR 447	a. FFY 2021 \$ 0 b. FFY 2022 \$ 0		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION		
Attachment 4.19-B, revised page 6.4.1	OR ATTACHMENT (If Applicable)  Same as box #8.		
10. SUBJECT OF AMENDMENT			
EVMS Supplemental Payments			
11. GOVERNOR'S REVIEW (Check One)  GOVERNOR'S OFFICE REPORTED NO COMMENT	OTHER, AS SPECIFIED		
<ul><li>☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED</li><li>☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL</li></ul>	Secretary of Health and Human Resources		
12. SIGNATURE OF STATE AGENCY OFFICIAL 16	S. RETURN TO		
13. TYPED NAME Karan Kimaay	Dept. of Medical Assistance Services		
naren Kimsey	600 East Broad Street, #1300		
14. TITLE Director	Richmond VA 23219		
15. DATE SUBMITTED 9/27/2021	Attn: Regulatory Coordinator		
FOR REGIONAL OFF	TICE USE ONLY		
17. DATE RECEIVED 18	3. DATE APPROVED		
PLAN APPROVED - ONE	COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL 20	). SIGNATURE OF REGIONAL OFFICIAL		
21. TYPED NAME 22	2. TITLE		
23. REMARKS			

#### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

# METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE-OTHER TYPES OF CARE

- 18.5. Supplemental payments for services provided by physicians affiliated with Eastern Virginia Medical Center Physicians.
  - a. In addition to payment for physician services specified elsewhere in the State Plan,DMAS provides supplemental payments to physicians affiliated with Eastern Virginia Medical Center Physicians for furnished services provided on or after October 1, 2012. A physician affiliated with Eastern Virginia Medical Center Physicians is a physician who isemployed by a publicly- funded medical school that is a political subdivision of the Commonwealth of Virginia, who provides clinical services through the faculty practice plan affiliated with the publicly funded medical school, and has entered into contractual arrangements for the assignment of payment in accordance with 42 CFR 447.10.
  - <u>b.</u> Effective October 1, 2021, the supplemental payment amount shall be the difference between the Medicaid payments otherwise made for physician services and the Medicare equivalent of the average commercial rate (ACR) percentage times the Medicare rates. The methodology for determining the Medicare Equivalent of the Average Commercial Rate is described in, Supplement 6, Attachment 4.19-B.
  - c. Supplemental payments shall be made quarterly, no later than 90 days after the end of the quarter.

TN No	21-026	Approval Date	Effective Date	10/1/2021
Supersede	es			
TN No.	18-024			