



# Department of Medicaid

Mike DeWine, Governor  
Jon Husted, Lt. Governor

Maureen M. Corcoran, Director

## Medicaid Transmittal Letter (MTL) No. 3336-XX-XX

DATE:

TO: Eligible Providers of Professional Medicaid Services  
Chief Executive Officers, Managed Care Plans  
Other Interested Parties

FROM: Maureen M. Corcoran, Medicaid Director

SUBJECT: Medicaid Payment Updates

Rule 5160-1-60, "Medicaid payment," sets forth payment policies for services furnished by many professional, non-institutional providers. This rule specifies the method used by the Ohio Department of Medicaid (ODM) to establish maximum payment amounts for newly adopted procedures. The appendix to this rule has been amended to incorporate new payment rates for the following services:

Transcranial magnetic stimulation for the treatment of refractory depression.

Group pregnancy education in accordance with the coverage of pregnancy-related services in rule 5160-21-04.

Lactation consulting services in accordance with coverage of lactation consulting services in rule 5160-8-42.

Diabetes self-management training in accordance with new rule 5160-8-53.

In addition, ODM is amending the payment amounts for vaccine administration codes to reflect new 2022 CMS payment amounts for these vaccine administration codes.

Additionally, with this rule amendment, ODM incorporated the payment rate revisions for EEG codes 95700-95716 that were effective as of July 1, 2021.

### Additional Information

Information about the services and programs of the Ohio Department of Medicaid may be accessed through the main ODM web page, <http://www.medicaid.ohio.gov>.

Questions pertaining to this letter should be directed to the Ohio Department of Medicaid:

P.O. Box 182709  
Columbus, OH 43218-2709  
[noninstitutional\\_policy@medicaid.ohio.gov](mailto:noninstitutional_policy@medicaid.ohio.gov)  
(800) 686-1516

50 W. Town Street, Suite 400  
Columbus, Ohio 43215  
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5160-1-60

**Medicaid payment.**

- (A) The medicaid payment for a covered procedure, service, or supply constitutes payment in full and may not be construed as a partial payment when the payment amount is less than the provider's submitted charge. A provider may not collect from a medicaid recipient nor bill a medicaid recipient for any difference between the medicaid payment and the provider's submitted charge, nor may a provider ask a medicaid recipient to share in the cost through a deductible, coinsurance, copayment, or other similar charge other than medicaid copayments as defined in rule 5160-1-09 of the Administrative Code. Nothing in agency 5160 of the Administrative Code, however, precludes a provider from requesting payment, collecting, or waiving the collection of medicare copayments from a medicaid recipient for medicare part D services. Medicaid recipient liability provisions set forth in rule 5160-1-13.1 of the Administrative Code do not apply to medicare part D services.
- (B) Providers are expected to submit their usual and customary charge (the amount charged to the general public) on all claims. The medicaid payment amount for a covered service, procedure, or supply is the lesser of the submitted charge or the established medicaid maximum. Medicaid maximum payment amounts for many existing services, procedures, and supplies, particularly services rendered by practitioners of the healing arts, are set forth in the appendix to this rule. The initial maximum payment amount for a covered procedure, service, or supply represented by a new procedure code that takes effect at the beginning of a calendar year is established in accordance with paragraph (J) of this rule. Specific payment amounts or payment formulas set forth in other rules in agency 5160 of the Administrative Code supersede corresponding entries in the appendix to this rule.
- (C) Pursuant to rule 5160-1-08 of the Administrative Code, providers are expected to take reasonable measures to determine any third-party resource available to a medicaid recipient and to file a claim with that third party when required to do so under rule 5160-1-08 of the Administrative Code. When there is a third-party payer, medicaid payment for a covered procedure, service, or supply is the lesser of two amounts:
- (1) The provider's submitted charge; or
  - (2) The medicaid maximum payment amount less the sum of all third-party payments and any applicable medicaid copayment (unless the difference is zero or less, in which case medicaid will make no further payment).
- (D) For services that are subject to a copayment pursuant to rule 5160-1-09 of the Administrative Code, the total medicaid maximum payment amount is reduced by

the total medicaid copayment. The provider may collect from the medicaid recipient or bill the medicaid recipient for the total medicaid copayment, which is determined in accordance with the relevant rule of the Administrative Code.

