



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

Med-QUEST Division
Administration
P. O. Box 700190
Kapolei, Hawaii 96709-0190

December 31, 2014

MEMO NO.
FFS M14-15

MEMORANDUM

TO: Fee-For-Service Physicians

FROM: Kenneth S. Fink, MD, MGA, MPH *KSF*
Med-QUEST Division Administrator

SUBJECT: SIX-MONTH EXTENSION OF ENHANCED REIMBURSEMENT TO
ELIGIBLE PRIMARY CARE PHYSICIANS FOR CERTAIN PRIMARY
CARE SERVICES

The Med-QUEST Division (MQD) is issuing this memorandum to inform eligible primary care physicians (PCP) of a six-month extension, through June 30, 2015, of increased reimbursement for certain primary care services. The methodology will be the same as has been in place for the past two years under Section 1202 of the Affordable Care Act.

Under Section 1202 of the Affordable Care Act, Medicaid programs were required to increase reimbursement to Medicare rates for certain primary care services provided by eligible PCPs. This two-year provision, which ended December 31, 2014, resulted in 1,039 physicians who serve Medicaid beneficiaries receiving in aggregate increased payment of approximately \$44 million.

The MQD had requested funding to maintain the higher reimbursement levels for the duration of the current fiscal year ending June 30, 2015, which the Hawaii State Legislature appropriated. Under the extension, the federal matching rate for the increased reimbursement will be approximately 52% compared to 100% under Section 1202; the new State appropriation will make up the difference.

Memo No. FFS M14-15

December 31, 2014

Page 2

Physicians who have already self-attested and have been receiving the increased payments will continue to be eligible. For more information on the MQD PCP reimbursement enhancement or the self-attestation process, please refer to the MQD website link, www.med-quest.us/providers/PrimaryCarePhysician.html.

Continuation of the PCP reimbursement enhancement beyond June 30, 2015 is dependent on available funding. The MQD seeks to expand eligibility to other important Medicaid providers including psychiatrists, neurologists, obstetrician-gynecologists, and advanced practice registered nurses, and to services provided to children covered under the Children's Health Insurance Program (CHIP).

If you have questions about the six-month extension, please contact Dr. Curtis Toma by phone at 692-8106 or by email at ctoma@medicaid.dhs.state.hi.us.

c: QUEST Integration Health Plans