



Agency Department of Medical Assistance Services

Board Board of Medical Assistance Services

General Notice

Public Notice - Intent to Amend State Plan - Reimbursement of Tribal Providers

Date Posted: 12/20/2024

Expiration Date: 5/31/2025

Submitted to Registrar for publication: YES

[60 Day Comment Forum](#) is underway. Began on 12/20/2024 and will end on 2/18/2025

**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 December 20, 2024

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 Meredith Lee, DMAS, 600 Broad Street, Suite 1300, Richmond, VA 23219, or via e-mail at: Meredith.Lee@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 60 days of this notice publication to Meredith Lee 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 (<https://townhall.virginia.gov>) on the General Notices page, found at: <https://townhall.virginia.gov/L/generalnotice.cfm>.

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

This SPA makes the following changes to tribal provider reimbursement:

- Clarifies that tribal clinics cannot be reimbursed at the facility rate (all inclusive rate, or AIR) for non-clinic services, including pharmacy, dental, transportation, and 1915(c) waiver services such

as personal care.

- Clarifies that tribal FQHCs cannot be reimbursed at the AIR for pharmacy, transportation, and 1915(c) waiver services. Dental services provided by Tribal FQHCs are reimbursed through the Alternative Payment Methodology (APM) established in the Medicaid State Plan at Att. 4.19-B, pages 4.6-4.7.
- Clarifies the definition of the per visit rate for purposes of reimbursement at the AIR, specifying that it is a bundled, all-inclusive encounter rate and must not be unbundled and billed as separate encounter claims.
- Specifies that an Indian Health Service, tribal or urban Indian organization, including a Tribal 638 facility that operates a retail pharmacy, must enroll separately as a pharmacy provider, and that payment for pharmacy services shall align with an existing pharmacy payment methodology and shall not be at the AIR. Drugs provided as part of an outpatient clinic visit are included in the all-inclusive rate for the encounter.

This SPA also makes a change needed to reflect new federal requirements for Medicaid reimbursement to tribal clinics, clarifying that these services include

- professional services furnished at the clinic by or under the direction of a physician, or
- services furnished outside the clinic, by clinic personnel under the direction of a physician.

The expected decrease in annual aggregate fee-for-service expenditures is \$7,817,289 in state general funds and \$29,477,175 in federal fiscal year 2025. The expected decrease in annual aggregate fee-for-service expenditures is \$10,912,457 in state general funds and \$42,122,887 in federal funds in federal fiscal year 2026.

Contact Information

Name / Title:	Emily McClellan / <i>Policy Division Director</i>
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