



Medicaid Payments for Primary Care Services in Parity with Medicare & Charges for Vaccine Administration

Fact Sheet

On November 1, 2012, the Centers for Medicare & Medicaid Services (CMS) released the [final regulation](#) which implements Section 1202 of the *Affordable Care Act*. This section increases Medicaid payments for specified primary care services to Medicare levels for certain primary care physicians in 2013 and 2014. In a [statement](#) released November 1, the AAFP welcomed the final regulation as a step in the right direction.

The final rule provides for higher payment in both the fee-for-service and managed care settings for specific primary care services furnished by:

- Practicing physicians who self-attest that they are board certified with a specialty designation of family medicine, general internal medicine or pediatric medicine, or
- Subspecialists related to those specialty categories as recognized by the American Board of Medical Specialties, American Osteopathic Association, or the American Board of Physician Specialties who also self-attest that they are board certified, or
- Physicians related to the specialty categories of family medicine, internal medicine and pediatrics who self-attest that at least 60 percent of all Medicaid services they bill or provide in a managed care environment are for the specified Evaluation & Management (E&M) and vaccine administration codes.
- Advanced practice clinicians when the services are furnished under a physician's personal supervision.

E&M codes 99201 through 99499 and vaccine administration codes 90460, 90461, 90471, 90472, 90473 and 90474 (or successor codes, where applicable) are eligible for higher payment. The agency also finalized policy to include the following E&M codes in that range that are not paid by Medicare:

- New Patient/Initial Comprehensive Preventive Medicine—codes 99381 - 99387;
- Established Patient/Periodic Comprehensive Preventive Medicine—codes 99391 - 99397;
- Counseling Risk Factor Reduction and Behavior Change Intervention—codes 99401 - 99404, 99408, 99409, 99411, 99412, 99420 and 99429;
- E&M/Non Face-to-Face physician service—codes 99441 - 99444.

Inclusion of a code on this list does not require a state to pay for the service if it is not already covered under the state's Medicaid program; it only requires the state to pay for the service at the Medicare rate if covered. All other state coverage and payment policy rules related to the service also remain in effect.

Next steps:

- In the final rule, CMS indicates the agency will develop and then release before January 1, 2012 a template for use by states in implementing the requirements of this final rule. States are required to submit his template prior to March 31, 2013.
- For services unique to Medicaid for which relative value units (RVUs) have not been established by Medicare, CMS will develop and publish rates for the eligible E&M codes.
- In determining the 2013 and 2014 rates, CMS will use the 2009 conversion factor (\$36.07) only if that factor (in conjunction with the 2013 and 2014 RVUs) results in rates that are higher than if the 2013 and 2014 conversion factors were used.
- Medical practices will need to update their billing systems and, beginning in 2013, start billing Medicaid at the higher amount.
- Further updates and an educational national conference call will be posted on AAFP's dedicated [website](#) -- Medicaid Payments for Primary Care Services in Parity with Medicare.

Federal Funding for Increased Payments for Vaccine Administration

In addition to the increases in Medicaid payments, this regulation also updates vaccine administration fee maximums that had not been updated since the Vaccines for Children (VFC) program was established in 1994. CMS will use the Medicare Economic Index (MEI) to update the maximums consistent with inflation.

Medicaid Pay Varies Widely

How much each state pays doctors for Medicaid primary care services compared to Medicare rates.

AL	70%	KY	72%	ND	141%
AK	125%	LA	76%	OH	60%
AZ	86%	ME	64%	OK	95%
AR	69%	MD	74%	OR	74%
CA	43%	MA	70%	PA	56%
CO	77%	MI	51%	RI	33%
CT	72%	MN	47%	SC	79%
DE	98%	MS	90%	SD	76%
DC	94%	MO	57%	TX	62%
FL	50%	MT	102%	UT	66%
GA	70%	NE	76%	VT	83%
HI	59%	NV	71%	VA	75%
ID	91%	NH	62%	WA	72%
IL	53%	NJ	50%	WV	71%
IN	55%	NM	85%	WI	61%
IA	76%	NY	51%	WY	104%
KS	82%	NC	86%	US Avg	61%

Source: The Urban Institute, 2010 figures.