

FY 2016-17 Proposed Rate Reductions

Service Category	Affected by Rate Reduction?	Notes
ACUTE CARE		
Physician Services & EPSDT	No	All expenditure excluded from 1% reduction. Providers have a significant rate reduction occurring 7/1/2016 (sunset of the continuation of the ACA 1202 rate increase).
Emergency Transportation	Yes	
Non-emergency Medical Transportation	Yes*	A portion of expenditure in this service category is not eligible for a decrease due to services being rendered under a fixed price contract.
Dental Services	Yes*	Dental ASO administrative costs not eligible for a decrease.
Family Planning	Yes	
Health Maintenance Organizations	Yes*	Capitated rates are adjusted commensurately with fee-for-service rates.
Inpatient Hospitals	Yes	
Outpatient Hospitals	Yes	
Lab & X-Ray	Yes	
Durable Medical Equipment	Yes	
Prescription Drugs	No	Pharmacy reimbursement is not eligible for the decrease.
Drug Rebate	No	Drug rebates are not affected by changes in provider rates.
Rural Health Centers	No	RHCs are paid based on cost or the Medicare rate. Not eligible for rate decreases.
Federally Qualified Health Centers	No	FQHC rates are not subject to ATB decreases.
Co-Insurance (Title XVIII-Medicare)	Yes*	Indirect impact.
Breast and Cervical Cancer Treatment Program	Yes	
Home Health	Yes	
COMMUNITY-BASED LONG-TERM CARE		
HCBS - Elderly, Blind, and Disabled	Yes	
HCBS - Mental Illness	Yes	
HCBS - Disabled Children	Yes	
HCBS - Consumer Directed Attendant Support	Yes	
HCBS - Brain Injury	Yes	
HCBS - Children with Autism	No	This service has historically been excluded from rate reductions due to the financing sources.
HCBS - Children with Life Limiting Illness	Yes	
HCBS - Spinal Cord Injury	Yes	
Private Duty Nursing	Yes	
Long-Term Home Health	Yes	
Hospice	Yes*	Adjusted to account for October implementation and only a portion of the rate being eligible for a decrease.
LONG-TERM CARE and INSURANCE		
Class I Nursing Facilities	No	Rate reductions do not apply to this service.
Class II Nursing Facilities	No	Rate reductions do not apply to this service.
Program for All-Inclusive Care for the Elderly	Yes*	Capitated rates are adjusted commensurately with fee-for-service rates.
Supplemental Medicare Insurance Benefit	No	Medicare premiums are not impacted by Medicaid rates.
Health Insurance Buy-In Program	No	Third party insurance premiums are not impacted by Medicaid rates.
SERVICE MANAGEMENT		
Single Entry Points	Yes	
Disease Management	No	These services are not eligible for rate decreases.
Prepaid Inpatient Health Plan Administration	No	
BEHAVIORAL HEALTH		
Mental Health Fee-for-Service	Yes	
OFFICE OF COMMUNITY LIVING		
Adult Comprehensive Services	Yes	
Adult Supported Living Services	Yes	
Family Support Services	Yes	
Children's Extensive Support Services	Yes	
Case Management	Yes	
Eligibility Determination and Waiting List	Yes	
Preventive Dental Hygiene	Yes	

* indicates that the effect of a rate reduction is not straightforward; some services may have portions that are not included or there may be nuances for the calculation of a reduction. See the Notes column for more information.