



Attention Professional Services Providers 2008 Reimbursement Rate Changes

Based on funding appropriated in the 2007 Legislative Session and approval by CMS, DHH announces reimbursement rate changes for selected physician services. Effective for dates of service on or after January 1, 2008, the reimbursement for selected physician services shall be 90 percent of the 2008 Louisiana Medicare Region 99 allowable or billed charges, whichever is the lesser amount. The reimbursement shall remain the same for those services that are currently being reimbursed at a rate that is between 90 percent and 120 percent of the 2008 Louisiana Medicare Region 99 allowable. For services that are currently reimbursed at a rate above 120 percent of the 2008 Louisiana Medicare Region 99 allowable, the reimbursement for these services has been reduced to 120% of the 2008 Louisiana Medicare Region 99 allowable. Providers will see the rate changes beginning on the Remittance Advice of June 30, 2008. Not all codes were impacted by this process.

Affected claims paid at the previous rates will be systematically recycled. Due to the large claims volume, the adjustments will occur over several weeks in numerical order by billing provider number, beginning with the RA of July 22, 2008. Adjusted claims for each billing provider will appear on only one of the RA's. These 2008 adjustments can be identified as having an ICN beginning with 8186 or 8187. Please monitor your RA's to determine which date your claims were recycled.

The Professional Services fee schedules that reflect rates before and after the changes can be found on the 'Fee Schedules' page of the LA Medicaid web site, <u>www.lamedicaid.com</u>, link: 'Fee Schedules' or refer to the Home page link '2007 & 2008 Professional Services Rate Changes'. Supplements to the fee schedules that provide a list of procedure codes included in the reimbursement changes in 2007 and 2008 can also be found on the '2007 & 2008 Professional Services Rate Changes' link.

Please monitor future RA messages and the Louisiana Medicaid website which will inform providers of any additional updates.