



## Public notice

Notice of intent — OHA will amend the Medicaid State Plan to increase rates for anesthesia, clinical laboratory and some professional services.

**Date:** July 31, 2024

**Contact:** Jesse Anderson, State Plan manager

**Comments due:** 5 p.m. Friday, August 16, 2024

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The Oregon Health Authority (OHA) intends to submit a State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services to increase [fee-for-service maximum allowable rates](#) as follows, effective October 1, 2024:

- Increase the default base rate for Relative Value Unit (RVU) weight-based professional services from \$25.48 to \$27.11.
- Increase the base rate for anesthesia services from \$20.78 to \$21.12.
- Increase the clinical laboratory rate from 70 to 80 percent of Medicare rates.

OHA estimates the annual cost of this increase to be approximately \$2,312,229 in total Medicaid funds.

### Background

OHA is adjusting rates to be at or above 80 percent of Medicare rates. The following RVU weight-based services do not need an increase because the rates are already at or above 80 percent of Medicare rates.

- \$40.79 for labor and delivery codes (59400-59622);
- \$38.76 for neonatal intensive care/pediatric intensive care professional codes (99468-99480);
- [\\$28.50 for primary care provider types and procedure codes](#) (effective January 1, 2024).

The default RVU base rate is for remaining programs that use RVU weight-based procedure codes. These include podiatry, chiropractic, physical and occupational therapy, and any other practitioner's procedure codes not listed above.

### Obtaining SPA language:

The next pages show edits to existing State Plan language in the proposed SPA. You can also view the full State Plan, approved SPAs and proposed SPAs on [the OHA website](#).

### How to comment:

OHA welcomes public review and input. Please send written comments by 5 p.m. Friday, August 16, 2024, to [jesse.anderson@oha.oregon.gov](mailto:jesse.anderson@oha.oregon.gov).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State/Territory: OREGON

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

General: The division pays the lesser of the usual and customary charge or a fee based on the methods outlined for the program according to Attachment 4.19-B. The provider's usual and customary fee is the fee charged by the provider to the general public for the particular service rendered. Where applicable, the maximum allowable fees are established using the CMS Resource Based Relative Value (RBRVS) Scale methodology as published in the Federal Register annually, multiplied times by an Oregon specific conversion factor.

Conversion factors set for services on or after ~~October~~January 1, 2024:

\$40.79 for labor and delivery codes (59400-59622);  
\$38.76 for neonatal intensive care/pediatric intensive care professional codes (99468-99480);  
\$28.50 for Primary care provider types and procedure codes;  
~~\$27.11~~25.48 for all remaining RBRVS weight-based procedure codes;  
~~\$21.12~~20.78 for anesthesia procedure codes.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers for #3 through #5.b below. Unless noted otherwise the agency fee schedule was set for services on or after 10/1/24. All rates are published on the agency's website and can be accessed at <https://www.oregon.gov/oha/HSD/OHP/Pages/Fee-Schedule.aspx>

**3. Laboratory and Radiology:**

The maximum allowable rates are established using the CMS RBRVS methodology as published in the Federal Register annually, multiplied by an Oregon specific conversion factor for specific categories of service.

Clinical Laboratory and Pathology Procedures are paid at ~~87~~87% of current Medicare fee updated annually as published by Medicare. ~~Other lab and X ray services are paid on a state wide fee schedule which utilizes the RBRVS Scale, times the Oregon specific conversion factor.~~

**5.a. Physician/Physician Assistant/Practitioner and 5.b Medical and surgical services furnished by a dentist:**

The maximum allowable rates are established using the CMS ~~RBRVS~~Resource Based Relative Value Scale (RBRVS) methodology as published in the Federal Register annually, multiplied by times an Oregon specific conversion factor for specific categories of service.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers for #5.6.a through #6.d below. Oregon conversion factors as listed on Attachment 4.19-B, page 1 of this state plan. All rates are published on the agency's website and can be accessed at <https://www.oregon.gov/oha/HSD/OHP/Pages/Fee-Schedule.aspx>

**5.a. Physician/Physician Assistant/Practitioner Administered Drugs:**

Based on 100% of the Medicare fee schedule. When no Medicare fee schedule is listed the rate shall be based upon the Wholesale Acquisition Cost (WAC). If no WAC is available, then the rate shall be reimbursed at Acquisition Cost.

**6.a. Podiatrists' services, 6.b Optometrists' services and 6.c Chiropractors' services:**

The maximum allowable rates are established using the CMS Resource Based Relative Value Scale (RBRVS) methodology as published in the Federal Register annually, multiplied by times an Oregon specific conversion factor for specific categories of service.

**6.d. Other Practitioner services, Naturopath, Acupuncturist and Licensed Midwives:**

The maximum allowable rates are established using the Payment for services is a state-wide fee schedule which utilizes the CMS RBRVS methodology Scale as published in the Federal Register annually, multiplied times by the Oregon specific conversion factor.

