



Attachment 6: Florida Managed Medical Assistance Physician Incentive Program (MPIP) Rate Calculation Guidance

Calculating Rates for Services with a Medicare Equivalent

Most services included in the Managed Medical Assistance Physician Incentive Program (MPIP) have a Medicare equivalent. To calculate Medicare equivalent rates, please see the formula found in the Medicare Physician Fee Schedule Fact Sheet published on the Centers for Medicare and Medicaid Services website at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MedcrePhysFeeSchedfactsht.pdf>.

First Coast Service Options, Inc. (First Coast) is the Medicare administrative contractor for jurisdiction N, which includes Florida. A comprehensive list of the Florida Medicare regions is located at <https://medicare.fcso.com/unwrapped/0330086.asp>. Each Medicare region has its own Work Geographic Practice Cost Indices (GPCI), Malpractice GPCI, and Practice GPCI. The GPICs change every January and can be obtained using First Coast Service Option's fee schedule look up tool at https://medicare.fcso.com/SharedTools/faces/FeeSchedule_en.jspx?_afLoop=155870589773213&state=FL&lob=Part+B&_afWindowMode=0&_adf.ctrl-state=mdeh1ykfa_22.

As required by the Budget Control Act of 2011, the managed care plan must reduce the amount of the Medicare rates (in effect on the date of service) by the 2% sequestration.

Physician Reimbursement Rates for Services Provided in a Facility

The Medicare Physician Fee Schedule includes some Current Procedural Terminology (CPT) codes that have both a facility payment rate and a non-facility payment rate.

1. The facility rate is the payment rate for services performed in a facility setting (e.g., hospital, nursing facility, ambulatory surgical center, etc.).
2. The non-facility rate is the payment rate for services performed in an office setting.

Calculating Rates for Services without a Medicare Equivalent

For pediatric evaluation and management codes included in the file at the following link, the 2019 Medicare Rates in the Excel file must be used for enhanced payments.

http://ahca.myflorida.com/Medicaid/statewide_mc/pdf/PIP/FL_Medicaid_E_M_Codes_2019_Medicare_Rates_vs_2019_Medicaid_Rates.xlsx

For codes not used for Medicare payment, but that have Medicare Relative Value Units (RVUs), the rate calculation methodology below (as published by the Centers for Medicare & Medicaid Services at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/PFS-Relative-Value-Files.html>) must be used.

2019 Non-Facility Pricing Amount =

$$\begin{aligned} &[(\text{Work RVU} * \text{Work GPCI}) + \\ &(\text{Non-Facility PE RVU} * \text{PE GPCI}) + \\ &(\text{MP RVU} * \text{MP GPCI})] * \text{Conversion Factor (CF)} \end{aligned}$$

2019 Facility Pricing Amount =

$$\begin{aligned} &[(\text{Work RVU} * \text{Work GPCI}) + \\ &(\text{Facility PE RVU} * \text{PE GPCI}) + \\ &(\text{MP RVU} * \text{MP GPCI})] * \text{Conversion Factor (CF)} \end{aligned}$$

For MPIP included service codes that do not have a Medicare equivalent and for which Relative Value Units (RVUs) = 0, the managed care plan must use the following formula:

$$\text{Florida Medicaid rate} * 1.6667 = \text{Medicare equivalent rate}^*$$

*this Medicare equivalent rate must be reduced by the 2% sequestration.

Florida Medicaid rates can be found on the promulgated fee schedules, which are incorporated by reference in Rule 59G-4.002, Florida Administrative Code. Adopted rules are located at http://ahca.myflorida.com/medicaid/review/fee_schedules.shtml.