Pricing Updates for Rural Hospitals Effective September 1, 2015

Information posted September 24, 2015

Note: This article applies to claims submitted to TMHP for processing. For claims processed by a Medicaid managed care organization (MCO), providers must refer to the MCO for information about benefits, limitations, prior authorization and reimbursement.

Effective September 25, 2015, for dates of service on or after September 1, 2015, outpatient Texas Medicaid reimbursement for rural hospitals will be increased according to special provision 58 of the 2016-2017 General Appropriations Act (Article II, Health and Human Services Commission [HHSC] H.B. 1, 84th Legislature, Regular Session).

The following reimbursements will be increased:

- General outpatient reimbursement for rural hospitals; and
- Emergency department hospital reimbursement for nonemergency related visits in rural hospitals.

Outpatient Reimbursement for Rural Hospitals

Effective for dates of service on and after September 1, 2015, rural hospitals' reimbursement percentage will change as follows:

<table>
<thead>
<tr>
<th>Providers</th>
<th>Current Allowable Charges</th>
<th>Allowable Charges Effective 9/1/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>High-volume children’s hospitals, rural hospitals, or state-owned teaching hospitals</td>
<td>76.03%</td>
<td>100%</td>
</tr>
<tr>
<td>Non-high-volume children’s hospitals, rural hospitals, or state-owned teaching hospitals</td>
<td>72.27%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Providers will continue to receive explanation of benefit (EOB) codes 00672 and 00094. The description for these EOB codes will be as follows:

ALLOWED DISCOUNT FACTOR FOR THIS OUTPATIENT SERVICE HAS BEEN ADJUSTED BASED ON THE PROVIDER PRICING INFORMATION AND DATES OF SERVICE.

Providers can refer to the Texas Medicaid Provider Procedures Manual, Inpatient and Outpatient Hospital Services Handbook, Subsection 4.5.2, for additional information about outpatient reimbursement.

Outpatient Reimbursement for Rural Hospitals for Nonemergency Services

Effective for dates of service on and after September 1, 2015, rural hospitals' reimbursement percentage for nonemergent services will be changed from 60 percent to 65 percent.
Providers can refer to the *Texas Medicaid Provider Procedures Manual, Inpatient and Outpatient Hospital Services Handbook*, Subsection 4.2.2.1, for additional information about nonurgent and nonemergent services rendered in the emergency department.

**Claims Reprocessing**

Outpatient rural hospital claims with dates of service from September 1, 2015, to September 25, 2015, will automatically be reprocessed to accommodate the rate changes identified in this article. Providers are not required to appeal the claims unless they are denied for additional reasons after the automatic claims reprocessing is complete.

For more information, call the TMHP Contact Center at 1-800-925-9126.