**6.d. Emergency Medical Technician (EMT), Advanced EMT (AEMT), EMT-Intermediate (EMT-I), Emergency Medical Responders (EMR), and Paramedics:**

Payment for services is a state-wide fee schedule which utilizes CMS HCPCS codes, appropriate for their scope of practice, using a combination of fix rates and Medicare rates. Treat-in-place code A0998 is priced using the ALS1 Base Rate (A0427) of \$420.62. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of 5/12/23 and is effective for services provided on or after that date. All rates are published on the agency's website <https://www.oregon.gov/oha/HSD/OHP/Pages/Fee-Schedule.aspx>.

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Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers for #6.d through #7.c below. Oregon conversion factors as listed on Attachment 4.19-B, page 1 of this state plan. All rates are published on the agency's website and can be accessed at <https://www.oregon.gov/oha/HSD/OHP/Pages/Fee-Schedule.aspx>

**6.d. Nurse Anesthetists:**

Payment for services is a state-wide fee schedule which utilizes the current American Society of Anesthesiology Relative Value base units, multiplied by the Oregon conversion factor plus time.

**6.d. Board Certified Behavior Analyst:**

Payment for services is based on a state-wide fee schedule. The fees were developed from a survey of other State Medicaid Programs. This rate is effective for dates of service on or after 7/1/22.

**7. Home Health:**

Payment for services is a state-wide fee schedule based upon 74% of the most recently accepted Medicare Cost reports.

**7. c. Medical Supplies and Equipment:**

Payment for services is a state-wide fee schedule. Rates are based on the following percentages of the 2012 Medicare fee schedule:

- Ostomy supplies are at 93.3%
- Rental rates on group 1 and 2 power wheelchairs with no added power options (K0820-K0829) are at 55%
- Complex Rehab items, other than power wheelchairs, are at 88%
- All other Medicare covered items/services are at 82.6%
- Unlisted procedures are based upon 75% of Manufacturer's Suggested Retail Price (MSRP). If MSRP is not available payment is acquisition cost plus 20%.

For new codes added by CMS, payment will be based on the most current Medicare fee schedule and will follow the same payment methodology as stated above. This rate is effective for dates of service on or after 2/1/14.

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Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers for #8 through 12.c. below. [Oregon conversion factors are listed on Attachment 4.19-B, page 1 of this state plan.](#) All rates are published <https://www.oregon.gov/oha/HSD/OHP/Pages/Fee-Schedule.aspx>

**8. Private Duty Nursing Services:**

Payment for services is a state-wide fee schedule based on nursing market rate study's performed each biennium. The agency's fee schedule rate was set as of 7/1/23 and is effective for services provided on or after that date.

**10. Dental services (Dentist, Dental hygienist with an Expanded Practice Permit)**

Payment for services is a state-wide fee schedule based on the actuarial calculations used For rate setting for the CCO dental services. Dental anesthesia services provided in the dental Office (CPT 00170) is a flat fee of \$800.00. The agency's fee schedule rate was set as of 1/1/24 and is effective for services provided on or after that date.

**11. Physical Therapy, Occupational Therapy, Speech, Hearing, Audiology services**

Payment for services is a state-wide fee schedule which Utilizes the RBRVS [methodology](#) ~~Scale, multiplied times by~~ the Oregon specific conversion factor, ~~flat fee rates and unlisted procedures codes.~~ Unlisted codes Are priced using 75% of Manufacturer's Suggested Retail Price (MSRP). ~~The agency's fee schedule rate was set as of 1/1/24 and is effective for services provided on or after that date.~~

**12.b. Dentures, Denturist**

Payment for services is a state-wide fee schedule based on the actuarial calculations used For rate setting for the CCO dental services. Dental anesthesia services provided in the dental Office (CPT 00170) is a flat fee of \$800.00. The agency's fee schedule rate was set as of 1/1/24 and is effective for services provided on or after that date.

**12.c. Prosthetic Devices**

Payment for services is a state-wide fee schedule based on 84.5% of 2010 Medicare fee schedule. Unlisted procedures are based upon 75% of Manufacturer's Suggested Retail Price (MSRP). For new codes added by CMS, payment will be based on the most current Medicare fee schedule and will follow the same payment methodology as stated above. This rate is effective for dates of service on or after 7/1/12.

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Effective Date: 1/1/24

Supersedes TN No. ~~24-000723-0038~~

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Telemedicine/telehealth:

The Authority reimbursement of patient to clinician telephonic and electronic services for ~~e~~Established patients are based upon the maximum allowable fees are established using the CMSa Resource Based Relative Value (RBRVS) Relative Value Unit (RVU) weight-based rates for methodology Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes as published in the Federal Register annually with periodic updates, multiplied by the Oregon specific conversion factor. Oregon conversion factors as listed on Attachment 4.19-B, page 1 of this state plan.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of 10/1/245/19/23 and is effective for services provided on or after that date. State-wide fee schedules are published on the agency's web at <https://www.oregon.gov/oha/HSD/OHP/Pages/Fee-Schedule.aspx>

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