

## HEALTH & WELFARE

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## **MEDICAID INFORMATION RELEASE 2008-21**

To:

All In-State Hospital Providers

From:

Leslie M. Clement, Administrator

Division of Medicaid

Subject:

Ambulatory Surgical Center Payment Methodology Change

All state agencies have been directed by the Governor (Executive Order 2008-03) to hold back 1% of their general fund budgets in the current fiscal year due to the downturn in the state and national economy.

As one of our responses to this, the Division of Medicaid recently initiated the following reimbursement change for Idaho Medicaid in-state hospitals:

For claim detail "from" date of service on or after December 1, 2008, the reimbursement payment for outpatient services billed with revenue code 490 will be paid at two and a half times the price on file for the Ambulatory Surgical Center (ASC) level assigned to the provided service. Currently the payment for these services is five times the price on file. There is no change with the current hospital cost settlement process. If the cost settlement shows that your hospital was overpaid for the ASC service, we will ask you to pay back the overpayment amount, and if your hospital is underpaid for the ASC service, we will pay you the underpayment amount.

If you have any questions, please contact the Division of Medicaid's Senior Financial Specialist at (208) 364-1817.

Thank you for your continued participation in the Idaho Medicaid Program.

LMC/rs