

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
150 S. Independence Mall West
Suite 216, The Public Ledger Building
Philadelphia, Pennsylvania 19106-3499



Region III/Division of Medicaid and Children's Health Operations

JUN 25 2010

Ms. Nancy V. Atkins
Commissioner
Bureau for Medical Services
Department of Health and Human Resources
350 Capitol Street, Suite 251
Charleston, West Virginia 25301-3706

Dear Ms. Atkins:

We are pleased to inform you of the approval of West Virginia's Medicaid State Plan Amendment (SPA) 09-04. This SPA updates the reimbursement methodology of services for individuals with speech, hearing and language disorders. On May 12, 2010, the Centers for Medicare & Medicaid Services (CMS) issued a letter to you as part of the approval of SPA 09-02, requesting that West Virginia address school based services through a new SPA or a corrective action plan. The speech therapy services provided in schools should be addressed as part of that action. The effective date of this SPA is January 1, 2010.

Enclosed is a copy of the approved SPA and the CMS-179 form. If you have any questions, please contact Donna Fischer of my staff at (215) 861-4221.

Sincerely,

A handwritten signature in black ink that reads "Ted Gallagher". The signature is written in a cursive style with a large, stylized "T" and "G".

Ted Gallagher
Associate Regional Administrator

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 0 9 - 0 4	2. STATE: West Virginia
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE 1-Jan-10	
5. TYPE OF PLAN MATERIAL (Check One) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 C.F.R. 440.110		7. FEDERAL BUDGET IMPACT: a. FFY 2010 \$ 530,500 b. FFY 2011 \$ 516,059	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 2 to Attachment 3.1-A and 3.1-B, page 3bb ■ Delete page 3c to Supplement 2 to Attachment 3.1-A and 3.1-B ■ Supplement 2 to Attachment 3.1-A and 3.1-B, page 3d, no revision, deleted outdated language down to section 12.A: Prescribed Drugs ■ Attachment 4.19-B, page 8 ■		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION Supplement 2 to Attachment 3.1-A and 3.1-B, page 3bb ■ Delete page 3c to Supplement 2 to Attachment 3.1-A and 3.1-B ■ Supplement 2 to Attachment 3.1-A and 3.1-B, page 3d, no revision, deleted outdated language down to section 12.A: Prescribed Drugs ■ Attachment 4.19-B, page 8 ■	
10. SUBJECT OF AMENDMENT: The purpose for this plan amendment is to update the reimbursement methodology for speech, hearing and language services and utilize a discounted Medicare fee schedule where applicable.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: <i>Nancy V. Atkins</i>		16 RETURN TO: Bureau for Medical Services 350 Capitol Street Room 251 Charleston West Virginia 25301	
13. TYPED NAME: Nancy V. Atkins, RN, MSN, NP-BC.			
14. TITLE: Commissioner			
15. DATE SUBMITTED: 3/31/10			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED MARCH 31, 2010		18. DATE APPROVED JUN 25 2010	
19. EFFECTIVE DATE OF APPROVED MATERIAL JANUARY 1, 2010		20. SIGNATURE OF REGIONAL OFFICIAL <i>Tom Gallagher</i>	
21. TYPED NAME TOM GALLAGHER		22. TITLE Associate Regional Administrator, Health	
23. REMARKS			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: West Virginia

Supplement 2 to
ATTACHMENT 3.1-A and 3.1-B
Page 3d

12. a. Prescribed Drugs

All covered outpatient drugs, whether legend or non-legend, must be prescribed by a physician, or other practitioner qualified under State law. Applicable State and Federal law governing dispensing of drugs and biological must be followed.

The prescribed use of the covered outpatient drug must be for a medically accepted indication as defined in Social Security Act §1927 (k)(6).

TN No: 09-04

Approval Date: JUN 25 2010

Effective Date: JANUARY 1, 2016

Supersedes: 00-08

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: West Virginia

Supplement 2 to
ATTACHMENT 3.1-A and 3.1-B

Page 3bb

11. c & d Services for Individuals with Speech, Hearing and Language Disorders

Services for individuals with speech, hearing and language disorders means services prescribed by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under State law and provided to a recipient by or under the direction of a speech pathologist or audiologist. It includes any necessary supplies and equipment. A "speech pathologist" is an individual who meets qualifications specified in regulations at 42 CFR 440.110 and is licensed pursuant to West Virginia State law.

