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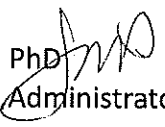
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Health Care Services Branch
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July 5, 2019

MEMORANDUM

MEMO NO.
QI-1917

TO: QUEST Integration Health Plans

FROM: Judy Mohr Peterson, PhD 
Med-QUEST Division Administrator

SUBJECT: OUT-OF-STATE & DEFAULT PROVIDER TYPE CLARIFICATIONS

This memo is to provide clarifications regarding out-of-state providers. Please review the Medicaid Provider Enrollment Compendium (MPEC) dated July 24, 2018, section 1.5.1.C.2.a, that is reproduced as Appendix A.

Payments may be made to furnishing providers not enrolled with MQD under certain circumstances, as described in section 1.5.1.C.2.a. If there are claims paid that meet these circumstances, then submit the provider information to MQD for enrollment. Assign the provider type 'Z1 – Out-of-State' to this provider when submitting to MQD, and be sure to include the provider's NPI. Note that the Z1 provider type does not require a License Record (FF) in the HPA file.

Additionally, payments should never be made to a provider with a provider type of '73 – Default Provider' under any circumstances. Future rate setting will exclude any encounters with providers that have a provider type of '73 – Default Provider'.

If there are any questions, please contact Jon Fujii at 692-8083 or email jfujii@dhs.hawaii.gov.

Appendix A

1.5 Enrollment and Screening – General Requirements (§ 455.410(a))

1.5.1 Enrollment Requirements for Specific Provider Categories

C. Furnishing Providers

2. When the SMA is not Required to Enroll Furnishing Providers

a. Limited Exception for Services Furnished by Providers Out-of-State

Regarding services furnished out of state, under federal regulation § 435.930(c), state Medicaid agencies must furnish Medicaid promptly without delay, to all eligible individuals, and make arrangements to assist applicants and beneficiaries to get emergency medical care whenever needed. Further, under § 431.52, the state Medicaid agency must pay for services furnished in another state to the same extent it would pay for services furnished within its boundaries if the services are furnished to a beneficiary who is a resident of the state, under conditions including and not limited to emergency services and services that are more readily available in another state.

As described in Section C.1. above, a SMA generally must enroll furnishing providers. For claims representing care furnished to a participant by an out-of-state furnishing provider, the SMA may pay a claim to a furnishing provider that is not enrolled in the reimbursing state's Medicaid plan, in limited circumstances. Such claims qualify for FFP only to the extent that they are otherwise payable and meet the following criteria:

- The item or service is furnished by an institutional provider, individual practitioner, or pharmacy at an out-of-state practice location— i.e., located outside the geographical boundaries of the reimbursing state's Medicaid plan
- The NPI of the furnishing provider is represented on the claim;
- The furnishing provider is enrolled and in an “approved” status in Medicare or in another state's Medicaid plan;
- The claim represents services furnished, and;
- The claim represents either
 - A single instance of care furnished over a 180 day period, or
 - Multiple instances of care furnished to a single participant, over a 180 day period.

For any instances of care that exceed the thresholds above, the SMA must enroll the furnishing provider in the state Medicaid plan for subsequent claims to be FFP-eligible.

EXAMPLE: A beneficiary receives a complex inpatient service at an out of state hospital. The beneficiary will be treated by multiple providers and the hospital will also bill the beneficiary's home state Medicaid plan for facility fees. Claims are eligible for FFP only to the extent the following conditions are met: the NPI of the furnishing provider is listed on the claim; the furnishing provider, if they were to enroll in the reimbursing state Medicaid Plan, would enroll with an out of state practice location; the furnishing provider is enrolled in Medicare or another state's Medicaid plan and in an "approved" status; and, either there has not been more than one instance of payment made (irrespective of eligibility of payments for FFP) representing a claim for services furnished by that provider's NPI over a 180 day period, or, if there are multiple instances of payment made for services by that furnishing provider's NPI over a 180 day period, that the payment is for a single beneficiary over a 180 day period.

As discussed in Section 1.5.3.B.3.d, the SMA may, but is not required to, rely on provider screening performed by another state's Medicaid Program.

As discussed in Section 1.5.3.a. and 1.5.3.c, the SMA may, but is not required to, rely on provider screening performed by Medicare.

If the SMA opts not to rely on screening performed by either another state's Medicaid or by Medicare, the SMA must perform screening in compliance with the requirements at Subpart E.