

ONE HUNDRED SIXTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 244

Introduced by Hansen, B., 16.

PURPOSE: The purpose of this interim study is to examine discrepancies in reimbursement under the medical assistance program between the three Heritage Health managed care plans and the impacts of applying a multiple-procedure payment-reduction policy to therapy services.

The multiple-procedure payment-reduction policy in the medicare system was implemented by the federal Centers for Medicare and Medicaid Services in 2011 for multiple surgical procedures and diagnostic imaging procedures occurring in one day. The policy implemented in the medical assistance program in Nebraska applies to all therapy services regardless of the therapy discipline, such as physical therapy, occupational therapy, or speech-language pathology services. When multiple therapy services are provided to the same patient on the same day, full payment is made for the unit or procedure with the highest practice-expense payment. For subsequent units or procedures furnished to the same patient on the same day, fifty percent payment is made for the practice expense for services submitted on either professional or institutional claims.

Therapy services are rarely only one unit, and the practice-expense for each code was calculated with the understanding that a therapy session always has more than one unit per visit, which does not comport with the multiple-procedure payment-reduction policy. With the Nebraska medicaid fee schedule currently below the medicare fee schedule, the application of the policy further reduces reimbursement to levels that most therapy practice locations cannot sustain.

The issues addressed by this interim study shall include, but not be limited to:

- (1) Research of other states' medicaid fee schedules and whether they are

applying the multiple-procedure payment-reduction policy to therapy services;

(2) Laws and regulations regarding medicaid fee schedules;

(3) Therapy practice costs for medicaid providers, reimbursement levels, and associated costs for care when services are not provided to patients at the right time; and

(4) The impact on access to therapy services if therapy providers cannot continue to serve low-income Nebraskans.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED SIXTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Health and Human Services Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.