

Jean Phillips, Deputy Administrator  
Division of Medical Assistance Programs

**Number:** DMAP-IM-08-199  
**Issue Date:** 12/29/2008

**Authorized Signature**

**Topic:** Medical Benefits

**Subject:** Provider Announcement: Fee-for-Service COLA increase and RVU code change

**Applies to (check all that apply):**

- |  |   |
|--|---|
| <input type="checkbox"/> All DHS employees             | <input type="checkbox"/> County Mental Health Directors   |
| <input type="checkbox"/> Area Agencies on Aging        | <input type="checkbox"/> Health Services  |
| <input type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Seniors and People with Disabilities   |
| <input type="checkbox"/> County DD Program Managers    | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |

**Message:**

DMAP will post the attached announcement to providers. The announcement tells providers that the Legislature approved a 3.5% Cost of Living Adjustment (COLA) in the DHS 07-09 budget and gives a list of providers that will receive the COLA.

Effective January 1, 2009, DMAP will update the Relative Value Unit (RVU) weight assignment for CPT and HCPCS codes and increase the fee-for-service base rates for many services.

*If you have any questions about this information, contact:*

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# Oregon

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December 18, 2008

To: DHS Medicaid Providers



From: Jean S. Phillips, Deputy Administrator  
Division of Medical Assistance Programs, DHS

Subject: Fee-for-Service COLA increase and RVU code changes

The Oregon Legislature has approved the Department of Human Services (DHS) biennial budget for years 2007-2009 that included a cost of living adjustment (COLA) of 3.5% effective January 1, 2009.

Effective January 1, 2009, DMAP will update the relative value unit (RVU) weight assignment for Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes, using the 2008 transitional non-facility total RVU weights published in the *Federal Register*, Vol. 73, January 15, 2008. The transitional facility RVU weight totals will be adopted for CPT/HCPCS codes for professional services typically performed in a facility. The conversion factor reflects the 3.5% COLA.

DMAP will increase the base rates for services as follows:

- The base rate for delivery services (59400-59622) will be \$41.61;
- CPT codes 92340-92342 and 92352-92353 will be paid at a flat rate of \$26.81
- The base rate for all other CPT and HCPCS codes with an RVU weight assignment will be \$27.82.

Other services with a non-RVU weight assignment that will receive the COLA are:

- Dental services;
- Emergency and non-emergency ambulance transportation;
- Home enteral/parenteral nutrition and IV services;
- Physical and occupational therapy services;

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- Speech-language pathology, audiology and hearing aids services;
- Administrative examinations services; and
- Visual services (professional services, not hardware)

The department appreciates your continued services to Oregon Health Plan clients.

If you have any questions, please contact Jesse Anderson, Policy Analyst @ 503- 945-6958 or e-mail [jesse.anderson@state.or.us](mailto:jesse.anderson@state.or.us).