- (E) For dates of service on or after August 1, 2017, the rates for the facility services provided by an ASC are addressed in rule 5160-22-01 of the Administrative Code.
- (F) Except as otherwise permitted by federal statute or regulation, the medicaid maximum payment amounts described in this rule must not exceed the established maximum medicare allowed amounts for the same procedures, services, or supplies.
- (G) Medicaid payment is not allowed for non-covered procedures, services, and supplies nor for covered procedures, services, or supplies that are denied by the department as a result of a prepayment review, utilization review, or prior authorization process. (Chapter 5160-2 of the Administrative Code describes how these provisions are applied to inpatient and outpatient hospital services.)
- (H) Every submitted claim must include the most appropriate code representing each procedure, service, or supply provided.
- (I) "Site differential" is a difference in medicaid payment based on the place in which the service is provided. When a covered service is subject to a site differential, the payment amount is the lesser of the provider's submitted charge or the applicable maximum facility payment amount or maximum non-facility payment amount.
  - (1) The maximum facility payment amount applies to a service provided at one of the following sites:
    - (a) A hospital (inpatient hospital, outpatient hospital, emergency department, or inpatient psychiatric facility);
    - (b) A skilled nursing facility; or
    - (c) An ambulatory surgery center (ASC).
  - (2) The maximum non-facility payment amount applies to a service provided at any other site.
- (J) Additional information about the coverage of and payment for certain procedures is shown in the 'prof/tech split' and 'PC/TC indicator' columns of the appendix to this rule.
  - (1) A 'prof/tech split' entry indicates that the procedure is made up of both a professional and a technical component for the time period shown. The

indicator denotes the relative proportions of the medicaid maximum payment amount allocated to the professional and technical components. For example, the indicator C means that the medicaid maximum payment amounts for the professional component and for the technical component are, respectively, forty per cent and sixty per cent of the medicaid maximum payment amount for the total procedure. There are thirteen such indicators:

- (a) C: Forty per cent / sixty per cent;
- (b) D: Eighty per cent / twenty per cent;
- (c) F: Ten per cent / ninety per cent;
- (d) G: Twenty per cent / eighty per cent;
- (e) H: Twenty-five per cent / seventy-five per cent;
- (f) I: Thirty per cent / seventy per cent;
- (g) J: Thirty-five per cent / sixty-five per cent;
- (h) K: Fifty per cent / fifty per cent;
- (i) L: Sixty per cent / forty per cent;
- (j) M: Seventy per cent / thirty per cent;
- (k) O: One hundred per cent / zero per cent;
- (l) P: Seventy-five per cent / twenty-five per cent; and
- (m) Q: Ninety per cent / ten per cent.

(2) A numeric 'PC/TC indicator' entry shows the degree to which a procedure is professional or technical in nature or has a professional or technical component; these numeric values are defined by the centers for medicare and medicaid services (CMS), <http://www.cms.gov>. A lowercase alphabetic 'PC/TC indicator' entry indicates a medicaid payment restriction based on the location in which the procedure is performed (a place-of-service restriction). Meanings of these numeric and alphabetic indicators are summarized in the appendix to this rule.

(K) The department may set payment limits based on the characteristics of an individual procedure, service, or supply or the relationships between procedures, services, or supplies. For example, payment may be disallowed for a procedure if it is

incompatible with another procedure or another procedure makes it redundant. In configuring its claim-processing system, the department may define its own limits, adopt limits established by an authoritative source, or modify limits established by an authoritative source. The maximum payment amounts for specimen collection and diagnostic testing for COVID-19 are set at the Ohio medicare rate.

- (L) The "Healthcare Common Procedure Coding System (HCPCS)" is a numeric and alphanumeric code set maintained and distributed by CMS for the uniform designation of certain medical procedures and related services. Level one of HCPCS consists of "Current Procedural Terminology (CPT)," a comprehensive listing of medical terms and codes published by the American medical association (AMA), <http://www.ama-assn.org>, for the uniform designation of diagnostic and therapeutic procedures in surgery, medicine, and the medical specialties. When the department initially establishes coverage for a procedure, service, or supply the initial maximum payment amount is set at eighty per cent of the medicare allowed amount. If no medicare allowed amount is available the initial medicaid maximum payment amount is set at the unweighted average of the current maximum payment amounts for comparable procedures, services, or supplies. For convenience, a list of such initial maximum payment amounts is posted on the department's web site, <http://medicaid.ohio.gov>.

Effective:

Five Year Review (FYR) Dates: 1/1/2023

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Certification

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Date

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