

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: October 1, 2007

5. Physicians' Services (Continued)

Additional Reimbursement for Physician Services Associated with UAMS

- (a) Effective October 1, **2007**, services provided by medical professional providers affiliated with the University of Arkansas for Medical Sciences (UAMS) to Medicaid-eligible individuals shall be **eligible for a supplemental payment** based on the average commercial payment rate. Eligible professionals are:
 - (i) **Physicians, psychiatrists, psychologists, social workers, psychological examiners, speech therapists, advanced practice nurses, physician assistants, nurse anesthetists, occupational therapists, physical therapists, podiatrists, audiologists, opticians and nutritionists;**
 - (ii) **Licensed by the State of Arkansas; and**
 - (iii) **Employed by the UAMS College of Medicine.**
- (b) **A supplemental payment will be made for services rendered by eligible professionals equal to the difference between the Medicaid payments otherwise made and payments at the Average Commercial Rate. This supplemental payment will, for the same dates of service, be reduced by any other supplemental payment for eligible professionals found elsewhere in the state plan. Payment will be made quarterly and will not be made prior to the delivery of services.**
- (c) **The average commercial rate to be paid to eligible professionals will be determined as follows:**
 - (i) **Compute the Average Commercial Fee Schedule: For each fiscal year, to be applied in calculating the supplemental payment the following fiscal year, use the most recent available fiscal year data to compute the average commercial allowed amount per CPT Code, including patient share amounts, for procedure codes with payment rates for the top five commercial third party payers with negotiated fee schedules. The top five commercial third party payers will be determined based on total payments reported by the relevant provider group.**
 - (ii) **Calculate the Average Commercial Payment Ceiling: For each quarter in the fiscal year, multiply the Average Commercial Fee Schedule as determined in 5(c)(i) above by the number of times each procedure code was paid in the quarter to eligible professionals on behalf of Medicaid beneficiaries as reported from the MMIS. The sum of the product for all procedure codes shall determine the Average Commercial Payment Ceiling. The Average Commercial Payment Ceiling will be calculated separately for services billed through UAMS, Arkansas Children's Hospital and Area Health Education Centers.**
- (d) **The Supplemental Payment shall equal the difference between the Average Commercial Payment Ceiling for the quarter and the total Medicaid payments made for the quarter to eligible professionals for the procedure codes included in the calculation of the Average Commercial Fee Schedule in 5(c)(i) above, as reported from the MMIS.**