Prior authorization is required for all speech therapy services excluding the initial evaluation. Hearing aid evaluations, hearing aids, hearing aid supplies, batteries and repairs are limited to recipients under 21 years of age. Prior authorization is required for hearing aids.

Cochlear Implants:

Prior authorization is required for all implants, repairs and modifications. Authorization will be based on nationally recognized criteria. Services are limited, pursuant to EPSDT, to recipients who are 21 years of age and under.

Augmentative/Alternative Communication Devices – DEFINITION

An "Augmentative/Alternative Communication Device" is defined as any electronic or non-electronic aid or device that provides external assistance for communication and is an integral part of a speech-language pathology treatment plan for a person with a communication disorder who cannot functionally communicate basic medical needs, verbally or through gestures, due to a medical condition in which speech is not expected to be restored.

Augmentative/Alternative communication devices are covered for use in the communication of basic medical needs only. Devices intended to meet social, educational and vocational needs are not covered.

Augmentative/Alternative communication devices must be prescribed by a physician and provided under the direction of a qualified speech/language pathologist trained in augmentative communication devices and services. Prior authorization is required; authorization will be based on nationally recognized criteria. Prior authorization is also required for repairs and /or modifications.

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Supersedes: 97-11

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: West Virginia

Attachment 4.19-B

Page 8

4.19 Payments for Remedial Care and Services

c.& d. Services for Individuals with Speech, Hearing and Language Disorders

Reimbursement for speech therapy is based on an:

Upper limit established using a resource-based relative value for the procedure times a conversion factor as determined by the type of service. The conversion factors were developed using utilization and payment level data for the defined service group. Payment will be the lesser of the upper limit or the provider's customary charge for the service to the general public. Reimbursement for school-based speech therapy services is based on the Medicaid fee-for-service rate and apportioned based on a 15 minute unit of service. The rate assigned to the speech school-based 15 minute billing unit is one quarter of the total fee-for service rate calculated under the resource-based relative value scale.

The agency's fees were updated January 1, 2010 and are effective for services on or after that date. Except as otherwise noted in the Plan, State developed fee schedule rates are the same for both governmental and private individual practitioners, and the fee schedule and any annual/periodic adjustments to the fee schedule are published in www.wvdhhr.org/bms.

Hearing Aids, Supplies and Repairs

Hearing aids and supplies are reimbursed at cost invoice plus 40%. Hearing Aid batteries are reimbursed at 80% of the Medicare fee schedule. Reimbursement for cost of repairs will be based upon an unaltered cost invoice.

If Medicare fees are available, reimbursement will be made at 80% of the fee schedule, otherwise, cost invoice plus 40%.

Cochlear Implants

Reimbursement for the cochlear implants, replacement processors and supplies are based on 80% of the Medicare fee schedule. Reimbursement for cost of processor repairs shall be based upon an unaltered cost invoice.

Augmentative/Alternative Communication Devices

Augmentative/Alternative Communication Devices: Reimbursement is based on 80% of the Medicare fee schedule. Reimbursement for cost of repairs shall be based upon an unaltered cost invoice. Reimbursement for services without a specific code or fee shall be based upon an unaltered cost invoice.

12. a. Prescribed Drugs

Reimbursement for prescription drugs shall be the lower of the cost of the drug as defined in paragraphs A and B, plus a reasonable dispensing fee of \$2.50 for brand name drugs and \$5.30 for generic drugs, or the usual and customary charges to the general public, including any sale price which may be in effect on the date of the service.

Reimbursement for program drugs is based on the following methodology:

Multiple Source Drugs: The upper limit for reimbursement for all multiple source drugs listed in the Federal Regulation at 42 CFR 447.332 will be the lower of the established specific upper limit per unit or the provider's usual and customary charges to the general public.

The use of generic drugs is mandated if therapeutically equivalent products are available. A physician may order a brand name drug by writing in his/her

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