MEDICAID OPERATIONS MANUAL
TRANSMITTAL LETTER

July 20, 2004

MEMORANDUM

TO: CUSTODIANS OF MEDICAID PROGRAM MANUALS

FROM: JOHN A. LIVERATTI, CHIEF, COMPLIANCE

SUBJECT: MEDICAID OPERATIONS MANUAL CHANGES

MATERIAL TRANSMITTED	MATERIAL SUPERSEDED
MTL 25/04	***N/A**
MANUAL 500 – OUT-OF-STATE PROVIDER REIMBURSEMENT AGREEMENTS	*N/A

* Please note this is a new chapter and that is does not supercede any previous Manuals, Policy News, Provider Bulletins or Procedure Memorandums.

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500 PURPOSE

Pursuant to the conditions and limitations prescribed in the Nevada State Plan for Medicaid, DHCFP will negotiate reimbursement rates for out of state providers to serve Medicaid recipients. The services of these providers are often necessary to ensure access to services for Medicaid and Nevada Check Up recipients that may not otherwise be available from in-state providers or in those instances where a recipient is in need of emergency care while outside of the State of Nevada.

501 SCOPE AND RESPONSIBILITY

These procedures will be followed for all out of state providers for which there is not an existing procedure for individual recipient reimbursement agreements. This process does not apply to out-of-state nursing facility services, ICF/MR services, or residential treatment facility services.

These procedures are applicable primarily to inpatient and outpatient acute, psychiatric, and specialty hospital services and other services associated with such treatment, including transportation, physician and other health care professional services.

The Rates and Cost Containment (RACC) Unit of DHCFP is responsible for administering the provision of this section. All agreements under this section are not final until they have completed the Division’s internal policy clearance process.

502 PROCEDURES

A. Before an agreement under this section can be finalized, a provider must be enrolled as a current Medicaid provider.

B. The provider must provide the RACC unit representative with a list of current active Nevada Medicaid provider numbers for which the agreement will apply.

C. The RACC unit will negotiate a reimbursement agreement with the provider within the constraints of the Nevada State Plan for Medicaid and the Medicaid Services Manual. A percentage of usual and customary billed charges is the most common methodology, but other methods may be acceptable.

D. The RACC unit will conduct such negotiations with the purpose of both ensuring fiscal responsibility and restraint as well as providing access to services for recipients.

E. All agreements must be consistent with the capabilities of the MMIS claims processing system. Agreements which require manual intervention in order to process a claim should be avoided.

F. Agreements will not be for a single recipient. They are for all services provided by that provider. Methodologies may vary by type of service.

G. All agreements must have a reimbursement effective date and expiration date. This allows for periodic review and updates of the methodology. For instance, California acute hospitals may be reimbursed based on the Medi-Cal interim reimbursement rate, which is updated annually. In the event an agreement expires without renewal, the provider will be reimbursed on the same basis as in-state providers for the same services.

H. The Out-of-State Provider Reimbursement Agreement template will be used to memorialize the reimbursement agreement with the provider.

I. Once tentative agreement has been reached with the provider, RACC will obtain signature approval of the terms of the agreement from the appropriate provider representative.

J. Once provider authorization is obtained, the Out-of-State Provider Reimbursement Agreement form and appropriate back-up will be submitted through the Division policy clearance process to obtain final Division approval for the agreement.

K. Once the agreement has been approved through clearance, the Chief of the RACC unit will sign the Out-of-State Provider Reimbursement Agreement to indicate final approval.

L. The RACC unit will provide copies of the agreement to the provider, First Health Services provider enrollment, and the appropriate DHCFP program Chief.

M. The RACC unit will then process a change control request to update the MMIS claims processing system to ensure the provider is reimbursed according to the terms of the agreement (including the expirations date).

N. The RACC unit will advise the provider not to submit claims until they have verified the MMIS claims processing system has been updated appropriately. The RACC unit will notify the provider once this is complete.

O. The RACC unit is responsible for tracking all such agreements completed under this process. This includes monitoring the expiration dates and ensuring appropriate and timely updates to the agreements.

502.1 Out-of-State Provider Reimbursement Agreement Template

See attached

STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES
DIVISION OF HEALTH CARE FINANCING AND POLICY
1100 E. William Street, Suite 101
Carson City, Nevada 89701

KENNY C. GUINN
Governor

MICHAEL J. WILLDEN
Director

CHARLES DUARTE
Administrator

[Date]

Out-of-State Provider Reimbursement Agreement

This agreement confirms the negotiated rates between «FacilityName» («FacilityAbbreviation») and the Division of Health Care Financing and Policy, Nevada Medicaid (DHCFP) for the services listed below. This agreement supercedes any prior reimbursement agreements between «FacilityAbbreviation» and DHCFP.

DHCFP, as payer of last resort, agrees to reimburse as follows:

PROVIDER NUMBER(S)	REIMBURSEMENT METHODOLOGY/RATE	EFFECTIVE DATE	EXPIRATION DATE

The provider agrees to abide by all other terms of their Nevada Medicaid provider contract and all other program requirements. Payment is contingent upon these other requirements, including but not limited to eligibility, benefits available at the time the service is rendered, contractual terms, limitations, exclusions, and coordination of benefits, and other terms & conditions set forth by the benefit program.

______________________________ ____________

Patrick Cates, ASO III, Rates & Cost Containment Unit Date
Division of Health Care Financing and Policy

______________________________ ____________

«Name, Title» Date
«FacilityName»