

July 31, 2023

RATE CHANGES FOR AMBULATORY SURGICAL CENTERS AND INTEREST OWED TO PROVIDERS

Summary of Notification:

HHSC revised Fee-for-Service reimbursement rates for Ambulatory Surgical Centers (ASCs) and Hospital ASCs effective June 1, 2023. These rate revisions shift from the group rate and locality code method of payment for each procedure code and instead assigns fees by procedure code. Several MCOs contacted HHSC to discuss the time needed to implement the rate changes, including required system changes and changes needed to provider contracts.

Key Details:

HHSC recognizes that MCOs will need time to implement system changes and renegotiate provider contracts to reflect the new ASC rate structure. Section 8.1.4.8 Provider Reimbursement of the managed care contracts states: If the MCO fee schedule is derived from the Medicaid fee schedule, the MCO must implement fee schedule changes after the Medicaid fee schedule change, and any retroactive claim adjustments must be completed within 60 Business Days after HHSC retroactively adjusts the Medicaid fee schedule.

HHSC waives this requirement through January 1, 2024. Additionally, the MCOs are not required to pay interest related to impacted provider claims through December 31, 2023. Beginning January 1, 2024, HHSC expects MCOs to pay providers applicable interest on ASC claims that are not processed using the new rate structure.